

ALASKA LEGISLATURE

1364

HOUSE and SENATE FINANCE COMMITTEE FILES, 1995-1996

HB

272

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

Delivered
4-11-96

DATE: 3/26/96

DATE TURNED INTO OFFICE: 4/9/96

The Finance Committee considered CS FOR HOUSE BILL NO. 272(FIN)

"An Act relating to municipal taxation of motor vehicles; and providing for an effective date."

REPORTED OUT OF
SFC 4/8/96

and recommends:

- be replaced with 5 CS CS HB 272 (FIN)
- adopt previous _____ CS _____
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical change
 - new: SCR# _____

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Steve... Hall & Hill [Signature]</i>	✓		
Co-Chair: <i>[Signature]</i>		Co-Chair: <i>[Signature]</i>			
Co-Chair:		Co-Chair: <i>Rich Halford</i>	✓		

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

#3	DC+RA	7/2/94	0	
#4	DPS	7/4/96		44.5

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

No. 4

STATE OF ALASKA
1996 LEGISLATIVE SESSION

Bill Version: CSHB 272(FIN)
(H) Publish Date: 2/9/96

Revision Date: <u>2/6/96</u>	Dept. Affected: <u>Public Safety</u>
Title: <u>Act relating to municipal taxation of motor vehicles and providing for an effective date.</u>	BRU: <u>Motor Vehicles</u>
Sponsor: <u>Rep. Hanley</u>	Component: <u>Field Services</u>
Requestor: <u>H. Finance</u>	Administration
COMPONENT SERIAL NO. <u>0501</u>	

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES	21.5	32.2	32.2	32.2	32.2	32.2
TRAVEL						
CONTRACTUAL	13.0	22.9	22.9	22.9	22.9	22.9
SUPPLIES						
EQUIPMENT	10.0	10.0				
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	44.5	115.1	105.1	105.1	105.1	105.1
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ()	10.5	65.5	120.5	120.5	120.5	120.5
Revenue Code						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	44.5	115.1	105.1	105.1	105.1	105.1
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	44.5	115.1	105.1	105.1	105.1	105.1

Estimate of current year (FY 96) impact: \$ _____


POSITIONS:

FULL-TIME	1	2	2	2	2	2
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary.)

The Municipal Vehicle Registration Tax (MVRT) program began in 1978. Under this program a municipality can elect to have DMV collect a municipal tax at the same time as the registration fees are collected. This tax would be in lieu of a personal property tax collected by the local government. DMV retains 8% of the tax for collection costs and the remainder is returned to the municipalities. In FY 95 DMV collected approximately \$6.9 million in tax for the 13 local governments in the program. The original program was established with one tax schedule that applied to all vehicles in the state. This bill will eliminate the one tax schedule and allow each local government to set their own rates.

(See attached sheet for continuation)

Prepared By: <u>Juanita M. Hensley</u>	Phone: <u>465-2650</u>
Division: <u>Motor Vehicles</u>	Date: <u>2/5/96</u>
Approved by Commissioner: <u></u>	Date: <u>2/10/96</u>
Agency: <u>Ronald L. Ote, Dept. of Public Safety</u>	

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FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO: CSHB 272(CRA)

Revision Date: 2/5/96

Dept. Affected: Public Safety

ANALYSIS CONTINUED:

It is anticipated that each of the 13 local governments in the program will establish their own tax schedules. Each local government has cited their desire to address their individual tax needs and therefore it stands to reason that each tax schedule will be different.

The two main sources of dissatisfaction with the program have been that the tax rates have not kept pace with increases in other taxes and that the rates are difficult to change. These same reasons are cited as reasons for not participating by those governments not currently in the program. This bill will address those problems and with these changes it is likely that other local governments may elect to join the program.

PROGRAM COSTS

The multiple tax schedules will require increased costs for extensive data processing changes and for administrative oversight to ensure correct and timely payments. These are overhead charges that would be incurred even if only a few local governments changed each year rather than the universal changes that are expected. This program will be a significant change from the existing program where all participants are paid according to the same fee schedule. The data processing changes will create and maintain separate tax tables for each taxable location and change the processing logic for both the mail renewal notices and the on-line processing system. Costs will be incurred each time any one of the taxable locations changes fees. DP chargeback fees will increase due to the increased processing time for accessing multiple separate tax tables. The programming will be accomplished by contract programmers as all existing programmers are fully committed to other mandatory projects.

If the bill passes with an effective date of July 1, 1996, any municipality could notify DMV before January 1, 1997, that the tax schedule will change. The soonest date that the new taxes will be collected will be January 1, 1998. An Accounting Technician I position will be used to set up the program, test new computer programs, coordinate year change over to the new schedules, and to develop new payment and auditing services. This position will start on January 1, 1997, to establish the program so only 50% of the personal services costs will be shown in FY97. This position will continue through the life of the program and will be the single position responsible for auditing and payment for 13 local tax collection and payment programs and for establishing new programs for any local government that elects to join the program. The computer changes will also be accomplished in FY 97 in order to be ready for registrations that can be processed early. The costs for computer changes will continue each year as it is anticipated that there will be various changes and new municipalities will join.

The program will also have an impact on the mail renewal unit and will require one Motor Vehicle Fee Unit position beginning on July 1, 1997. This position will be responsible for work associated with returning mail to owners who have moved to a new location and have sent incorrect fees. Each year there are address changes for approximately 25% of the vehicle owners. Currently this is not a major problem because the majority of the vehicles are in a taxable location and the fees remain the same regardless of location. Under this bill the tax fees would be different if the owner moves to a new city and the renewal could not be processed until correct fees are submitted. Not all of the address changes are to a new city but a significant percentage are. This analysis will assume that half or 12.5% of the address changes will have to be returned for correct fees. Based on the mail renewal usage in 1995 this equates to 31,000 renewals that will have to be returned and reprocessed when returned with correct fees. Additional postage will be required for this work also.

PERSONAL SERVICES

	<u>FY97</u>	<u>FY98</u>
1 Accounting Tech I (Range 12B) (50% shown in FY97)	\$21.5	\$43.0
1 MVR Unit (Range 9B) @ 39.2 (FY 98 and forward)		\$39.2

CONTRACTUAL

Computer programming 140 hrs @ \$75.00 (Includes basic program modification for new tables, mailout program and batch reconciliation reports.)	\$10.5	\$10.5
Postage (31,000 letters @ \$0.32) (FY 98 and forward)		\$ 9.9
DP charge back costs	\$2.5	\$2.5

EQUIPMENT

Computer workstation and office equip. for new employees @ \$10,000.00 (see schedule below)	\$10.0	\$10.0
--	--------	--------

TOTAL	\$44.5	\$115.1
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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO: CSHB 272(CRA)

Revision Date: 2/5/96

Dept. Affected: Public Safety

ANALYSIS CONTINUED:

Workstation Equipment

Computer 486/66	\$3,000.00
Monitor	300.00
Printer	3,000.00
IRMA Card	450.00
Surge Protector	55.00
Token Ring Card	400.00
Software for APSIN	500.00
Desk	500.00
Chair	400.00
Adding Machine	130.00
Waste Basket	30.00
DP Terminal Charge 1 Year	340.00
Station Hook Up (Coax)	95.00
Misc Desk Supplies	<u>200.00</u>
Total	\$10,000.00

***REVENUE ***

In FY 95 DMV collected nearly \$6,900,000 in Municipal Tax revenue for local governments. All of this less 3% for collection costs is returned to the local governments. In addition to the 3% collection costs, this bill authorizes DMV to also retain the actual costs for any changes made to the fee schedule. These are the new revenue amounts that are shown in the first two years of the program and these are the new costs associated with the start up of the program. In addition to the start up costs it is assumed that all municipalities that elect to change their rates will increase rather than decrease the tax rates. This will also generate additional revenue as DMV will retain 8% of any increase.

For purposes of this fiscal note it will be assumed that tax collections in future years will increase by 20% and the revenue shown in FY 99-FY02 will reflect this increase of 20% over the \$550,000 that is currently retained for collection costs. Only half this increase will be shown in FY 98 as the new tax rates go into effect on January 1. Actual revenue increases will depend on the tax level adopted by each local government unit.

The major impact of this bill will not be felt until the second year after passage when the new tax rates go into effect. DMV will need to have an increment in the FY98 budget to have the authority to receive and expend the increased Program Receipts to fund the additional costs.

FISCAL NOTE

STATE OF ALASKA
1996 LEGISLATIVE SESSION

BILL NO: NO. 3

Bill Version: CSHB 272(FIN)

(H) Publish Date: 2/9/96

Revision Date: 2/2/96
Title: An Act relating to municipal taxation of motor vehicles
Sponsor: Rep. Hanley
Requestor: House Finance

Dept. Affected: Community & Regional Affairs
BRU: none
Component: none
COMPONENT SERIAL NO. _____

EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)

	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
OPERATING						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL EXPENDITURES	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

CHANGE IN REVENUES ()						
Revenue Code						

FUNDING: (Thousands of Dollars)

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

Estimate of current year (FY 95) impact: \$ none

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary.)

This legislation would have no fiscal impact on the department.

Prepared By: Remond Henderson, Director *Remond Henderson* Phone: 465-4808
Division: Administrative Services Date: 2/2/96

Approved by Commissioner: Mike Irwin *Mike Irwin* Date: 2/2/96
Agency: Mike Irwin, Dept. of Community & Reg. Affairs

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A FAX

Alaska State Legislature

Date: 4-9-96

To: Legal Services - Mike Ford

Fax #: 2029 Phone #: 2450

From: Kathy - Senate Finance

Phone #: 2618

Re: JCS CSNB 272 (Fix) - Please
incorporate the attached conceptual
amendment (in lieu of amend. 9-LS0841\F.4)
into CSNB 272 (Fix) to produce a
final Senate Finance version.

Following this page, please find 1 page(s). If this does not reach you in full, please inform us ASAP.

Please return to Room 520



THANK YOU.

Kathy

4/9/96
9-LS0841\F.4' SR
Ford
4/3/96 move.
Conceptual
amend
adopted
instead

AMENDMENT

OFFERED IN THE SENATE

TO: CSHB 272(FIN)

BY SENATOR RIEGER

SENATE FINANCE
COMMITTEE

Amendment Number: 1
Bill Number: CSHB 272(FIN)
Sponsor: _____ Date: 4-8-96
Logged In By: RL

1 Page 1, after line 3:

2 Insert a new bill section to read:

3 **** Section 1.** AS 28.10.431(f) is amended to read:

4 (f) Money received by an organized borough under this section shall be
5 allocated by the borough by ordinance for city, area outside city, and service area
6 purposes within the borough. If a municipality by ordinance increases the
7 scheduled amount of tax described under (b) of this section, the amount of
8 additional money received under this section by a municipality equal to the
9 amount paid by residents of a road service area and owners of vehicles with a tax
10 situs in that road service area shall be used by the municipality only in that road
11 service area. In this subsection, "tax situs" means the location at which the
12 motor vehicle is usually, normally, or regularly kept or used."

13 Page 1, line 4:

14 Delete "Section 1."

15 Insert "Sec. 2."

16 Renumber the following bill section accordingly.

Text of conceptual amendment by Sen. Rieger

new section to read:

*Money received by an increase
under this section shall be
used to reduce the tax mill
rate across the entire borough.*

4/11/96
am

3rd Attempt

Hold for word from

Betty.

4/11/96 Ordered Final

9:15 am

Approved
by Betty

9-LS0841M ✓

Ford

4/10/96

SENATE CS FOR CS FOR HOUSE BILL NO. 272(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES HANLEY, Navarre, G.Davis

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal taxation of motor vehicles; and providing for an
2 effective date."

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

4 * Section 1. AS 28.10.431(f) is amended to read:

5 (f) Money received by an organized borough under this section shall be
6 allocated by the borough by ordinance for city, area outside city, and service area
7 purposes within the borough. If a municipality by ordinance increases the
8 scheduled amount of tax described under (b) of this section, the amount of
9 additional money received under this section by the municipality shall be used to
10 reduce property taxes levied by the municipality at a uniform rate within its
11 entire area.

12 * Sec. 2. AS 28.10.431 is amended by adding a new subsection to read:

13 (i) A municipality that imposes a motor vehicle registration tax as described
14 under (a) of this section may also increase or decrease the scheduled amount of tax

1 described under (b) of this section by passage of an appropriate ordinance. A
2 municipality that chooses to change the tax imposed under (b) of this section shall file
3 a written notice of the change with the department by January 1 of the year preceding
4 the year in which the change in tax is to take effect. A municipality may not change
5 the amount of the tax imposed under this section more than once every two years.
6 The department may charge a municipality a one-time fee to cover the cost to the
7 department of implementing a change under this subsection.

8 * Sec. 3. This Act takes effect July 1, 1996.

4/10/96

Hold for

approval by Sen.

Rieger.

4/10/96 - 5:45 pm

Not approved

3rd Draft coming
tomorrow morning.

SENATE CS FOR CS FOR HOUSE BILL NO. 272(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): REPRESENTATIVES HANLEY, Navarre, G.Davis

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6 allocated by the borough by ordinance for city, area outside city, and service area
7 purposes within the borough. If a municipality by ordinance increases the
8 scheduled amount of tax described under (b) of this section, the amount of
9 additional money received under this section by the municipality shall be used to
10 reduce

11 (1) areawide taxes on real and personal property in a borough; and

12 (2) taxes on real and personal property in a city.

13 * Sec. 2. AS 28.10.431 is amended by adding a new subsection to read:

14 (i) A municipality that imposes a motor vehicle registration tax as described

1 under (a) of this section may also increase or decrease the scheduled amount of tax
2 described under (b) of this section by passage of an appropriate ordinance. A
3 municipality that chooses to change the tax imposed under (b) of this section shall file
4 a written notice of the change with the department by January 1 of the year preceding
5 the year in which the change in tax is to take effect. A municipality may not change
6 the amount of the tax imposed under this section more than once every two years.
7 The department may charge a municipality a one-time fee to cover the cost to the
8 department of implementing a change under this subsection.

9 * Sec. 3. This Act takes effect July 1, 1996.

4/9/96

Hold for
approval of
Conceptual amend.

~~Process~~
~~notes.~~

Copy of SC3 (Fix) draft to
Rep. Hanley (Kim)

Sen. Rieger - Betty to get redraft.
Larry
Sen. Rieger did not
like language.

4/9/96
pm
SR

Alaska Star
Editorial
2/28/96

Service areas are threatened

There is increasing concern that the service area concept within the Municipality of Anchorage is under seige. Action taken by the Assembly to annex the Hillside into the city police service area was a shameful sham. Comments made by some assembly members made it clear that they do not respect the charter and do not support the continuation of service areas.

At risk are the many limited life road service districts in South Anchorage, the streetlight district in Eagle River, the Chugiak - Eagle River road district, the Chugiak - Eagle River parks and recreation district and volunteer fire service in the Chugiak fire district.

UNDER LEGAL ADVICE from the municipal attorney, Assembly members say that these service areas can be dissolved and merged by a simple six-vote majority.

That absolutely must not be allowed to happen. It violates the very basis of government within the Municipality of Anchorage. The charter — which in Anchorage has the same standing as the Constitution of the United States — is clear. A service area cannot be created, altered or abolished without a vote of the people within the area affected. That stipulation is listed in the Bill of Rights and is spelled out in more detail in the body of the document itself.

Those who want to simplify the city bookkeeping process are attempting to mix apples and oranges in the state statute barrel. What applies to other cities and boroughs does not apply to unified home rule boroughs.

WHY SHOULD ANYONE even care? We're told that after all, this is one city, there aren't any more ~~ne~~ areas in our megalopolis, the charter was adopted more than a quarter of a century ago and most of the people who were involved are either dead or have left the country. Why, then, should there not be one police service, one fire service, one road service, one parks service, etc.

Why, indeed. Yes, Anchorage is one city but its sections are not the same. Their needs are not the same. Their desires are not the same.

That's why the service area concept is a good tool of government. It allows people to tailor services to fit their needs.

PARKS AND RECREATION is a good example. People in Chugiak - Eagle River asked to have a service area which could make the high school swimming pool available for use by the public. They also wanted an entity which could obtain and maintain parks and playfields.

They formed a local recreation district which was to operate on a half-mill tax. The district would look to volunteer organizations to operate the programs, assisted by grants from the local district to help offset some of their costs. A board of supervisors was created to oversee the allocation of funds.

Even though its budget has since septupled, that district still operates at a half-mill tax rate. It provides for local residents a swimming pool, an ice rink, dozens of sports fields, tennis courts, playgrounds, neighborhood parks and other services. The rest of Anchorage pays half again as much in taxes. We don't see where it buys for them any more parks or recreation programs per capita than are enjoyed by residents of Chugiak - Eagle River.

GOVERNMENT LOOKS TO user fees and volunteers as a way to help balance its budget. That's what service areas are all about.



Representative Mark Hanley

Alaska State Legislature

SPONSOR STATEMENT

House Bill No. 272

"An Act relating to municipal taxation of motor vehicles"

CSHB 272 (FIN) would allow municipalities that impose a motor vehicle registration tax to increase or decrease the schedule set in statute. Currently, there is no provision to change or update the fee schedule. This change would relieve the Legislature of the burden of adjusting rates by legislation.

A municipality electing to change its rates would be required to pass an ordinance in support of the increase or decrease, and provide written notice to the department at least one year before the change would take place. The municipality would not be able to make such a change more than once every two years.

The municipality would pay the one time programming cost for the change incurred by the Department of Public Safety. The department collects 8% of the gross as a collection fee; a rate increase would result in a larger base for collection.

Each municipality should be able to choose reasonable tax rates suited to its needs and situation. CSHB 272 (FIN) gives communities another tool to decide on the local level how to handle their fiscal situations, and puts the responsibility for change where it belongs. This will become increasingly important as state funding for municipalities continues to decline. The local ordinance provision and the democratic process will ensure adequate public input on any tax rate changes.

Municipality
of
Anchorage



P.O. Box 196650
Anchorage, Alaska 99519-6650
Telephone: (907) 343-4431
Fax: (907) 343-4499

Rick Mystrom, Mayor

OFFICE OF THE MAYOR

January 23, 1996

Representative Mark Hanley
Alaska State Legislature
State Capitol
Juneau, Alaska 99801

Re: House Bill 272

Dear Mark:

The Municipality of Anchorage supports your efforts through House Bill 272 to enable municipalities to set the tax rate imposed on motor vehicles within their jurisdiction.

We believe passage of this bill will help Anchorage and other Alaska communities solve one of our nagging problems.

Road and street maintenance is becoming increasingly costly in Alaska. In Anchorage these costs are borne by property taxpayers. If local government was empowered to set vehicle registration fees, some of the road maintenance costs could be borne by the users instead of the property taxpayers.

HB 272 is a positive bill that addresses a major problem facing Alaska's cities. Thank you for leadership on this important issue.

Sincerely,

Rick Mystrom
Mayor

**MUNICIPALITY OF ANCHORAGE
1995 LEGISLATIVE PROGRAM**

LEGISLATIVE ISSUES

TITLE: Vehicle Registration Fees Set By Local Government

The Municipality of Anchorage supports amending existing statutes to allow Municipalities and other local governments to determine appropriate motor vehicle registration fees to meet funding needs for their localities.

Road and street maintenance is becoming increasingly costly in Alaska. In Anchorage, these costs are borne by property taxpayers. One significant example of such costs involves the over \$100,000 of general tax revenues currently applied to cover the annual cost of removing abandoned and junk vehicles. A more equitable distribution of costs would involve empowering the local community to increase vehicle registration fees in order to increase the vehicle owners' share of road and street maintenance costs.

We support legislation that would allow a more equitable taxation on motor vehicles for each community. The current statute should be amended to allow each community participating in the Motor Vehicle Registration Tax program (AS 28.10.431) to establish individual rates for vehicle taxation. These individual community rates could be established within the state computer system. The rates would continue to be based on type and age of vehicle (information which is currently obtained from the state's vehicle registration files).

A legislative change in 1993 increased the administrative fee charged by the State Division of Motor Vehicles for administration of the Motor Vehicle Registration Tax program from 5% to 8%. For Anchorage, this fee is currently about \$330,000 annually. The State Division of Motor Vehicles should be able to accommodate any additional costs generated by the proposed local government determination of appropriate motor vehicle registration fees within the 8% fee. Since the amount of the 8% fee revenues to the State could increase significantly if local governments increase the amount of the Motor Vehicle Registration Tax, the Statutes should be amended to limit the State's fee to the actual costs for administration of the program not to exceed eight percent of the amount collected.

(more)

**Vehicle Registration Fees Set By Local Government
(Continued)**

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

* Section 1. INTENT. It is the intent of the legislature that every community participating in the Motor Vehicle Registration Tax program shall set their own rates of taxation; that this program shall continue to be administered and collected by the State of Alaska; that the State of Alaska shall continue to return all amounts so collected, less actual collection costs not to exceed eight percent of the amount collected, to the municipality for which the money was collected.

* Section 2. AS 28.10.431(b) is amended to read:

Section 28.10.431(b). The tax is levied upon motor vehicles subject to the license fee under AS 28.10.411 and 28.10.421 and is based upon the type and age of vehicles as determined by model year according to the schedule established by each community participating in this program. If the community does not choose to establish their own schedules, the tax will be computed based on the following schedule:

* Section 3. AS 28.10.431(e) is amended as follows:

Section 28.10.431(e). The department shall refund money collected under this section, less the departments actuals costs of administration not to exceed eight percent of the amount collected [less eight percent as collection costs], to a municipality for which the money was collected

Contact: Gene Dusek, Budget Director
Office of Management & Budget
Phone: 343-4490



MATANUSKA-SUSITNA BOROUGH

Borough Manager

350 E. Dahlia Avenue, Palmer, Alaska 99645-6488
Phone (907) 745-9689 • FAX (907) 745-0886

April 3, 1995

The Honorable Lyda Green
Alaska State Legislature
Rm. 423, State Capitol
Juneau, Alaska 99801-1182

Dear Senator Green:

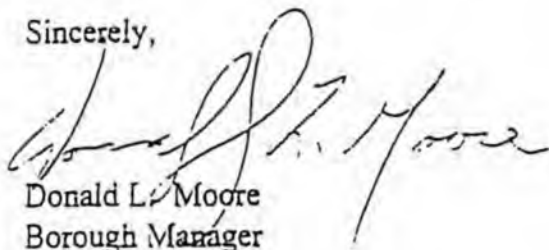
Thank you for the meeting with us recently to discuss legislative issues of interest to the borough. As we discussed at that meeting, I am providing a list of points in support of the draft legislation which would adjust the method of taxation of automobiles.

- This is not a new tax. The State of Alaska currently collects a "fee" on motor vehicles on behalf of local municipalities. Unfortunately, the fee schedule is far too low and does not allow municipalities any flexibility to adjust the schedule to their individual needs.
- The draft legislation would not increase state taxes. This legislation only allows local municipalities to raise or lower their taxes. If local governments are going to be burdened with cuts in revenue, they will need the tools to adjust local taxation programs in a manner that best meets their needs.
- State collection costs would be charged to the program. The point of registration is the most efficient manner to collect fees on motor vehicles. Under this program the state would charge its collection costs to the municipality on whose behalf the tax is collected.
- Many demands for local government services are related to roads and automobiles. The proposed legislation would allow local governments to recover some of the costs and generate revenues to provide services that relate to motor vehicles. Examples are: emergency medical and rescue services, road maintenance, and capital matching money for construction.
- Promote equity in the personal property taxation program. If the current very low vehicle tax were raised, the local municipality could generate sufficient funds to adjust or eliminate the onerous features of personal property taxation.

I hope this information is useful to you. The very restrictive personal property taxation laws in the State of Alaska have been a problem for municipalities, especially the Matanuska-Susitna Borough for a long time now. We greatly appreciate your willingness to finally craft some legislation in this regard that allows us to deal with this issue in a rational way.

Please give me a call if you require further information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Donald L. Moore".

Donald L. Moore
Borough Manager

er

cc: Jim Colberg, Assembly Member



217 Second Street, Suite 200 ■ Juneau, Alaska 99801 ■ Tel (907) 586-1325, Fax (907) 463-5480

April 4, 1996

Senator Rick Halford
Co-Chair, Senate Finance
State Capitol
Juneau, AK 99811

Dear Senator Halford:

On behalf of the Alaska Municipal League, thank you for scheduling HB 272 for a hearing in Senate Finance. HB 272 will allow municipalities who have a motor vehicle registration tax to change their tax rate not more than once every two years.

The League supports putting responsibility for setting tax rates at the local level to be decided by the community and the people who pay the tax and benefit from the proceeds of the tax.

HB 272 will take the burden off the Legislature to change the amount of motor vehicle registration tax, which is money that goes directly to municipalities.

The League sees no conflict between HB 272 and the proposed biennial vehicle registration. Although some municipalities are likely to create rates lower than currently in statute, either the state or any municipality will have to take a biennial registration under consideration when setting rates. It is unlikely, and probably politically impossible, for a municipality to adopt rates considered onerous by their citizens.

The state provides an efficient collection system for the municipalities. The current state system to track and collect the fees could not be duplicated by any municipality. For its assistance, the state collects an 8 percent administrative fee plus any special up front costs to change rates. This bill represents a good partnership between the state and its municipalities.

Again, our thanks for bringing this before the Committee and if you have any questions regarding the League's position, please do not hesitate to call me at 586-1325.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Ritchie', written over a horizontal line.

Kevin C. Ritchie
Executive Director

c:\jk\leg96\hb272.doc

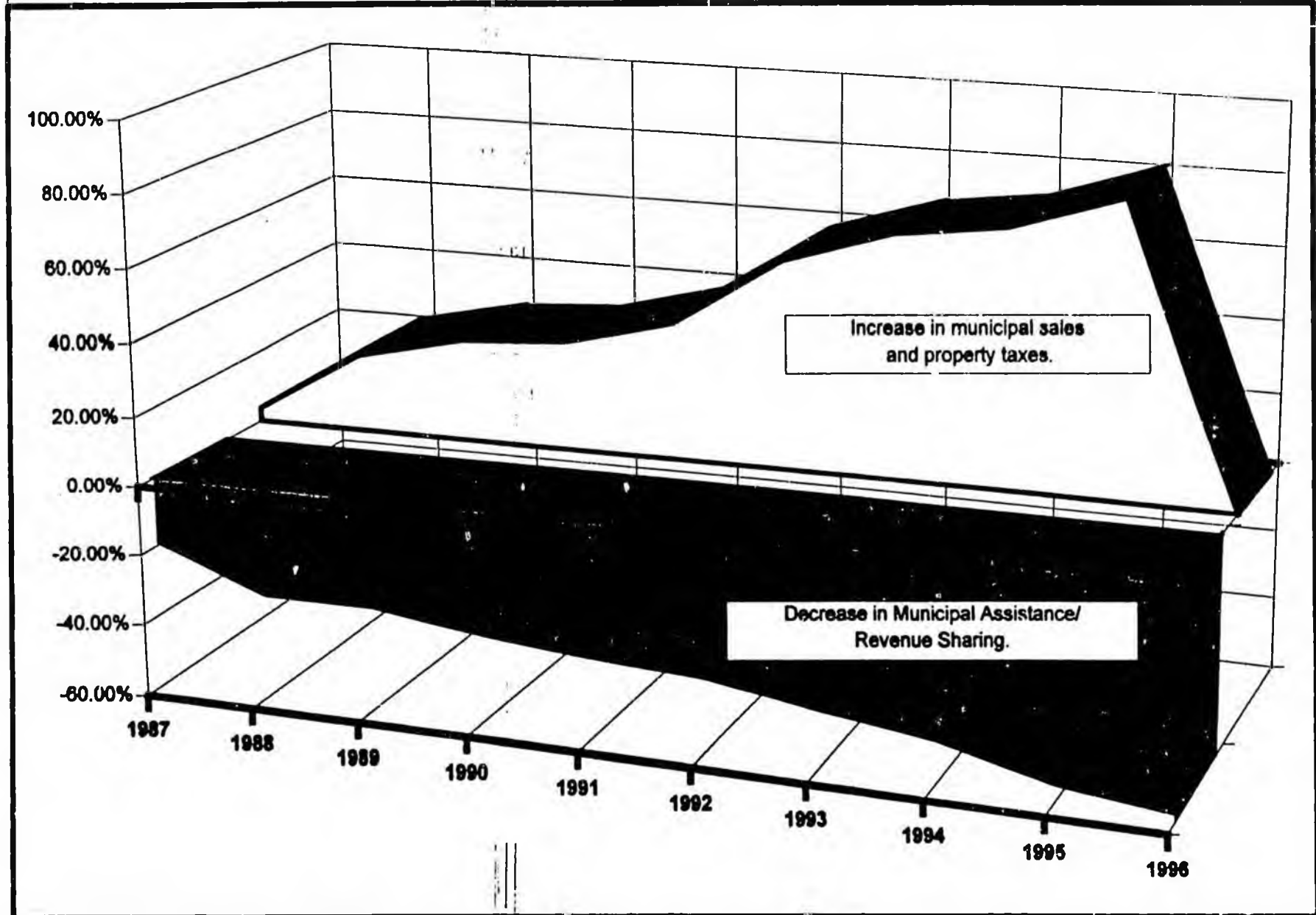
TABLE 4

TYPE OF PROPERTY TAX LEVIED

BOROUGH/UNIFIED MUNICIPALITIES	Residential	Business Machinery Equipment	Motor Vehicles	Boats & Vessels	Business Inventory	Aircraft
ANCHORAGE	FV	FV	ST COL	EX	FV	EX*
BRISTOL BAY	OP EX	FV	FV	FV	FV	FV
FAIRBANKS NORTH STAR	OP EX	EX	EX	EX	EX	EX
HAINES	FV	FV	EX	FF	EX	FV
JUNEAU	FV	FV	FV**	EX	EX	FV**
KENAI PENINSULA	OP EX	FV	ST COL	FV	EX	FV
KETCHIKAN GATEWAY	FV	FV	ST COL	FF	EX	FV
KODIAK ISLAND	FV	FV	ST COL	FF	EX	FV
MATANUSKA-SUSITNA	FV	FV	ST COL	EX‡	FV	EX‡
NORTH SLOPE	OP EX	FV	FV	FV	FV	FV
SITKA	FV	FV	EX	FF	FV	FV
CITIES						
CORDOVA	FV	EX	EX	EX	EX	EX
CRAIG	FV	EX	EX	EX	EX	EX
DILLINGHAM	FV	FV	EX	FV	FV	FV
EAGLE	FV	EX	EX	EX	EX	EX
NENANA	FV	FV	ST COL	FV	FV	FV
NOME	FV	FV	ST COL	FV	FV	EX
PELICAN	FV	FV	EX	FF	FV	FV
PETERSBURG	FV	EX	EX	EX	EX	EX
SKAGWAY	FV	EX	EX	EX	EX	EX
UNALASKA	FV	FV	EX	EX	FV	FV
VALDEZ	OP EX	EX	EX	EX	EX	EX
WHITTIER	FV	FV	ST COL	FV	EX	EX
WRANGELL	FV	FV	EX	EX	EX	FV
YAKUTAT	FV	EX	EX	EX	EX	EX

- EX Exempt Property
- FV Full and True Value Assessment
- FF Optional, flat fee collected in lieu of property tax (AS 29.45.050(b)(1))
- OP EX Optional, residential exemption up to \$10,000 allowed (AS 29.45.050(a))
- ST COL State collected, annual motor vehicle tax (AS 28.10.431)
- * Aircraft are exempt from taxes except for scheduled carriers. Exempted aircraft pay a registration fee of \$75-\$125
- ** Commercial at full value, private exempt
- ‡ Boats and aircraft are taxed for value only up to \$5,000 in assessed value.

Comparison of Decreases in Municipal Assistance/Revenue Sharing vs Increases in Municipal Sales & Property Taxes





City and Borough of Sitka

100 LINCOLN STREET • SITKA, ALASKA 99835

February 6, 1996

The Honorable Mark Hanley
Alaska State House of Representatives
FAX 465-2418
Juneau, Alaska

Dear Representative Hanley:

At an Alaska Municipal League teleconference today, I learned HB 272 relating to Municipal Taxation of Motor Vehicles will be discussed in a House Finance Hearing tomorrow. The City and Borough of Sitka supports this bill to provide flexibility to municipalities to impose or change a motor vehicle registration tax to provide local revenues.

This bill will also provide State revenues through the 8 percent collection fee. Municipalities need assistance from the Department of Public Safety to collect the tax efficiently and enforce the payment of fees through the registration process. Although Sitka does not intend at this time to raise municipal motor vehicle tax rates, at some time in the future, this may need to happen. HB 272 will facilitate this process and provide a measure of local control for municipalities to be able to set a rate at a level acceptable in each community.

Thank you for the opportunity to comment.

Sincerely,

Gary L. Paxton
Administrator

cc: Alaska Municipal League
Representative Grussendorf
Senator Taylor



Representative Mark Hanley

Alaska State Legislature

SPONSOR STATEMENT

House Bill No. 272

"An Act relating to municipal taxation of motor vehicles"

CSHB 272 (FIN) would allow municipalities that impose a motor vehicle registration tax to increase or decrease the schedule set in statute. Currently, there is no provision to change or update the fee schedule. This change would relieve the Legislature of the burden of adjusting rates by legislation.

A municipality electing to change its rates would be required to pass an ordinance in support of the increase or decrease, and provide written notice to the department at least one year before the change would take place. The municipality would not be able to make such a change more than once every two years.

The municipality would pay the one time programming cost for the change incurred by the Department of Public Safety. The department collects 8% of the gross as a collection fee; a rate increase would result in a larger base for collection.

Each municipality should be able to choose reasonable tax rates suited to its needs and situation. CSHB 272 (FIN) gives communities another tool to decide on the local level how to handle their fiscal situations, and puts the responsibility for change where it belongs. This will become increasingly important as state funding for municipalities continues to decline. The local ordinance provision and the democratic process will ensure adequate public input on any tax rate changes.

Municipality
of
Anchorage



P.O. Box 196650
Anchorage, Alaska 99519-6650
Telephone: (907) 343-4431
Fax: (907) 343-4499

Rick Mystrom, Mayor

OFFICE OF THE MAYOR

January 23, 1996

Representative Mark Hanley
Alaska State Legislature
State Capitol
Juneau, Alaska 99801

Re: House Bill 272

Dear Mark:

The Municipality of Anchorage supports your efforts through House Bill 272 to enable municipalities to set the tax rate imposed on motor vehicles within their jurisdiction.

We believe passage of this bill will help Anchorage and other Alaska communities solve one of our nagging problems.

Road and street maintenance is becoming increasingly costly in Alaska. In Anchorage these costs are borne by property taxpayers. If local government was empowered to set vehicle registration fees, some of the road maintenance costs could be borne by the users instead of the property taxpayers.

HB 272 is a positive bill that addresses a major problem facing Alaska's cities. Thank you for leadership on this important issue.

Sincerely,

Rick Mystrom
Mayor

**MUNICIPALITY OF ANCHORAGE
1995 LEGISLATIVE PROGRAM**

LEGISLATIVE ISSUES

TITLE: Vehicle Registration Fees Set By Local Government

The Municipality of Anchorage supports amending existing statutes to allow Municipalities and other local governments to determine appropriate motor vehicle registration fees to meet funding needs for their localities.

Road and street maintenance is becoming increasingly costly in Alaska. In Anchorage, these costs are borne by property taxpayers. One significant example of such costs involves the over \$100,000 of general tax revenues currently applied to cover the annual cost of removing abandoned and junk vehicles. A more equitable distribution of costs would involve empowering the local community to increase vehicle registration fees in order to increase the vehicle owners' share of road and street maintenance costs.

We support legislation that would allow a more equitable taxation on motor vehicles for each community. The current statute should be amended to allow each community participating in the Motor Vehicle Registration Tax program (AS 28.10.431) to establish individual rates for vehicle taxation. These individual community rates could be established within the state computer system. The rates would continue to be based on type and age of vehicle (information which is currently obtained from the state's vehicle registration files).

A legislative change in 1993 increased the administrative fee charged by the State Division of Motor Vehicles for administration of the Motor Vehicle Registration Tax program from 5% to 8%. For Anchorage, this fee is currently about \$330,000 annually. The State Division of Motor Vehicles should be able to accommodate any additional costs generated by the proposed local government determination of appropriate motor vehicle registration fees within the 8% fee. Since the amount of the 8% fee revenues to the State could increase significantly if local governments increase the amount of the Motor Vehicle Registration Tax, the Statutes should be amended to limit the State's fee to the actual costs for administration of the program not to exceed eight percent of the amount collected.

(more)

**Vehicle Registration Fees Set By Local Government
(Continued)**

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

* Section 1. INTENT. It is the intent of the legislature that every community participating in the Motor Vehicle Registration Tax program shall set their own rates of taxation; that this program shall continue to be administered and collected by the State of Alaska; that the State of Alaska shall continue to return all amounts so collected, less actual collection costs not to exceed eight percent of the amount collected, to the municipality for which the money was collected.

* Section 2. AS 28.10.431(b) is amended to read:

Section 28.10.431(b). The tax is levied upon motor vehicles subject to the license fee under AS 28.10.411 and 28.10.421 and is based upon the type and age of vehicles as determined by model year according to the schedule established by each community participating in this program. If the community does not choose to establish their own schedules, the tax will be computed based on the following schedule:

* Section 3. AS 28.10.431(e) is amended as follows:

Section 28.10.431(e). The department shall refund money collected under this section, less the departments actuals costs of administration not to exceed eight percent of the amount collected [less eight percent as collection costs], to a municipality for which the money was collected

Contact: Gene Dusek, Budget Director
Office of Management & Budget
Phone: 343-4490

BILL: HB 272 SHORT TITLE: MUNICIPAL MOTOR VEHICLE TAX
BILL VERSION: CSHB 272(FIN)
SPONSOR(S): REPRESENTATIVE(S) HANLEY, NAVARRE, G.DAVIS

CURRENT STATUS: (S) FIN

STATUS DATE: 03/26/96

TITLE: "AN ACT RELATING TO MUNICIPAL TAXATION OF MOTOR VEHICLES; AND PROVIDING FOR AN EFFECTIVE DATE."

03/22/95	852	(H)	READ THE FIRST TIME - REFERRAL(S)
03/22/95	852	(H)	CRA, FINANCE
04/19/95	1365	(H)	CRA RPT CS(CRA) 2DP 2DNP 2NR
04/19/95	1366	(H)	DP: AUSTERMAN, IVAN
04/19/95	1366	(H)	DNP: VEZEY, KOTT
04/19/95	1366	(H)	NR: ELTON, NICHOLIA
04/19/95	1366	(H)	FISCAL NOTE (DPS)
02/07/96	2666	(H)	COSPONSOR(S): NAVARRE
02/09/96	2678	(H)	FIN RPT CS(FIN) 7DP 3NR
02/09/96	2678	(H)	DP: HANLEY, MULDER, GRUSSENDORF
02/09/96	2678	(H)	DP: NAVARRE, KELLY, BROWN, FOSTER
02/09/96	2678	(H)	NR: PARNELL, THERRIAULT, KOHRING
02/09/96	2678	(H)	FISCAL NOTE (DPS)
02/09/96	2678	(H)	ZERO FISCAL NOTE (DCRA)
02/21/96	2838	(H)	RULES TO CALENDAR 2/21/96
02/21/96	2838	(H)	READ THE SECOND TIME
02/21/96	2839	(H)	FIN CS ADOPTED UNAN CONSENT
02/21/96	2839	(H)	ADVANCED TO THIRD READING UNAN CONSENT
02/21/96	2839	(H)	READ THE THIRD TIME CSHB 272(FIN)
02/21/96	2839	(H)	PASSED Y33 N4 E1 A2
02/21/96	2840	(H)	EFFECTIVE DATE(S) SAME AS PASSAGE
02/21/96	2846	(H)	COSPONSOR(S): G.DAVIS
02/21/96	2848	(H)	TRANSMITTED TO (S)
02/23/96	2508	(S)	READ THE FIRST TIME - REFERRAL(S)
02/23/96	2508	(S)	CRA, FINANCE
03/26/96		(S)	CRA RPT 1DP 4NR
03/26/96		(S)	FISCAL NOTE (DPS)
03/26/96		(S)	PREVIOUS H FN (DPS)
03/26/96		(S)	PREVIOUS H ZERO FN (DCRA)
03/26/96		(S)	REFERRED TO FINANCE

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 2/23/96

FURTHER: Finance

DATE TURNED INTO OFFICE: 3-26-96

The CRA Committee considered CS FOR HOUSE BILL NO. 272(FIN)

"An Act relating to municipal taxation of motor vehicles; and providing for an effective date."

FN's + OFN's

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical title
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Roll E Kelly</i>	✓		
		<i>Paul J. [unclear]</i>	✓		
		<i>[unclear]</i>	✓		
		<i>Tim Kelly</i>	✓		
CHAIR: <i>John Ferguson</i>	✓	CHAIR:			

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
Public Safety	3/21/96		44.5

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
Comm. & Reg'l Affairs	2/7/96	✓	
Public Safety	2/5/96		✓

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

HB

274

SFIN

FILE



Alaska State Legislature
Senate

Office of the Secretary

OFFICIAL BUSINESS

P.O. BOX V
CAPITOL BUILDING
JUNEAU, ALASKA 99811

FOR YOUR IMMEDIATE ATTENTION

DATE: 4/29/95

TO SENATE COMMITTEE: Finance - Kathy

FROM: Office of the Senate Secretary

The Senate President has added/changed the referral(s) on the following bill(s):

HB 274 - Tuberculosis Control

Please give the bill file(s) and the signed letter (this note) to the page delivering this message.

Thank you for your prompt attention.

A handwritten signature, possibly initials, in cursive script.

SIGNATURE OF PERSON RECEIVING THIS NOTE

JR/s

STATE OF ALASKA
1995 LEGISLATIVE SESSION

to 4
Bill Version: HB 274
(H) Publish Date: 3/22/95

Revision Date: _____
Title: Tuberculosis Control Program
Sponsor: Governor's Bill
Requestor: Governor's Office

Dept. Affected: Health and Social Services
BRU: State Health Services
Component: Epidemiology
COMPONENT SERIAL NO. 296
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

CHANGES IN REVENUES ()						
-------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (please specify)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of any current year (FY95) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

This bill will have no fiscal impact on the Division of Public Health.

Prepared by: Peter M. Nakamura, MD, MPH
Division: Public Health

Phone: (907) 465-3090
Date: 03/16/95

Approved by Commissioner: Karen Perdue, Commissioner
Agency: Department of Health & Social Services

Date: 3/16/95

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FISCAL NOTE

No. 3

Bill Version: HB 274

(H) Publish Date: 3/22/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Administration

Title: "An Act relating to the state's tuberculosis control program"

BRU: Public Defender Agency

Sponsor: Rules Committee

Component: Public Defender Agency

Requestor: Governor

COMPONENT SERIAL NO. 1631

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	00	0	0	0	0	0
-----------------------------	-----------	----------	----------	----------	----------	----------

CHANGE IN REVENUES ()	0	0	0	0	0	0
-------------------------------	----------	----------	----------	----------	----------	----------

FUND SOURCE:

(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	0.0	0.0	0.0

Estimate of any current year (FY 95) cost: \$ 0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

The Public Defender (PD) has no information regarding the extent to which tuberculosis is a problem in this state, or the frequency with which this bill would be used in a way which would trigger PD representation. Assuming that involuntary detention for tuberculosis diagnosis/treatment will be infrequent, the PD anticipates no fiscal impact.

Prepared by: John B. Salemi, Director

Phone: (907) 264-4412

Division: Public Defender Agency

Date: _____

Approved by Commissioner: Mark Bover *Mark Bover*

Date: 3/16/95

Agency: Department of Administration

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FISCAL NOTE

No. 2

Bill Version: HB 274

(H) Publish Date: 3/22/95

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Revision Date: _____
Title: "An Act relating to the state's general tuberculosis control program...."
Sponsor: Rules
Requestor: _____

Department Affected: Administration
BRU: Office of Public Advocacy
Component: Office of Public Advocacy
COMPONENT SERIAL NO. 43

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

CHANGE IN REVENUES ()	0	0	0	0	0	0
------------------------	---	---	---	---	---	---

FUND SOURCE: (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	0.0	0.0	0.0

Estimate of any current year (FY 95) cost: \$ -0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

There is no fiscal impact to the Office of Public Advocacy.

Prepared by: Brant McGee, Director
Division: Office of Public Advocacy

Phone: 274-1684
Date: _____

Approved by Commissioner: Mark Boyer
Agency: Department of Administration

Date: 3/16/95

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FISCAL NOTE

No. 1
 Bill Version: HB 274
 (H) Publish Date: 3/22/95

**STATE OF ALASKA
 1995 LEGISLATIVE SESSION**

Revision Date: _____ Dept. Affected: Department of Law
 Title: "...relating to the state's tuberculosis control
program including provisions for certain penalties..." BRU: Legal Services
 Sponsor: Rules by Request of the Governor Component: Operations
 Requester: Governor's Office/OMB COMPONENT SERIAL NO. 0093

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
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						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill would update the state's general tuberculosis control program and the involuntary detention laws for those persons who have infectious tuberculosis but are unable or unwilling to seek treatment or take safeguards to protect the public against infections. The bill seeks to correct deficiencies in the existing law in respect to recognizing due process requirements of the United States and Alaska constitutions. The bill will allow the court to address the merits of the decision of confinement in these cases rather than focus its review on arguments regarding alleged constitutional deficiencies in the process to support a detention decision. This is corrective legislation that does not have an effect on the existing caseload, and there will not be a fiscal impact.

Prepared by: Richard I. Peques, Director Phone: 465-3672
 Division: Administrative Services Division Date: 3/15/95
 Approved by Commissioner: Bruce M. Botelho, Attorney General Date: 3/15/95
 Agency: Department of Law

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TONY KNOWLES
GOVERNOR



P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 21, 1995

The Honorable Gail Phillips
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Phillips:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill to update the state's tuberculosis control program to ensure that our statutes expressly recognize constitutional requirements when the state must order a person involuntarily detained or confined for essential medical testing or treatment or to protect the public health. The bill also makes miscellaneous amendments to recognize new developments in the field and to improve the reporting requirements for a case involving a person with tuberculosis.

Tuberculosis is still a serious public health problem in Alaska. Tuberculosis is a disease that can be spread through fairly routine contact such as coughing in a confined, crowded area. In 1994, tuberculosis was diagnosed in several outbreaks in rural villages in Alaska. Tuberculosis can be successfully treated, but the treatment requires a patient to take medication for six months to 24 months. Since some patients face lifestyle problems that make it difficult for that patient to voluntarily successfully complete the entire course of treatment or to isolate themselves from the public to protect the public health, it is sometimes necessary for orders to be issued and enforced to ensure that the patient is following the treatment plan or is isolated from the public. If treatment is prematurely abandoned, a patient's tuberculosis can become more resistant to treatment and place the public at risk of catching an even more difficult form of this disease in the future.

The state's tuberculosis control program and involuntary detention laws should be revised to explicitly recognize constitutional safeguards required in order to quickly respond to tuberculosis incidents and to detain or confine a person if that person is unable or unwilling to undergo treatment and is a threat to the public health. While the Department

The Honorable Gail Phillips

March 21, 1995

Page 2

of Health and Social Services anticipates that the involuntary detention and commitment provisions in the bill will be used only rarely because most people will voluntarily take treatment and use safeguards when advised by a medical professional, the bill is necessary to allow a system to be in place to respond quickly in a crisis situation.

I urge your support of this bill in response to an important public health issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Knowles". The signature is written in a cursive style with a large initial "T".

Tony Knowles
Governor

SENATE COMMITTEE REPORT

DATE: 4/29/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 5-3-95

Judiciary Committee considered CS FOR HOUSE BILL NO. 274(JUD)

"An Act relating to the state's tuberculosis control program; and providing for an effective date."

p & m

and recommends:

be replaced with _____ CS _____

adopt previous _____ CS _____

attached amendment(s)

adopt Letter of Intent by _____ Committee

further referral to the _____ Committee

Senate Bill:

same title
new title

House Bill:

same title
technical change
new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Ryder New</i>	<input checked="" type="checkbox"/>				
<i>Ed Adams</i>	<input checked="" type="checkbox"/>				
CHAIR: <i>Chris Taylor</i>	<input checked="" type="checkbox"/>				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
<i>LSS - Epidemiology</i>	<i>3/16/95</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Administration - Pub. Health</i>	<i>3/22/95</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Administration - Pub. Health</i>	<i>3/16/95</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>LAW</i>	<i>3/15/95</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

04/20/95

HOUSE JOURNAL

PAGE 1405

THE QUESTION BEING: "SHALL CSHB 274(JUD) PASS THE HOUSE?" THE ROLL WAS TAKEN WITH THE FOLLOWING RESULT:

CSHB 274(JUD)
THIRD READING
FINAL PASSAGE

YEAS: 26 NAYS: 1 EXCUSED: 3 ABSENT: 10

YEAS: AUSTERMAN, BROWN, BUNDE, DAVIES, G.DAVIS, ELTON, FOSTER, GREEN, GRUSSENDORF, HANLEY, IVAN, JAMES, KELLY, KOHRING, KOTT, MOSES, MULDER, NICHOLIA, PHILLIPS, PORTER, ROBINSON, THERRIAULT, TOOHEY, VEZEY, WILLIAMS, WILLIS

NAYS: MARTIN

EXCUSED: B.DAVIS, NAVARRE, PARNELL

ABSENT: BARNES, BRICE, FINKELSTEIN, KUBINA, MACKIE, MACLEAN, MASEK, OGAN, ROKEBERG, SANDERS

AND SO, CSHB 274(JUD) PASSED THE HOUSE.

REPRESENTATIVE VEZEY MOVED THE EFFECTIVE DATE CLAUSE.

THE QUESTION BEING: "SHALL THE EFFECTIVE DATE CLAUSE BE ADOPTED?" THE ROLL WAS TAKEN WITH THE FOLLOWING RESULT:

04/20/95
HB 274

HOUSE JOURNAL

PAGE 1406

CSHB 274(JUD)
THIRD READING
EFFECTIVE DATE

YEAS: 29 NAYS: 0 EXCUSED: 3 ABSENT: 8

SELECTION=>

PF1	PF2	PF3	PF4	PF5	PF6	PF7	PF8	PF9	PF10	PF11	PF12
HELP		EXIT	MENU		PRINT	BWD	FWD		FIRST	LAST	QUIT

BILL: SB 138 SHORT TITLE: TUBERCULOSIS CONTROL
BILL VERSION:
SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

Cross - Ref
4/19
to HB 274

CURRENT STATUS: (S) HES STATUS DATE: 03/22/95
 THEN FIN, RLS

HEARING:(S) HES APR 19 09:00 AM BUTROVICH ROOM 205 -- TELECONFERENCE --
TITLE: "An Act relating to the state's tuberculosis control program, including provisions for certain penalties; and providing for an effective date."

- 03/22/95 747 (S) READ THE FIRST TIME - REFERRAL(S)
- 03/22/95 748 (S) HES, FIN
- 03/22/95 748 (S) ZERO FNS (LAW, ADM-2, DHSS)
- 03/22/95 748 (S) GOVERNOR'S TRANSMITTAL LETTER

4/19 — sus rpt CS
TO Finance

HB

281

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: May 3, 1995

FURTHER REFERRALS:

Date of Committee Action: 5/7/95

The FINANCE Committee considered:

HB 281

HOUSE BILL NO. 281

AHFC TRANSFERS TO GENERAL FUND; BONDS

"An Act ratifying an agreement between the Alaska Housing Finance Corporation and the commissioner of revenue and making certain pledges to obligees of the corporation regarding that agreement; relating to the authorization for and the issuance of bonds by the Alaska Housing Finance Corporation to pay for the costs of repair and rehabilitation of student housing facilities of the University of Alaska; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 281 (FIN) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

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

APPROVES PREVIOUS: (Dept/Date) _____

fiscal note(s) _____

fiscal note(s) REV 3/24/95

zero fiscal note(s) _____

zero fiscal note(s) statewide Budget of 3/24/95
REV 3/24/95

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Richard Foster</i>	Foster	X			
<i>Mark Mulder</i>	Mulder			X	
<i>Gerry Martin</i>	Martin	X			
<i>Wes Kohring</i>	Kohring			X	
<i>Jim Grussendorf</i>	Grussendorf	X			
<i>Julie Navarre</i>	Navarre			X	
<i>Ian Brown</i>	Brown	X			
<i>John Kelly</i>	Kelly	X			
<i>Gerry Therriault</i>	Therriault	X			

CO-CHAIR'S SIGNATURE _____

Richard Foster
 Foster

FISCAL NOTE

3

STATE OF ALASKA
1995 LEGISLATIVE SESSION

Bill Version: HB 291
(4) Publish Date: 3/24/95

Revision Date:
Financing U of A Maintenance projects through AHFC

Department Affected: University of Alaska
BRU: All
Component: All

Sponsor:
Requestor:

COMPONENT SERIAL NO.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE FD SOURCE						
-------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)	FY96	FY97	FY98	FY99	FY00	FY01
1002 FEDERAL FUNDS						
1003 GF MATCH						
1004 GENERAL FUND						
1006 GF/MHTLA						
OTHER						
TOTAL FUNDING	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:	FY96	FY97	FY98	FY99	FY00	FY01
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Wendy Matheny, Budget Analyst
 Division: Statewide Budget Office
 Approved by: Marylou Burton, Director
 Agency: Statewide Budget Office

Phone: 463-3000
 Date: 3/14/95
 Date: 3/14/95

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

FISCAL NOTE

No. 2
 Bill Version: HB 281
 (H) Publish Date: 3/24/95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Revenue
 Title: An Act to provide for the orderly transfer of BRU: Revenue Operations
certain assets of AHFC Component: Treasury Management
 Sponsor: _____
 Requester: _____ COMPONENT SERIAL NO. 121

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	(see note)	(see note)	(see note)	(see note)	(see note)	(see note)
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
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						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

NOTE: The transfer of funds from AHFC to the General Fund will result in an increase in annual safekeeping fees in the amount of 1 basis point (or .01%) of the amount transferred.

Prepared by: Betty Martin, Comptroller
 Division: Treasury
 Approved by Commissioner: [Signature]
 Agency: _____

Phone: 465-2350
 Date: 3/20/95
 Date: 3/27

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COMMITTEE COPY

FISCAL NOTE

No. i
 Bill Version: HB 281
 (H) Publish Date: 3/24/95

STATE OF ALASKA
 1995 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected: Revenue/AHFC
 Title: An Act to provide for the orderly transfer of BRU: _____
certain assets of AHFC and issuance of bonds Component: _____
 Sponsor: _____
 Requester: _____ COMPONENT SERIAL NO. _____

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS - Bond Servicing	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2
MISCELLANEOUS						
TOTAL OPERATING	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2

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

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

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
AHFC/Program Receipts	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2
1006 GF/MHTIA						
Other						
TOTAL	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2	3,974.2

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

NOTE: Assumes \$30 million in bonds issued at 5 7/8% with total payments over 10 years of \$39,741,775. Ten percent is to be held in reserve, 2% is to be used to cover bond issuance costs and the remaining \$26.4 million is to be paid to U of A for their use. Funding source will be from program receipts of AHFC.

As regards Section 2 of this bill, AHFC will not recognize investment income on funds transferred to the General Fund. The amount of these lost earnings cannot be quantified until actual amounts transferred are determined.

Prepared by: Betty Martin, Comptroller
 Division: Treasury
 Approved by Commissioner: _____
 Agency: _____

Phone: 465-2350
 Date: 3/20/95
 Date: 3/20/95

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(Rev 10/94) 95fnsno.xjs/DBF

9-GH0045V ✓
Chenoweth
5/7/95

R/O

CS FOR HOUSE BILL NO. 281()

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY

**Offered:
Referred:**

Sponsor(s): HOUS: RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing an agreement between the Alaska Housing Finance
2 Corporation and the commissioner of revenue relating to transfer of assets of the
3 corporation, and making certain pledges to obligees of the corporation regarding
4 that agreement; relating to the authorization for and the issuance of bonds by
5 the Alaska Housing Finance Corporation to pay for the costs of repair and
6 rehabilitation of student housing facilities of the University of Alaska; and
7 providing for an effective date."

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

9 * Section 1. PURPOSE. (a) The purpose of this Act is to provide for the orderly transfer
10 of certain assets of the Alaska Housing Finance Corporation to the general fund through a
11 transfer agreement between the corporation and the commissioner of revenue. The Alaska
12 Housing Finance Corporation has served an important public purpose by helping to remedy
13 the shortage of adequate housing throughout the state. The corporation has assisted in

1 providing Alaskans with rural housing and sewer and water systems, senior housing, special
 2 needs housing, and low and moderate income housing through its various programs. The
 3 corporation's resources must remain strong in order to continue progress in meeting these
 4 housing needs, both directly and through borrowing in capital markets. In particular, capital
 5 markets require assurances that payments by the corporation to the general fund are fixed at
 6 a prudent and predictable level.

7 (b) It is the purpose of this Act

8 (1) to fix payments to the general fund at a prudent and predictable level for
 9 the next five fiscal years through a formal transfer agreement; and

10 (2) to authorize the corporation to issue bonds to enable the University of
 11 Alaska to repair and rehabilitate student housing facilities.

12 * Sec. 2. TRANSFER AGREEMENT AUTHORIZED. The Alaska Housing Finance
 13 Corporation and the commissioner of revenue may enter into a transfer agreement that
 14 provides for annual transfer of certain assets of the corporation to the state general fund from
 15 July 1, 1995, to June 30, 2000. The commissioner of revenue shall immediately notify the
 16 governor and the legislature when the agreement has been signed. The agreement must
 17 provide

18 (1) for the transfer from the corporation to the state of each of the following
 19 amounts in each of the following state fiscal years:

20	FY 1996	\$70,000,000
21	FY 1997	50,000,000
22	FY 1998	50,000,000
23	FY 1999	50,000,000
24	FY 2000	50,000,000;

25 (2) that the amounts to be transferred under (1) of this section will be

26 (A) available for transfer from the net liquid assets of the general
 27 account of the revolving fund of the corporation; and

28 (B) reduced as the board of directors of the corporation determines may
 29 be necessary to maintain compliance with existing financing agreements and to meet
 30 the following payment conditions of the corporation that, when made by the board of
 31 directors of the corporation before each transfer, are positive determinations that

1 (i) the corporation is not in default as to payments of any
2 required amounts;

3 (ii) the transfer to the state of the payment is not expected to
4 impair the corporation's ability to meet financial requirements, including debt
5 service and program costs associated with debt, and will not cause the
6 corporation to be in default under the terms of financial agreements or disable
7 the corporation from meeting any financial covenant;

8 (iii) the amount of the transfer does not exceed the corporation's
9 net income as reflected in its audited financial statements for the immediately
10 preceding fiscal year; and

11 (iv) the corporation's fund equity subsequent to the transfer will
12 remain at a level that the board of directors of the corporation reasonably
13 believes adequate to prevent existing debt ratings from being reduced,
14 withdrawn, or suspended; and

15 (3) that the conditions described in (2)(B) of this section must be met by the
16 corporation before payments are made in any state fiscal year set out in (1) of this section.

17 * Sec. 3. PLEDGE OF THE STATE. If, before the date of adjournment of the First
18 Regular Session of the Nineteenth Alaska State Legislature, an agreement between the Alaska
19 Housing Finance Corporation and the commissioner of revenue in a form substantially as
20 described in sec. 2 of this Act is executed by those parties, the state pledges to obligees of the
21 corporation that during the term of the transfer agreement

22 (1) the state will not alter the power of the corporation to fulfill the terms of
23 any other agreement with an obligee of the corporation; or

24 (2) the state will not cause assets of the corporation to be transferred from the
25 corporation in excess of the amount set out in the transfer agreement.

26 * Sec. 4. BOND AUTHORIZATION. The Alaska Housing Finance Corporation may issue
27 bonds under AS 18.56 in an aggregate principal amount not to exceed \$35,000,000 to provide
28 amounts to the University of Alaska to pay costs of a project to repair and rehabilitate student
29 housing facilities owned by the University of Alaska and to pay related costs, and to provide
30 amounts for the Alaska Housing Finance Corporation to pay costs of issuing the bonds. The
31 Alaska Housing Finance Corporation and the University of Alaska may enter into an

1 agreement with respect to the transfer and expenditure of the bond proceeds for these purposes
2 by the University of Alaska. The Alaska Housing Finance Corporation shall pay the principal
3 and interest on the bonds from Alaska Housing Finance Corporation funds and the bonds
4 shall be general obligations of the Alaska Housing Finance Corporation.

5 * Sec. 5. Section 3 of this Act takes effect only if the transfer agreement described in
6 sec. 2 of this Act is signed on or before the date of adjournment of the First Regular Session
7 of the Nineteenth Alaska State Legislature. The commissioner of revenue shall immediately
8 notify the governor, the legislature, and the revisor of statutes when the transfer agreement has
9 been signed.

10 * Sec. 6. If sec. 3 of this Act takes effect, it takes effect on the later of the date of
11 execution of the agreement described in sec. 2 of this Act, or the effective date of secs. 1, 2,
12 and 4 of this Act.

13 * Sec. 7. Sections 1, 2, and 4 of this Act take effect immediately under AS 01.10.070(c).

TONY KNOWLES
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

HB 281
P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

March 24, 1995

The Honorable Gail Phillips
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Phillips:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill regarding the orderly transfer of certain assets of the Alaska Housing Finance Corporation (AHFC) to the general fund. This process will make available to the state a substantial portion of AHFC's reserves while at the same time providing capital markets with the degree of certainty necessary to assure AHFC continued access to money at reasonable rates in order to meet the housing needs of Alaska's families. Additionally, the bill would authorize AHFC to issue bonds to finance student housing maintenance projects at various University of Alaska (university) campuses.

AHFC is a self-supporting public corporation with a mission to develop and implement innovative programs that meet statewide housing needs. It provides home mortgages to Alaskans at reasonable rates, finances special needs and multi-family housing in partnerships with housing agencies and profit and non-profit organizations, and operates the state's rural housing programs. AHFC also operates the state's public housing programs, which include operating public housing units in 13 communities and providing rental assistance for more than 2,400 families statewide.

AHFC leverages its financial resources by borrowing from a variety of lenders to finance various housing programs. Since its inception, AHFC has issued in excess of \$10 billion in long-term debt to meet the residential financing needs of Alaskans. As of December 31, 1994, AHFC had \$2.3 billion in outstanding long-term debt representing a general obligation of AHFC secured by its full faith and credit above and beyond the pledge of any specific assets.

The Honorable Gail Phillips

March 24, 1995

Page 2

AHFC has been able to attract billions in outside capital to meet Alaska's housing needs because the capital markets have relied on its strong financial condition. The importation of outside money to meet Alaska's housing needs is too important to put at risk. Any transfers of corporate assets to the state must take place as part of a comprehensive long-term plan that reassures capital markets of AHFC's continued financial strength. This bill will demonstrate that we are taking a prudent long-term approach to the management of AHFC's resources and will protect AHFC's ability to borrow for essential programs and projects and to address the future housing needs of Alaskans, including the elderly, disadvantaged, and rural residents.

Under the provisions of the bill, AHFC and the commissioner of revenue would enter into an agreement providing for the transfer of a sizeable portion of AHFC's unrestricted reserves to the general fund over the next five fiscal years. This agreement would continue the corporation's policy of providing the people of Alaska with a return on their equity investment in AHFC. Under that policy, adopted in 1991, AHFC will have transferred \$314,324,000 in cash payments to the state by the end of this fiscal year.

The agreement would be signed no later than May 1, 1995 and immediately will be made available to the legislature. It would establish a detailed schedule providing for the transfer of specific amounts to the general fund during each of the next five fiscal years. My state operating budget, which I recently submitted to you, includes an expected first installment under that agreement of \$70 million.

Passage of this bill would ratify the transfer agreement soon to be reached, and would pledge that the state will not transfer assets from AHFC in amounts that exceed those set out in the transfer agreement. This would assure lenders that payments to the state over the next five fiscal years would take place in a prudent and predictable manner.

Maintaining the credit of the AHFC will increase Alaskans' access to the nation's capital markets to help meet certain special and crucial housing needs. As stated above, the purpose of this bill is to provide the kind of long-range financial stability and predictability necessary to protect the credit of the AHFC. There may be other avenues available to establish a suitable long-range plan for managing the assets of the AHFC. I know that the legislature will be particularly sensitive to any provisions which appear to invade the appropriation powers and responsibilities of the legislature. If the approach taken in this bill does not meet with your approval, I am open to any constructive alternatives that will preserve the programs of the AHFC.

The Honorable Gail Phillips


March 24, 1995

Page 3

Finally, the bill is part of my plan to begin addressing the long-deferred maintenance needs of the university. It will provide financing for overdue and much needed repair and rehabilitation of student housing facilities at the university's three main campuses. The bill authorizes AHFC to issue \$30,000,000 in bonds to finance this project. Under AS 18.56, these bonds are general obligations of the corporation.

I urge your early and favorable consideration of this legislation or a suitable alternative.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Knowles". The signature is written in a cursive, flowing style.

Tony Knowles
Governor

CLIFFORD J. GROH, SR.
KENNETH P. EGGERS, P. C.
MICHAEL W. PRICE
SALLY J. KUCKO
DENNIS G. FENERTY
DAVID A. DEVINE, P. C.
RICK L. OWEN
TODD J. TIMMERMANS
SUSAN E. SWANN

LAW OFFICES OF
GROH, EGGERS & PRICE
2550 DENALI STREET, 17TH FLOOR
ANCHORAGE, ALASKA 99503-2796

TELEPHONE
(907) 272-6474
—
TELECOPIER
(907) 272-4517

April 11, 1995

Representative Mark Hanley
Co-Chairman House Finance Committee
Alaska State Legislature
Pouch V, State Capitol
Juneau, AK 99801-1182

RE: Alaska Housing Finance Corporation's Contribution to the
State's General Fund, HB 281 and SB 143

Dear Mark:


We urge you to support the passage of HB 281 and SB 143 which provide for the orderly transfer of funds from the Alaska Housing Finance Corporation (AHFC) to the General Fund. We believe that it is essential to the future of AHFC to retain the confidence of the Wall Street bond houses and that AHFC preserve the financial stability necessary to issue future bonds. The proposed legislation or comparable legislation provides a method to assure that the credit ranking of AHFC is preserved.

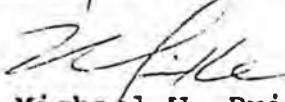
Our firm has for a number of years represented AHFC as outside counsel on special projects. We appreciate the significant contribution that AHFC has made in providing affordable and better housing for Alaska's citizens. That contribution can continue if the monetary strength of AHFC is preserved by providing for an orderly transfer of funds to the General Fund.

Thank you for your consideration and we would be pleased to respond to any questions or to testify on the proposed legislation.

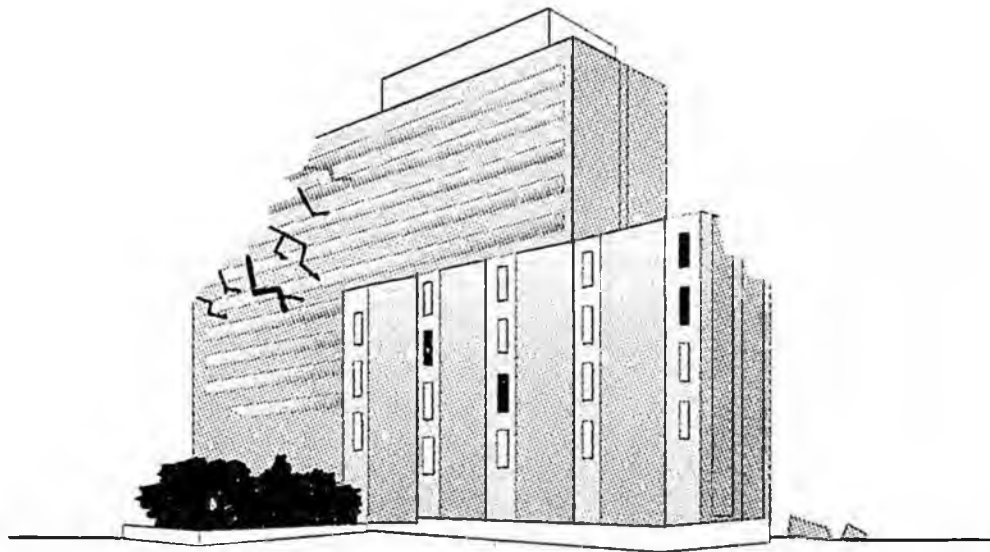
Very truly yours,

GROH, EGGERS & PRICE


Clifford J. Groh, Sr.


Michael W. Price

CJG/jr



University of Alaska Deferred Maintenance

Prepared by
Statewide Office of Facilities
January 1995

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Attachments:	
A. Campus Current Value Based on New Construction Cost	5
B. Expenditure of FY94 Deferred Maintenance as of August 1994	7
C. Proposed Bond Project List	9
D. UAA Bond Request by Campus by Building	11
E. UAF Bond Request by Campus by Building	13
F. UAS Bond Request by Campus by Building	17
G. Summary of All Deferred Maintenance by MAU	19

Position Paper
on
Deferred Maintenance
University of Alaska

The University of Alaska Board of Regents continues to have deferred maintenance as its top funding priority. Years of inadequate maintenance budgets have resulted in numerous facility system failures that are disrupting programs, increasing operational expenses and jeopardizing safety. Premature facility failure will result if these conditions are not addressed. The state of Alaska has invested hundreds of millions of dollars in university infrastructure, representing over 40 percent of all state facilities. If the state does not move quickly to resolve the growing maintenance problems, the value of this significant investment will be lost and replacement unfeasible.

The University of Alaska's first capital request using the title "Deferred Maintenance" was in FY91, wherein the university requested \$3.8 million and received \$2.3 million. Prior to that time, there were numerous requests for repair, deferred maintenance, remodeling, renovation and code compliance. In the eleven years between FY83 and FY94, \$338.0 million was requested, but only \$99.0 million was received, through the legislative appropriation process.

The causes of the deferred maintenance backlog are as follows:

1. From 1980 to 1994, the university's total plant asset increased by 243 percent and increased in size by 145 percent in terms of square footage. During this period of rapid expansion, the operating budgets for building operation, maintenance and renewal remained relatively flat. There were few incremental increases in operating budgets for new structures coming on-line. This reduced the amount available for maintenance and renewal and replacement. The result is a current shortfall in building maintenance systemwide of \$3.8 million and for building renewal and replacement, \$5.8 million.
2. Utility rates increased, from 1980 to 1994, approximately 3 percent per year. Increments to budgets, as a rule, did not keep pace with these increases.
3. University buildings have continued to age. As buildings pass the 20-year mark, the amount needed for building system renewal and replacement climbs rapidly. A 20-year old building with a replacement cost of \$10.0 million needs twice as much for renewal and replacement retrofitting as a 10-year old building valued at \$10 million. The Fairbanks campus, with an average building age of 24.4 years, has 157 buildings 20 years of age or older. The UAA Anchorage campus has seven buildings that are 20 years or older; the Juneau campus has three buildings past 20 years; and the Ketchikan campus has two buildings past 20 years. If renewal and replacement is not funded annually, systems wear out, then become deferred maintenance problems.

4. In FY86, approximately \$1.4 million was removed from the maintenance category and put into maintaining the academic programs at UAF. This was quickly rectified. By FY87 maintenance budget was back to pre-86 levels in absolute dollars. There has only been one major increase to plant maintenance since: at UAF in FY94, approximately \$1.0 million was added to plant maintenance.
5. The methods of quantifying deferred maintenance and operating budget needs for maintenance and renewal and replacement have just been developed in the last five years. At this point in time, it is still an emerging discipline. National expert Dr. Harvey Kaiser reports that there is very little consistency nationally on how campuses budget for maintenance and renewal and replacement. In summary, the federal government did a study, and the results were that the total operations and maintenance for facilities cost from 2 to 4 percent of the plant value. Nationally, colleges and universities have a plant value estimated at \$300.0 billion, but deferred maintenance is estimated to be a \$60.0 billion problem, of which \$20.0 billion is judged critical, i.e., 20 percent of replacement value is deferred maintenance backlog; 7 percent of replacement value is critical. At UA, \$157.5 million, or 19 percent, of replacement value is viewed as critical deferred maintenance.

Plant Valuation

The university has used a method of plant valuation based on the original capital investment as well as other major capital investments that have been added to the facility over the years. An escalation factor derived from the Means Cost Data is applied each year to escalate the value of the buildings to today's replacement value. Infrastructure has been included in the calculation only if it was part of the original building construction. Complete historical records of stand-alone infrastructure investments are not available. Attachment A shows the value of UAF, UAA and UAS, based on new construction for each building type. The results show a slightly higher value. For operating budget calculations, it has been agreed to continue using the original values escalated to current year.

Past Funding

In FY94, the university received \$14,239,600. It was distributed as follows:

UAA	\$ 1,714,600
UAS	\$ 450,000
UAF	\$ 12,075,000

Attachment B shows the projects that have been accomplished with these funds.

Summary

The University of Alaska is aggressively pursuing allocating operating funds to prevent deferred maintenance from growing. Policies are drafted so that in three years the operating budget will have sufficient funds to maintain the buildings according to the formula requirement. A six-year plan for full funding of renewal and replacement operating funds is also drafted. If this plan is realized, sufficient funds will be in place to replace buildings systems on a scheduled basis by 2001. This will be accomplished through reallocation and appropriation.

National experts predict that approximately 5 years are needed from the identification of the funding source to the completion of the backlog of deferred maintenance. Phased funding, with a guaranteed source of funding future phases is essential and a logical solution to funding the backlog.

The current deferred maintenance backlog is \$157,455,382. The previous total of \$153.8 million, reported in the spring of 1993, did not include the infrastructure in all cases. Recognition of the need for upkeep of infrastructure has resulted in part of the increase. Causes of deferred maintenance shown in Items 1, 2, 3 and 4 above contributed to this increase as well. With such underfunding, more systems have worn out and new projects have been identified. Attachment C shows the projects submitted by MAUs for proposed bond funding. Summaries of projects by MAU by campus by building are shown in Attachments D through F.

Action

After many years of failure in securing a cash solution to the deferred maintenance problem, the university is seeking a bonding option that would involve the issuance of University of Alaska and AHFC bonds. While a cash solution would be best, current state finances suggest this is not a likely option. The proposed legislation authorizes the issuance of \$75 million in bonds with the expectation that the balance of the deferred maintenance backlog will be addressed in future years. With AHFC's mandate to provide financing for state housing projects, they are charged in the legislation with the issuance of \$30 million for the university's housing facilities. The balance of the bonds, \$45 million, would be issued as university bonds for use on non-housing projects. While the legislation anticipates general fund appropriations for the annual debt service, there is no obligation that such appropriations be made. The university bonds will be secured by a pledge of non-general fund university receipts. In the event appropriations for annual debt service are not made in future years, the university will make debt payments from university receipts and adjust other university programs appropriately.

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Campus Value Based on New Construction by Building Type

	Fairbanks Campus						Anchorage Campus						Juneau Campus										
	Area	Percent of Assgn.	Distribution of		Total Area	Value Per Sq. Foot	Current Value	Area	Percent of Assgn.	Distribution of		Total Area	Value Per Sq. Foot	Current Value	Area	Percent of Assgn.	Distribution of		Total Area	Value Per Sq. Foot	Current Value		
			Non-Assgn.	Assgn.						Non-Assgn.	Assgn.						Non-Assgn.	Assgn.					
Assignables																							
Classrooms	52,017	3.1%	27,571	79,580	200	15,917,592	65,915	7.5%	31,231	97,140	200	19,429,109	18,418	7.9%	5,386	23,804	200	4,780,813					
General Use	171,282	10.3%	80,775	282,037	200	52,407,455	83,145	8.5%	39,395	122,540	200	24,507,938	11,490	4.9%	3,360	14,850	200	2,970,015					
Health Care	3,400	0.2%	1,634	5,294	300	1,588,179	805	0.1%	410	1,275	300	302,453	150	0.1%	44	194	300	58,100					
Laboratory Fac	307,571	18.8%	103,024	470,595	300	141,170,544	194,440	22.1%	82,130	286,570	300	85,972,788	48,031	20.5%	14,040	82,077	300	18,823,080					
Offices	288,210	17.4%	152,782	440,872	200	88,194,418	215,159	24.5%	101,844	317,103	200	63,420,572	34,294	14.6%	10,029	44,323	200	8,804,551					
Residential	301,101	23.0%	202,040	583,221	150	87,483,181	120,211	13.7%	56,957	177,160	150	26,575,174	73,585	31.4%	21,513	95,078	150	14,201,894					
Special Use	174,304	10.5%	82,388	286,692	250	68,672,912	78,120	8.9%	37,014	115,134	250	28,783,453	1,153	0.5%	327	1,480	250	372,544					
Study	110,517	6.7%	58,578	189,095	200	33,818,030	87,900	7.7%	32,209	100,109	200	20,037,881	34,080	14.5%	8,988	44,048	200	8,809,235					
Support	180,284	8.7%	84,857	245,241	200	49,040,104	49,240	5.6%	23,334	72,582	200	14,510,410	13,285	5.7%	3,885	17,170	200	3,433,999					
Unclassified	6,045	0.4%	3,204	8,249	200	1,849,815	3,355	0.4%	1,590	4,945	200	988,925		0.0%	0	0	200	0					
Total Assignable	1,054,951						878,444						234,488										
Non-Assignables																							
Rldg Serv Area	54,184						27,390						7,232										
Circulation Area	374,398						239,910						22,080										
Mechanical Area	187,988						49,800						14,527										
Structural Area	200,585						128,113						24,727										
Total Non-Assignable	877,133						416,213						68,566										
Total	2,531,904		877,133	2,531,904			1,294,657			1,294,657			303,032			303,032							
Current Value Calc.						538,159,230						284,814,773						52,154,091					
Infrastructure						87,722,247						28,481,477						5,818,381					
Total Current Campus Value						605,881,477						313,076,250						67,772,472					
Current Value -DB*						485,050,547						211,160,280						54,214,522					
Infrastructure						87,722,247						28,481,477						5,818,381					
Total Current Campus Value						532,772,794						239,621,737						59,832,903					

* Current values calculated using R.S. Means Index and investment cost listed in the university's spaco database.

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**DEFERRED MAINTENANCE EXPENDITURES
AS OF
AUGUST 1994**

**UNIVERSITY OF ALASKA ANCHORAGE
FY94 DEFERRED MAINTENANCE (CAPITAL)**

	<i>PROJECT TITLE</i>	<i>BUDGET</i>	<i>EXPENDED/ OBLIGATED</i>	<i>STATUS</i>
551451	AI FUME HOOD EXHAUST MODIFICATIONS	83,607.00	83,607.00	Complete 8/30/94
551453	AI KPC BOILER REPLACEMENT MCLANE BLDG.	383,840.00	27,396.00	Award in Process
551466	AI PRIMARY POWER	487,600.00	487,600.00	Complete 8/30/84
551457	AI BLDG. K INTERIOR REPLACEMENT	835,933.00	835,900.00	Complete 8/30/84
551459	AI SHIRT BLDG. REVISIONS	184,045.00	184,045.00	Complete 8/30/84
		<u>1,714,833.00</u>	<u>1,378,347.00</u>	

**UNIVERSITY OF ALASKA FAIRBANKS
FY94 DEFERRED MAINTENANCE (CAPITAL)**

	<i>PROJECT TITLE</i>	<i>BUDGET</i>	<i>EXPENDED/ OBLIGATED</i>	<i>STATUS</i>
	AIRC HV SWITCHGEAR	360,000.00	300,344.32	In construction
	ROOF RECONSTRUCTION PHASE II	8,080,604.00	8,710,700.00	In construction
	MUSEUM CHILLER	175,000.00	175,383.04	Complete
	GRUENING FLOOR	100,000.00	626.47	Re-Bid October 1994
	HAZMAT EXTERIOR	100,000.00	88,807.03	Project in Final Close-Out
	MOORE/BARTLETT/SKARLAND UPGRADE	825,000.00	649,710.15	Project in Final Close-Out
	UTIL LATHROP VAULT	50,000.00	40,603.14	Complete
	UTIL BOILER 2 ID FAN	127,438.00	12,438.81	Complete
	UTIL HV UPGRADE	193,000.00	192,843.82	Complete
	UTIL ASH SYSTEM	218,000.00	214,832.01	Complete
	UTIL VENT PHASE I	18,000.00	14,082.05	Complete
	UTIL BOILER ID FAN	125,000.00	124,743.17	Complete
	WOOD CENTER EXTERIOR	75,000.00	0.00	Project to Bid Feb. 1995
	CAMPUS-WIDE ALARM REPORTING	300,000.00	39,048.85	Project in Design
	CAMPUS-WIDE ROADWAY/PARKING	23,000.00	22,600.00	Complete
	CAMPUS-WIDE LUST	175,000.00	17,812.63	Project on-going as identified
	HEADBOLT HEATERS	40,000.00	30,740.84	Complete
	AFES AG HVAC	75,000.00	48,852.44	second project in design
	PALMER HOUSING HEATING	30,000.00	29,810.93	Complete
	BETHEL WINDOW/DOOR	55,000.00	48,823.99	Complete
	NORTHWEST ELECTRICAL UPGRADE	135,000.00	122,777.91	Complete
	TV - BUNNELL HOUSE FLOORING	8,000.00	8,845.44	Complete
		<u>12,076,000.00</u>	<u>10,832,011.60</u>	

**UNIVERSITY OF ALASKA JUNEAU
FY94 DEFERRED MAINTENANCE (CAPITAL)**

	<i>PROJECT TITLE</i>	<i>BUDGET</i>	<i>EXPENDED/ OBLIGATED</i>	<i>STATUS</i>
	KETCHIKAN, ROBERTSON BLDG BOAT SHOP ROOF & CORRIDOR RECONSTRUCTION	93,200.00	88,300.00	Complete
	FIRE MARSHALL MANDATES		18,380.00	Complete
	UNDERGROUND TANKS, TESTING/REPLACEMENT	18,800.00	0.00	Tanks Tested OK
	HAMILTON PARKING LOT REPAIRS	1,800.00	950.00	Complete
	KETCHIKAN, HEAT. ELEC. VENT. REPAIR, REPLACE HAMILTON & ROBERTSON CODE EMERGENCY LIGIT & ELECTRICAL REPAIR	335,000.00	20,568.00	Broken into smaller projects Under Construction
	PAUL, ZIEGLER, HAMILTON, ROBERTSON MECH. REPAIRS			152,480 est. To be Re-Bid
	PAUL, ZIEGLER, ELECTRICAL			22,000 est. To be Re-Bid
		<u>460,000.00</u>	<u>124,188.00</u>	

ATTACHMENT B

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University of Alaska Deferred Maintenance

	Non-Residential Projects	Residential Projects
Anchorage Campus	8,172,400	3,100,533
Kodiak College	696,200	
Kenai Peninsula Campus	713,000	
Mat-Su Campus	753,200	
PWS Community Campus	752,000	53,000
University of Alaska Anchorage	11,086,800	3,153,533 *
Fairbanks Campus	26,717,687	22,878,522
Bristol Bay Campus	79,500	
Chukchi Campus	122,000	
Interior Campus	549,000	
Kuskokwim Campus	350,000	150,000
Northwest Campus	71,000	
AFES Fairbanks	665,000	
AFES Mat-Su	225,000	
Palmer Research Center	365,000	
Seward Marine Center	240,000	
University of Alaska Fairbanks	29,384,187	23,028,522 *
Juneau Campus	1,058,300	542,800
Ketchikan Campus	383,800	
Sitka Campus	300,000	
University of Alaska Southeast	1,742,100	542,800 *
Total Deferred Maintenance	42,213,097	26,724,855 *
Bond Issuance Costs	750,000	525,000 *
Required Debt Reserve	2,036,913	2,750,145 *
Total Bond Issue	45,000,000	30,000,000

* Pending final agreement with AHFC on issuance costs and reserve requirements.

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**University of Alaska Anchorage
FY95 Deferred Maintenance
Bond Request By Campus By Building**

Campus	Building Name	Non-Residential Projects	Residential Projects	Cumulative by Campus
AC	K	2,654,050		2,654,050
AC	SHORT	1,677,650		4,331,700
AC	CAS	3,840,700		8,172,400
AC	STUDENT HOUSING NO. 1		849,357	9,021,757
AC	STUDENT HOUSING NO. 2		433,127	9,454,884
AC	STUDENT HOUSING NO. 3		416,827	9,871,711
AC	STUDENT HOUSING NO. 4		414,827	10,286,538
AC	STUDENT HOUSING NO. 5		414,827	10,701,365
AC	STUDENT HOUSING NO. 6		400,408	11,101,773
AC	TEMPLEWOOD A		72,060	11,173,833
AC	TEMPLEWOOD B		41,140	11,214,973
AC	TEMPLEWOOD C		14,490	11,229,463
AC	TEMPLEWOOD D		14,490	11,243,953
AC	TEMPLEWOOD E		14,490	11,258,443
AC	TEMPLEWOOD F		14,490	11,272,933
	Anchorage Campus Totals	8,172,400	3,100,533	11,272,933
KOC	BENNY BENSON	440,100		440,100
KOC	VO-TECH	256,100		696,200
	Kodiak Campus Totals	696,200		696,200
PWSCC	SITE, PWSCC	105,000		105,000
PWSCC	GROUDEN-HARRISON	647,000		752,000
PWSCC	SITE, PWSCC HOUSING		53,000	805,000
	Prince William Sound Comm. College Totals	752,000	53,000	805,000
MSC	KERTTULA	753,200		753,200
KPC	MCLANE	713,000		713,000
	Total University of Alaska Anchorage	11,086,800	3,153,533	14,240,333

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**University of Alaska Fairbanks
FY95 Deferred Maintenance
Bond Request By Campus By Building**

Campus	Building Name	Non-Residential Projects	Residential Projects	Cumulative By Campus
FC	AHRC	1,400,000		1,400,000
FC	ATKINSON	110,000		1,510,000
FC	BALLAINE PARKING LOT	960,000		2,470,000
FC	BARTLETT HALL		2,504,856	4,974,856
FC	BUNNELL BUILDING	1,940,000		6,914,856
FC	CHANCELLOR'S RESIDENCE		40,660	6,955,516
FC	CHANDALAR 714		176,069	7,131,585
FC	CHANDALAR 715		104,482	7,236,067
FC	CHANDALAR 716		159,127	7,395,194
FC	CHANDALAR 717		104,482	7,499,676
FC	CHATANIKA 707		116,789	7,616,465
FC	CHAPMAN YUKON DRIVE	40,000		7,656,465
FC	COAL LAB	25,000		7,681,465
FC	COLUMBIA CIRCLE SEWER MAIN	255,000		7,936,465
FC	COLVILLE 709		72,884	8,009,349
FC	COLVILLE 710		95,609	8,104,958
FC	COLVILLE 711		118,855	8,223,813
FC	COMMONS PLAZA	41,000		8,264,813
FC	DUCKERING	1,386,000		9,650,813
FC	ELVEY	1,878,000		11,528,813
FC	FINE ARTS (FS311, FS312, FS313)	2,014,000		13,542,813
FC	GEIST MUSEUM	1,137,000		14,679,813
FC	GRUENING	1,442,000		16,121,813
FC	GARDEN APARTMENTS I		34,588	16,156,401
FC	GARDEN APARTMENTS II		43,562	16,199,963
FC	HARWOOD HALL		1,563,510	17,763,473
FC	HESS VILLAGE 753		435,198	18,198,671
FC	HESS VILLAGE 754		852,695	19,051,366
FC	HESS VILLAGE 755		506,260	19,557,626
FC	HESS VILLAGE 756		226,220	19,783,846
FC	HESS VILLAGE 757		347,438	20,131,284
FC	HESS VILLAGE 758		527,531	20,658,815
FC	HESS VILLAGE 759		283,477	20,942,292
FC	HESS VILLAGE 760		502,236	21,444,528
FC	HESS VILLAGE 761		283,477	21,728,005
FC	HESS VILLAGE 762		347,438	22,075,443
FC	IRVING I	1,237,000		23,312,443
FC	IRVING II	948,952		24,261,395
FC	LATHROP HALL		2,070,348	26,331,743
FC	MCINTOSH HALL		1,016,906	27,348,649
FC	MOORE HALL		2,443,777	29,792,426
FC	NERLAND HALL		1,363,459	31,155,885

**University of Alaska Fairbanks
FY95 Deferred Maintenance
Bond Request By Campus By Building**

Campus	Building Name	Non-Residential Projects	Residential Projects	Cumulative By Campus
FC	O'NEILL	2,276,000		33,431,885
FC	PATTY CENTER	844,000		34,275,885
FC	PLAZA	76,000		34,351,885
FC	RASMUSON LIBRARY	1,570,000		35,921,885
FC	SAC 774		349,756	36,271,641
FC	SAC 775		161,757	36,433,398
FC	SAC 776		293,111	36,726,509
FC	SIGNERS' HALL	340,000		37,066,509
FC	SKARLAND HALL		1,289,550	38,356,059
FC	STEVENS HALL		1,153,208	39,509,267
FC	STUART HALL		897,991	40,407,258
FC	TANANA DRIVE ROADWAY	983,000		41,390,258
FC	TILLY COMMONS	2,488,056		43,878,314
FC	SOUTH UPPER DORMS	107,000		43,985,314
FC	UTILITIES	610,000		44,595,314
FC	WALSH HALL		927,019	45,522,333
FC	WHITTAKER	274,286		45,796,619
FC	WICKERSHAM HALL		1,464,197	47,260,816
FC	WOOD CENTER	2,167,393		49,428,209
FC	YUKON DRIVE	168,000		49,596,209
	Fairbanks Campus Totals	26,717,687	22,878,522	49,596,209
AF	AFES FAIRBANKS	665,000		665,000
BB	BRISTOL BAY CAMPUS (FS006)	79,500		79,500
CC	CHUKCHI CAMPUS (CC101)	122,000		122,000
IC	RED BUILDING	209,000		209,000
IC	SWINE/GREENHOUSE	90,000		299,000
IC	DOWNTOWN CENTER	250,000		549,000
	Interior Campus Totals	549,000		549,000
KU	VOC-TECH BUILDING	164,000		164,000
KU	KU101-104	150,000		314,000
KU	KU104	36,000		350,000
KU	JOHN SACKETT HALL		150,000	500,000
	Kuskokwim Campus Totals	350,000	150,000	500,000
MV	MATSU AFES	225,000		225,000

**University of Alaska Fairbanks
 FY95 Deferred Maintenance
 Bond Request By Campus By Building**

<u>Campus</u>	<u>Building Name</u>	<u>Non-Residential Projects</u>	<u>Residential Projects</u>	<u>Cumulative By Campus</u>
NW	BOOKSTORE (NW009)	5,000		5,000
NW	EMILY BROWN BLDG (NW008)	20,000		25,000
NW	BOAT SHOP/STORAGE BLDG (NW014)	6,000		31,000
NW	ARTHUR NAGOZUK BLDG (NW001)	15,000		46,000
NW	SATELLITE B	25,000		71,000
	Northwest Campus Totals	71,000		71,000
PL	OFFICE/LAB (PL101)	365,000		365,000
SE	DOCK	30,000		30,000
SE	YELLOW LAB (SE102)	60,000		90,000
SE	DONALD W HOOD (SE105)	50,000		140,000
SE	MARINE SCIENCES (SE103)	30,000		170,000
SE	HOOD/K M RAE (SE105, SE106)	50,000		220,000
SE	K M RAE CENTER (SE106)	20,000		240,000
	Seward Marine Center Totals	240,000		240,000
Total University of Alaska Fairbanks		29,384,187	23,028,522	52,412,709

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**University of Alaska Southeast
FY95 Deferred Maintenance
Bond Request By Campus By Building**

Campus Building Name		Non-Residential Projects	Residential Projects	Cumulative by Campus
JC	Soboleff	22,700		22,700
JC	Marine Core	240,000		262,700
JC	Whitehead	30,000		292,700
JC	Hendrickson	165,000		457,700
JC	Student Housing		542,800	1,000,500
JC	Anderson	157,300		1,157,800
JC	Auke Lake	133,300		1,291,100
JC	Bill Ray	107,200		1,398,300
JC	Jones (Day Care)	125,000		1,523,300
JC	Stover (Physical Plant Offices)	19,000		1,542,300
JC	Juneau	58,800		1,601,100
	Juneau Campus Totals	1,058,300	542,800	1,601,100
KET	Ziegler	20,000		20,000
KET	Paul	147,000		167,000
KET	Paul/Ziegler/Robertson	216,800		383,800
	Ketchikan Campus Totals	383,800		383,800
SC	332	300,000		757,700
	Total University of Alaska Southeast	1,742,100	542,800	2,284,900

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**FY95 Deferrred Maintenance
MAU Summary**

	Non-Residential Projects	Residential Projects	Total Projects
University of Alaska Anchorage	35,687,661	4,127,485	39,815,146
University of Alaska Fairbanks	82,580,500	30,782,714	113,363,214
University of Alaska Juneau	3,710,222	566,800	4,277,022
University of Alaska Deferred Maintenance Total	121,978,383	35,476,999	157,455,382