

ALASKA LEGISLATURE

1674

HOUSE and SENATE FINANCE COMMITTEE FILES, 1997-1998

HB

217

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 17, 1997

FURTHER REFERRALS:

Date of Committee Action: 4/30/97

The FINANCE Committee considered:

HB 217

HOUSE BILL NO. 217

CERTIFIED NURSE AIDES

"An Act relating to certified nurse aides; and providing for an effective date."

recommends it be replaced
with the following committee substitute

CS HB 217 (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) DCEI

fiscal note(s) _____

zero fiscal note(s) _____

zero fiscal note(s) DHSS 4/17/97

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Therriault</i>	Therriault			X	
<i>Bob Grussendorf</i>	Grussendorf	X			
<i>Bob Milder</i>	MILDER			X	
<i>Terry Martin</i>	Martin	X			
<i>J. Davis</i>	J. Davis	X			
<i>G. Davis</i>	G. Davis	X			

CHAIR'S SIGNATURE

Gene Therriault
Therriault

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. CSHB 217(FIN)

Revision Date: _____ Department: Commerce and Economic Development
 Title: An Act relating to certified nurse aides. BRU: Occupational Licensing
 Component: Operations
 Sponsor: Representative Ryan
 Requestor: House Finance COMPONENT SERIAL NO. 1844

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	59.6	59.6	59.6	59.6	59.6	59.6
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	15.7	15.7	15.7	15.7	15.7	15.7
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT	8.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	86.3	78.3	78.3	78.3	78.3	78.3
CAPITAL EXPENDITURES						
CHANGE IN REVENUES	86.3	78.3	78.3	78.3	78.3	78.3

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts	86.3	78.3	78.3	78.3	78.3	78.3
1006 GF/MHTIA						
Other 1091 Designated PR						
TOTAL	86.3	78.3	78.3	78.3	78.3	78.3

Estimate of any current year (FY 97) cost: \$ 0.0

POSITIONS	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The bill places certification of nurse aides under the Board of Nursing and grants disciplinary authority of certified nurse aides to the board. Certification of nurse aides is currently administered by the Department of Commerce and Economic Development under Administrative Order #115 signed on 8/4/89. However, current administration of the program does not include enforcement of unacceptable or inappropriate conduct. Since the bill assigns enforcement responsibility to the Board of Nursing, this fiscal note provides a full-time investigator to work certified nurse aide cases and provides funding for legal services. See attached for further explanation.

Prepared by: Jennifer Strickler, Administrative Manager Phone: 465-2144
 Division: Occupational Licensing Date: 4/30/97
 Approved by Commissioner: William L. Hensley Date: 4/30/97
 Agency: Commerce and Economic Development

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO.: CSBB 217(FIN)

ANALYSIS: (Continued)

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT FISCAL NOTE CALCULATIONS

PERSONAL SERVICES 59.6

1 - Permanent Full-Time Investigator III, Range 18, GGU

TRAVEL 2.0

- Travel and Per Diem for the Investigator III to conduct field work throughout the State: \$2.0

CONTRACTUAL 15.7

- Contractual-related costs for the Investigator III position, such as communications (phones, postage, etc.), misc. case related costs (copies of records), expert witnesses, depositions, etc.: \$3.0
- Office space costs for the Investigator III position: \$2.5
- Legal services in preparing cases for litigation. The funding provides 120 hours of legal services (10 hours per month x 12) at \$85 per hour. There are 1,929 certified nurse aides. At the rate of \$85 per hour, each individual would be responsible to contribute \$5.29 of their licensing fees toward enforcement, for a total of: \$10.2

SUPPLIES 1.0

Provides daily operating desk top supplies for the Investigator III.

EQUIPMENT (One-time costs only) 8.0

Workstation	3.0
Phone/Install	2.0
Computer	2.0
File Cabinet	1.0

TOTAL FY 98 Costs: \$ 86.3

REVENUE:

Certified Nurse Aides currently pay biennial fees of \$30 (\$15 per year). Fees will be adjusted to cover its program costs.

STATE OF ALASKA
1997 LEGISLATIVE SESSION

Bill Version: CSHB 217(L&C)
(H) Publish Date: 4/17/97

Revision Date: _____ Dept. Affected: Health and Social Services
Title: "An Act relating to certified nurse aides
and providing for an effective date." BRU: Medical Assistance Admin
Sponsor: Representative Ilyan Component: Certification & Licensing
Requestor: _____ COMPONENT SERIAL NO. 245
See also (SN#): _____

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY98	FY99	FY00	FY01	FY02	FY03
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						
1037 GF/Mental Health						
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 (FY97) cost: \$0.0

ANALYSIS: (Attach a separate page if necessary)

Federal monies are already provided to fund this program, and no additional funding needs are anticipated.

Prepared by: Ronald A. Cowan
Division: Medical Assistance

Phone: 561-8081
Date: 04/04/97

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

Date: 4-7-97

COMMITTEE COPY PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information, call the Governor's Legislative Office

X

FISCAL NOTE

No. 2

Bill Version: CSHB 217(L&C)

(H) Publish Date: 4/17/97

STATE OF ALASKA 1997 LEGISLATIVE SESSION

Revision Date: _____
Title: An Act relating to certified nurse aides.

Department: Commerce and Economic Development
BRU: Occupational Licensing
Component: Operations

Sponsor: Representative Ryan
Requestor: House Labor & Commerce

COMPONENT SERIAL NO. 1844

Expenditures/Revenues

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
PERSONAL SERVICES	59.8	59.8	59.8	59.8	59.8	59.8
TRAVEL	2.0	2.0	2.0	2.0	2.0	2.0
CONTRACTUAL	15.7	15.7	15.7	15.7	15.7	15.7
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT	8.0					
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	88.3	78.3	78.3	78.3	78.3	78.3

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

CHANGE IN REVENUES	88.3	78.3	78.3	78.3	78.3	78.3
--------------------	------	------	------	------	------	------

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other 1091 Designated PR	88.3	78.3	78.3	78.3	78.3	78.3
TOTAL	88.3	78.3	78.3	78.3	78.3	78.3

Estimate of any current year (FY 97) cost: \$ 0.0

POSITIONS

FULL-TIME	1	1	1	1	1	1
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The bill places certification of nurse aides under the Board of Nursing and grants disciplinary authority of certified nurse aides to the board. Certification of nurse aides is currently administered by the Department of Commerce and Economic Development under Administrative Order #115 signed on 8/4/89. However, current administration of the program does not include enforcement of unacceptable or inappropriate conduct. Since the bill assigns enforcement responsibility to the Board of Nursing, this fiscal note provides a full-time investigator to work certified nurse aide cases and provides funding for legal services. See attached for further explanation.

Prepared by: Jennifer Strickler, Administrative Officer
 Division: Occupational Licensing
 Approved by Commissioner: William L. Hensley
 Agency: Commerce and Economic Development

Phone: 465-2144
 Date: 4/3/97
 Date: 4-3-97

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

COMMITTEE COPY

FISCAL NOTE

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO.: HB 217

ANALYSIS: (Continued)

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT FISCAL NOTE CALCULATIONS

PERSONAL SERVICES 59.6

1 - Permanent Full-Time Investigator III, Range 18, GGU

TRAVEL 2.0

- Travel and Per Diem for the Investigator III to conduct field work throughout the State: \$2.0

CONTRACTUAL 15.7

- Contractual-related costs for the Investigator III position, such as communications (phones, postage, etc.), misc. case related costs (copies of records), expert witnesses, depositions, etc.: \$3.0
- Office space costs for the Investigator III position: \$2.5
- Legal services in preparing cases for litigation. The funding provides 120 hours of legal services (10 hours per month x 12) at \$85 per hour. There are 1,929 certified nurse aides. At the rate of \$85 per hour, each individual would be responsible to contribute \$5.29 of their licensing fees toward enforcement, for a total of: \$10.2

SUPPLIES 1.0

Provides daily operating desk top supplies for the Investigator III.

EQUIPMENT (One-time costs only) 8.0

Workstation	3.0
Phone/Install	2.0
Computer	2.0
File Cabinet	1.0

TOTAL FY 98 Costs: \$ 86.3

REVENUE:

Certified Nurse Aides currently pay biennial fees of \$30 (\$15 per year). Fees will be adjusted to cover its program cost.

0-LS0737L
Lauterbach
4/30/97

adopted 4/30/97

CS FOR HOUSE BILL NO. 217()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVE RYAN

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to certified nurse aides; and providing for an effective date."**

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

3 *** Section 1.** AS 08.01.087 is amended by adding a new subsection to read:

4 (c) Under procedures and standards of operation established by the department
5 by regulation, and with the agreement of the appropriate agency, the department may
6 designate appropriate state or municipal agencies to investigate reports of abuse,
7 neglect, or misappropriation of property by certified nurse aides.

8 *** Sec. 2.** AS 08.01.090 is amended to read:

9 **Sec. 08.01.090. Applicability of the Administrative Procedure Act.** The
10 Administrative Procedure Act (AS 44.62) applies to regulations adopted and
11 proceedings held under this chapter, except those under AS 08.01.087(b) and actions
12 taken under AS 08.68.333(c).

13 *** Sec. 3.** AS 08.68.100(a) is amended to read:

14 (a) The board shall
15 (1) adopt regulations necessary to implement this chapter, including

1 regulations pertaining to practice as an advanced nurse practitioner and a nurse
2 anesthetist, and regulations necessary to implement AS 08.68.331 - 08.68.336
3 relating to certified nurse aides in order to protect the health, safety, and welfare
4 of clients served by nurse aides;

5 (2) approve curricula and adopt standards for basic education programs
6 that prepare persons for licensing under AS 08.68.190;

7 (3) provide for surveys of the basic nursing education programs in the
8 state at the times it considers necessary;

9 (4) approve education programs that meet the requirements of this
10 chapter and of the board, and deny, revoke, or suspend approval of education programs
11 for failure to meet the requirements;

12 (5) examine, license, and renew the licenses of qualified applicants;

13 (6) prescribe requirements for competence before a former nurse may
14 resume the practice of nursing under this chapter;

15 (7) keep a record of its proceedings, and submit annual reports to the
16 governor and legislature;

17 (8) define by regulation the qualifications and duties of the executive
18 secretary and delegate authority to the executive secretary that is necessary to conduct
19 board business;

20 (9) develop reasonable and uniform standards for nursing practice;

21 (10) publish advisory opinions regarding whether nursing practice
22 procedures or policies comply with acceptable standards of nursing practice as defined
23 under this chapter.

24 * Sec. 4. AS 08.68.140 is amended to read:

25 **Sec. 08.68.140. Applicability of Administrative Procedure Act.** Except as
26 specified in AS 08.68.333(f), the [THE] board shall comply with the Administrative
27 Procedure Act (AS 44.62).

28 * Sec. 5. AS 08.68 is amended by adding new sections to read:

29 **Article 3A. Certified Nurse Aides.**

30 **Sec. 08.68.331. Certification of nurse aides.** (a) The board or the
31 Department of Commerce and Economic Development, as designated by the board,

1 shall issue certification as a nurse aide to qualified applicants. The board, after
2 consultation with affected agencies, may adopt regulations regarding the certification
3 of nurse aides, including

4 (1) the training, educational, and other qualifications for certification
5 that will ensure that the nurse aides are competent to perform the tasks of their
6 occupation;

7 (2) application, certification, renewal, and revocation procedures; and

8 (3) maintenance of a registry of certified nurse aides.

9 (b) The board may

10 (1) conduct hearings upon charges of alleged violations of this chapter
11 or regulations adopted under it; and

12 (2) invoke, or request the department to invoke, disciplinary action
13 under AS 08.01.075 against a certified nurse aide.

14 **Sec. 08.68.332. Use of title.** (a) A person may not use the title "certified
15 nurse aide" or the abbreviation "C.N.A." unless the person is certified under this
16 chapter.

17 (b) A person who knowingly violates this section is guilty of a class B
18 misdemeanor. In this subsection, "knowingly" has the meaning given in
19 AS 11.81.900(a).

20 **Sec. 08.68.333. Registry of certified nurse aides.** (a) The board shall
21 maintain a registry of certified nurse aides. At a minimum, this registry must include
22 the information required under federal regulations that are applicable to nurse aides
23 found to have committed abuse, neglect, or misappropriation of property in connection
24 with their employment by a facility participating in the Medicaid or Medicare program.

25 (b) If the board finds that a certified nurse aide has committed abuse, neglect,
26 or misappropriation of property in connection with employment as a nurse aide, the
27 board shall revoke the nurse aide's certification and enter the finding in the registry.

28 (c) Upon receiving a notice of a finding under AS 47.05.055 that a certified
29 nurse aide has committed abuse, neglect, or misappropriation of property, the board
30 shall immediately revoke the nurse aide's certification without a hearing, enter the
31 finding in the registry, and notify the nurse aide of the revocation and entry of the

1 finding. Notice is considered given when delivered personally to the nurse aide or
2 deposited in the United States mail addressed to the nurse aide's last known mailing
3 address on file with the board. The department shall retain proof of mailing.

4 (d) If the certified nurse aide is employed in a skilled nursing facility or a
5 nursing facility, other than an intermediate care facility for the mentally retarded, that
6 is participating in the Medicaid or Medicare program, only the state survey and
7 certification agency may make, and report to the Board of Nursing, a finding that the
8 certified nurse aide has committed abuse, neglect, or misappropriation of property in
9 connection with the nurse aide's employment at the facility.

10 (e) The board shall establish procedures under which a finding under
11 AS 47.05.055 that a certified nurse aide has committed abuse, neglect, or
12 misappropriation of property and the resulting revocation of certification will be
13 removed from the registry if the certified nurse aide requests a hearing and can
14 establish mistaken identity or the finding has been set aside by the reporting agency
15 or by a court of competent jurisdiction.

16 (f) AS 44.62.330 - 44.62.630 do not apply to actions taken under (c) of this
17 section.

18 **Sec. 08.68.334. Grounds for denial, suspension, or revocation of certificate.**

19 The board may deny a certification to, or impose a disciplinary sanction authorized
20 under AS 08.01.075 against, a person who

21 (1) has obtained or attempted to obtain certification as a nurse aide by
22 fraud, deceit, or intentional misrepresentation;

23 (2) has been convicted of a crime substantially related to the
24 qualifications, functions, or duties of a certified nurse aide;

25 (3) has impersonated a registered or practical nurse or other licensed
26 health care provider;

27 (4) has intentionally or negligently engaged in conduct that has resulted
28 in a significant risk to the health or safety of a client or in injury to a client;

29 (5) is incapable of working as a certified nurse aide with reasonable
30 skill, competence, and safety for the public because of

31 (A) professional incompetence;

1 (B) addiction or severe dependency on alcohol or a drug that
2 impairs the licensee's ability to practice safely;

3 (C) physical or mental disability; or

4 (D) other factors determined by the board;

5 (6) has knowingly or repeatedly failed to comply with this chapter, a
6 regulation adopted under this chapter, or with an order of the board; or

7 (7) has misappropriated the property of, abused, or neglected a client.

8 **Sec. 08.68.335. Immunity for certain reports to the board.** A person who,
9 in good faith, reports information to the board relating to alleged incidents of
10 incompetent, unprofessional, or unlawful conduct of a certified nurse aide is not liable
11 in a civil action for damages resulting from the reporting of the information.

12 **Sec. 08.68.336. Fees.** The Department of Commerce and Economic
13 Development shall set fees under AS 08.01.065 for certified nurse aides for each of
14 the following:

15 (1) application;

16 (2) examination;

17 (3) certification; and

18 (4) renewal of certification.

19 * Sec. 6. AS 08.68.410 is amended by adding a new paragraph to read:

20 (9) "certified nurse aide" is a person who is certified as a nurse aide by
21 the board.

22 * Sec. 7. AS 44.62.330(a)(10) is amended to read:

23 (10) Board of Nursing functions, except those related to findings of
24 abuse, neglect, or misappropriation of property contained in the registry of
25 certified nurse aides under AS 08.68.333;

26 * Sec. 8. AS 47.05.010 is amended by adding a new paragraph to read:

27 (15) investigate reports of abuse, neglect, or misappropriation of
28 property by certified nurse aides in facilities licensed by the department under
29 AS 18.20.

30 * Sec. 9. AS 47.05.017(b) is amended to read:

31 (b) The department shall adopt regulations identifying actions that it will take,

1 in addition to those otherwise required under AS 47.17 and AS 47.24, when a report
2 of harm is made under AS 47.17 or AS 47.24 that might relate to harm caused by
3 actions or inactions of a public home care provider. The regulations must

4 (1) address circumstances under which the department will, or will
5 require a contractor or grantee to, reassign, suspend, or terminate a person alleged to
6 have perpetrated harm; [AND]

7 (2) include appropriate procedural safeguards to protect the due process
8 rights of public home care providers who may be reassigned, suspended, or terminated
9 under the circumstances described in (1) of this subsection; and

10 (3) if the home care provider is a certified nurse aide, include
11 procedures under which the department shall notify the Board of Nursing if the
12 nurse aide is suspected of abuse, neglect, or misappropriation of property.

13 * Sec. 10. AS 47.05 is amended by adding a new section to read:

14 **Sec. 47.05.055. Certified nurse aides.** (a) If the department has reason to
15 believe that a certified nurse aide employed in a facility licensed by the department
16 under AS 18.20 has committed abuse, neglect, or misappropriation of property in
17 connection with the person's duties as a certified nurse aide at the facility, the
18 department shall investigate the matter. The department shall conduct proceedings to
19 determine if a finding of abuse, neglect, or misappropriation of property should be
20 made. These proceedings shall be conducted under AS 44.62.330 - 44.62.630. A
21 finding under this subsection that a certified nurse aide has committed abuse, neglect,
22 or misappropriation of property shall be reported by the department to the Board of
23 Nursing.

24 (b) If the certified nurse aide is employed in a skilled nursing facility or
25 nursing facility, other than an intermediate care facility for the mentally retarded, that
26 is participating in the Medicaid or Medicare program, only the state survey and
27 certification agency may make, and report to the Board of Nursing, a finding that a
28 certified nurse aide has committed abuse, neglect, or misappropriation of property in
29 connection with the nurse aide's employment at the facility.

30 * Sec. 11. AS 47.17.030 is amended by adding a new subsection to read:

31 (f) If an investigation under this section shows reasonable cause to believe that

1 a certified nurse aide has committed abuse, neglect, or misappropriation of property,
2 the department shall report the matter to the Board of Nursing.

3 * Sec. 12. AS 47.17.290(13) is amended to read:

4 (13) "practitioner of the healing arts" includes chiropractors, mental
5 health counselors, dental hygienists, dentists, health aides, nurses, nurse practitioners,
6 certified nurse aides, occupational therapists, occupational therapy assistants,
7 optometrists, osteopaths, naturopaths, physical therapists, physical therapy assistants,
8 physicians, physician's assistants, psychiatrists, psychologists, psychological associates,
9 audiologists licensed under AS 08.1 hearing aid dealers licensed under AS 08.55,
10 marital and family therapists licensed under AS 08.63, religious healing practitioners,
11 acupuncturists, and surgeons;

12 * Sec. 13. AS 47.24.010(a) is amended by adding a new paragraph to read:

13 (15) a certified nurse aide.

14 * Sec. 14. AS 47.24.013 is amended by adding a new subsection to read:

15 (f) If an investigation conducted by an agency under this section shows
16 reasonable cause to believe that a certified nurse aide has committed abuse, neglect,
17 or misappropriation of property, the agency shall report the matter to the Board of
18 Nursing.

19 * Sec. 15. AS 47.24.015 is amended by adding a new subsection to read:

20 (g) If an investigation under this section shows reasonable cause to believe that
21 a certified nurse aide has committed abuse, neglect, or misappropriation of property,
22 the department shall report the matter to the Board of Nursing.

23 * Sec. 16. AS 47.33.520 is amended by adding a new subsection to read:

24 (f) If the licensing agency's investigation shows reasonable cause to believe
25 that a certified nurse aide has committed abuse, neglect, or misappropriation of
26 property, the licensing agency shall report the matter to the Board of Nursing.

27 * Sec. 17. TRANSITION: REGULATIONS. A state agency affected by this Act may
28 proceed to adopt regulations necessary to implement changes affecting the state agency that
29 are enacted by this Act. The regulations take effect under AS 44.62 (Administrative
30 Procedure Act), but not before the effective date of the changes in law in this Act.

31 * Sec. 18. TRANSITION: CERTIFICATIONS. (a) A person who holds a current, valid

1 certification from the Board of Nursing as a nurse aide on the day before the effective date
2 of this bill section, subject to continued eligibility under AS 08.68 and regulations adopted
3 under that chapter, is entitled to retain a renewable certification as a nurse aide.

4 (b) A person who, on the day before the effective date of this bill section, holds a
5 certification from the Board of Nursing as a nurse aide that has been expired for less than two
6 years may apply for renewal of that certification under standards to be established by the
7 board. A certification may not be renewed under this subsection unless the person applies for
8 the renewal before September 1, 1998.

9 * **Sec. 19.** Section 17 of this Act takes effect immediately under AS 01.10.070(c).

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


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

MEMORANDUM

April 3, 1997

SUBJECT: Sectional Summary of HB 217. (Certified Nurse Aides)

TO: Representative Joe Ryan
Attn: Mark Rosen

FROM: Terri Lauterbach
Legislative Counsel 

You have requested a sectional summary of the above-described bill.

As a preliminary matter, please note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, let me know.

Section 1 amends AS 08.01.087 to allow the Department of Commerce (the investigative agency for the Board of Nursing) to designate other state or local agencies (with their consent) to conduct investigations into reports of abuse by CNAs.

Section 2 is a cross-reference to the exemption from the requirements of the Administrative Procedure Act created in AS 08.68.333.

Section 3 amends AS 08.68.100(a) to give the Board of Nursing authority to adopt regulations regarding certified nurse aides.

Section 4 amends AS 08.68.140 to exempt procedures related to the registry of certified nurse aides from the requirements of the Administrative Procedure Act.

Section 5 creates a new article in AS 08.68. It contains several new sections that give the Board of Nursing authority to regulate and certify nurse aides. Under new AS 08.68.332, it would be a class B misdemeanor crime for a person to use the title "certified nurse aide" unless the person is certified by the Board. The Board is required to establish and maintain a registry of certified nurse aides. New AS 08.68.333 establishes the procedures for including findings of abuse and neglect in the registry. New AS 08.68.334 establishes the grounds for the denial or suspension of a nurse aide's certificate. AS 08.68.335 provides immunity for

Representative Joe Ryan

April 3, 1997

Page 2

good faith reports to the Board, and AS 08.68.336 allows the Department of Commerce to set and collect fees for CNAs as shown.

Section 6 adds a definition for "certified nurse aide" in AS 08.68.

Section 7 amends AS 44.62.330(a)(10) to exempt functions related to the nurse aide registry from the requirements of the Administrative Procedure Act (APA).

Section 8 amends AS 47.05.010 to add to the duties of the Department of Health and Social Services (DHSS) the investigation of reports of abuse, neglect, or misappropriation of property by certified nurse aides in facilities licensed by DHSS under AS 18.20.

Section 9 requires the DHSS to adopt procedures to report to the Board of Nursing suspected abuse, neglect, or misappropriation of property by CNAs who work as home care providers.

Section 10 is a new section in the DHSS administrative statutes. It gives DHSS the authority to investigate reports of abuse or neglect by CNAs in facilities licensed by DHSS under AS 18.20. The department would be required to hold hearings under regulations it adopts; these need not comply with the APA. Reports of findings of abuse or neglect by a CNA must be reported to the Board of Nursing. If the facility is a long-term care facility, only the designated state survey and certification agency may make the report to the registry. This provision is included to comply with federal law.

Section 11 amends AS 47.17.030, regarding investigation by state and local agencies of reports of harm to children, to require that suspected abuse or neglect by CNAs be reported to the Board of Nursing.

Section 12 amends AS 47.17.290(13) to include "certified nurse aides" among the "practitioners of the healing arts" required to report the suspected abuse or neglect of children under their care.

Section 13 amends AS 47.24.010(a) to add CNAs to the list of those required to report the suspected exploitation or abuse of vulnerable adults under their care.

Section 14 amends existing AS 47.24.013, regarding the investigation of abuse of elderly persons, to require that suspected abuse, neglect, or misappropriation of property by CNAs be reported to the Board.

Section 15 amends existing AS 47.24.015, which requires DHSS to investigate reports of harm to elderly that are not addressed under AS 47.24.013. The proposed new subsection requires DHSS to report suspected abuse, neglect, or misappropriation of property by CNAs to the Board.

Representative Joe Ryan

April 3, 1997

Page 3

Section 16 amends existing AS 47.33.500(c), regarding assisted living facilities, to allow information about a complainant or resident to be released to appropriate investigative agencies if the complaint involved a certified nurse aide.

Section 17 amends AS 47.33.520 to require that suspected abuse, neglect or misappropriation of property by CNAs in assisted living homes be reported to the Board of Nursing.

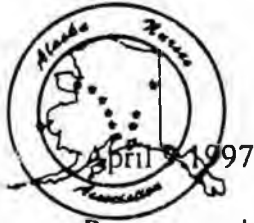
Section 18 is a transition section, allowing the Board and other affected state agencies, before the effective date of the new laws, to begin drafting the regulations necessary to implement the bill.

Section 19 is a transition section providing that persons who are certified as nurse aides immediately before the effective date of the Act retain their certifications, subject to continued eligibility. CNAs whose certifications have expired within two years before the Act takes effect may apply to renew them if they apply by September 1, 2000.

Section 20. Immediate effective date for sec. 18.

TML:jdr

97-230.jdr



ALASKA NURSES ASSOCIATION

237 E. 3rd Avenue #3 Anchorage, AK 99501-2523
(907) 274-0827 FAX: (907) 272-0292

Representative Joe Ryan
Juneau, Alaska

Dear Representative Ryan:

On behalf of the Alaska Nurses Association, I'd like to take this opportunity to comment on HB 217, "An Act relating to certified nurse aides. The Alaska Nurses Association supports this bill and its greater purpose to protect the health, safety, and welfare of the public served by nurses aides as well as to ensure competency in the performance of nurses aide tasks.

The Alaska Nurses Association believes that this act is a positive first step toward the goal to mandate certification for all nurse aides. The Alaska Nurses Association passed a resolution in support of requiring certification for all nurse aides at the annual convention in 1995. The Alaska Nurses Association continues to be committed to certification of all unlicensed assistive personnel not just those individuals who are already mandated to be certified.

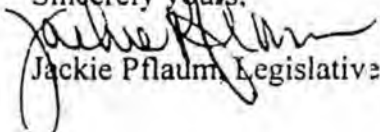
The nursing profession is accountable for the quality of service it provides to the consumer. This includes responsibility for developing nursing policies and procedures and setting the standards of practice for the nursing care of populations served. Provision of any care which constitutes nursing or any activity represented as nursing is a regulatory responsibility of Boards of Nursing. This Act rightly assigns the oversight for the practice of certified nurse aides and the protection of the public to the Alaska Board of Nursing.

The Alaska Nurses Association supports the sections of the HB which provide the following:

- Definitions of covered individuals,
- Authorization for the Board to Nursing to certify nurse aides and maintain a registry,
- Authorization for the Board to discipline certified nurse aides.
- Enforcement authorization,
- Authorization for the Board of Nursing to approve curricula and adopt standards for educational programs and to adopt regulations.

The Alaska Nurses Association thanks you for the opportunity to give input on this piece of legislation. Thank you for serving as a sponsor of the bill.

Sincerely yours,


Jackie Pflaum, Legislative Chairperson



ALASKA NURSES ASSOCIATION

237 E. 3rd Avenue #3 Anchorage, AK 99501-2523
(907) 274-0827 FAX: (907) 272-0292

Certified Nurse Aide Bill HB 217 and SB 152

PURPOSE

The purpose of these bills is to give legislative authority to the Nurse Aide Certification program which has been in existence in Alaska since 1989 through the Board of Nursing. This program establishes minimum requirements for Nurse Aide training, approves Nurse Aide training programs in Alaska, and keeps a registry of Certified Nurse Aides.

The current Nurse Aide Certification program was established by Executive Order and so there is no legislative authority to take disciplinary action against CNA's. These bills will allow the Board of Nursing to deny, suspend or revoke a nurse aide's certification for reasons such as a conviction of a crime related to the nurse aide's function, negligence that has resulted in an injury or a risk to the health or safety of a client, and addiction to illegal drugs or alcohol. In addition, they will continue to allow the Department of Health and Social Services to maintain a list of CNA's who have worked in state licensed long-term care facilities and home health agencies, and who have committed abuse, neglect, or misappropriation of property.

The ultimate purpose of these bills is to protect Alaska's most vulnerable population by helping to insure that the people who care for them are properly trained and disciplined as needed.

HISTORY

The Omnibus Budget Reconciliation Act of 1987 required that states establish Nurse Aide Certification programs for nurses aides who worked in long-term care and home health agencies receiving Medicare and Medicaid funding. In Alaska the Board of Nursing has been the agency responsible for approving Nurse Aide Certification training programs, and for maintaining the list of Alaska Certified Nurses Aides. At present, the Board of Nursing has no authority to discipline CNA's or remove an individual from their list of CNA's for any reasons.

Per Federal Regulations, the Division of Medical Assistance, Section of Health Facilities Licensing and Certification, investigates complaints brought against CNA's who work in long-term care facilities and home health agencies licensed by the Division. This authority does not extend to CNA's working in other facilities, such as hospitals. This is why the present legislation

gives disciplinary authority to the Board of Nursing, who already has this responsibility for Registered Nurses and Licensed Practical Nurses.

WHY LEGISLATION NOW

The Alaska Board of Nursing has been trying to get legislative authority for their CNA program for the last seven years. With the great increase in elder Alaskans needing assistance, there has been a tremendous growth in the need for CNA's. As the number of CNA's has grown (there are now 2500 CNA's in Alaska) the need for formal authority to operate the existing program, and to take disciplinary action, has increased.

FUNDING

The present CNA program is funded in part by Federal dollars connected to Medicaid funds, and through certification fees. It is the Board of Nursing's intent that should the Federal subsidy decrease, that the program would operate on certification fees, as the program for Registered Nurses and Licensed Practical Nurses presently operates off licensing fees.

SUPPORT

The current legislation was based on a bill drafted by a coalition that included representatives from the Alaska Board of Nursing, the Division of Medical Assistance, the Attorney General's office, the Division of Senior Services, and the Alaska Hospital and Nursing Home Association. The present piece of legislation has been deemed a top priority by the Alaska Nurses Association. CNA's work under the supervision of licensed nurses. We feel these people are important members of the health care team, and so require adequate preparation for the responsibilities given to them.

Alaska State Legislature

House of Representatives

COMMITTEE ASSIGNMENTS:

LABOR & COMMERCE
MILITARY & VETERANS AFFAIRS
COMMUNITY & REGIONAL AFFAIRS
OIL & GAS



Representative Joe Ryan

1 800-922-3875 <http://www.akRepublicans.org>

INTERIM:

716 W. 4TH AVE.
ANCHORAGE, AK 99501
PHONE (907) 258-8161

SESSION:

STATE CAPITOL
ROOM 420
JUNEAU, AK 99801-1182
PHONE (907) 465-3875

Sponsor Statement

HB 217 gives the Board of Nursing the authority to oversee the training, supervision, utilization, and registration of Certified Nurse Aides.

There are some 2,800 Certified Nurse Aides (CNAs) working in Alaska's long-term care facilities and home health agencies. These Aides provide care to Alaskans most unable to care for themselves, the aged and the infirm.

These Certified Nurse Aides works under the supervision of a nurse licensed by the Board of Nursing, performing only those duties specifically delegated by that nurse.

The Omnibus Budget Reconciliation Act of 1987 (Federal) required that states establish Nurse Aide Certification programs for aides working in long-term care and home health agencies receiving Medicare and Medicaid funding. Since 1989, the responsibility for the Certified Nurse Aide program has been divided between DHSS, Division of Medical Assistance, Health Facilities and Licensing, and DCED, Occupational Licensing, Board of Nursing.

This legislation delineates responsibility for oversight of Certified Nurse Aides clearly to the Board of Nursing. The Board of Nursing has been responsible for establishing minimum training standards, approval of training programs, and maintenance of the registry of Certified Nurse Aides.

However, the Board of Nursing has not had the authority to conduct investigations, order corrective measures, or remove someone from

the Certified Nurse Aide registry when allegations of wrong-doing are made against a Certified Nurse Aide. This legislation will authorize the Board of Nursing to take appropriate action.

HB 217 protects Alaska's most vulnerable population by insuring that the people who care for them are properly trained and that oversight of that care is provided.

HB

227

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
1998 LEGISLATIVE SESSION

BILL NO. CSHB 227 TRA

Revision Date _____	Dept. Affected <u>DOT&PF</u>
Title <u>Capital Improvement Project Authority</u>	BRU <u>Commissioners Office</u>
	Component <u>Office of the Commissioner</u>
Sponsor <u>Representative Phillips</u>	
Requester <u>House Finance</u>	Component Serial No. <u>530</u>

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	376.2	376.2	376.2	376.2	376.2	376.2
Travel	65.1	65.1	65.1	65.1	65.1	65.1
Contractual	81.8	81.8	81.8	81.8	81.8	81.8
Supplies	6.0	4.5	4.5	4.5	4.5	4.5
Equipment	51.7					
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	580.8	527.6	527.6	527.6	527.6	527.6

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	-----	-----	-----	-----	-----	-----

CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
-------------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	580.8	527.6	527.6	527.6	527.6	527.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	580.8	527.6	527.6	527.6	527.6	527.6

Estimate of any current year (FY98) cost: 0.0

POSITIONS

Full-time	5	0	0	0	0	0
Part-time	1	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: *(Attach a separate page if necessary)*

Section 2 of the bill requires the use of general funds to pay salaries, per diem, travel expenses, hearing costs and administrative costs of the authority.

See attached for details

Prepared by <u>Dennis Poshard, Legislative Liaison</u>	Phone <u>465-3900</u>
Division <u>Office of the Commissioner</u>	Date <u>4/6/98</u>
Approved by <u><i>Joseph L. Pribens</i></u> Commissioner	Date <u>4/6/98</u>
Agency <u>Department of Transportation and Public Facilities</u>	

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information, call the Governor's Legislative Office

HB 227

Personal Services			
Position Classification	Range/Step	Location	Cost
Director	24C	Anchorage	91,450
Administrative Manager I	15A	Anchorage	48,850
Accounting Clerk II (part-time)	10B	Anchorage	18,200
Engineer III	22A	Anchorage	77,900
Engineer I	19A	Anchorage	63,000
Transportation Planner I	21BC	Anchorage	76,800
Total Personal Services			376,200
Supplies	1998	Future Years	
Binders, Notebooks, Paper, Pens, Office Supplies, Manuals	2,500	2,500	
Data Processing Supplies, Engineering or Specialized Software	2,500	1,500	
Calculators, Hole Punch, Staplers, Etc.	1,000	500	
Total Supplies	6,000	4,500	
Equipment = One-time Costs			
	Number of Units	Price Each	Total 1998 Costs
Personal Computers w/Basic Software	5	4,300	21,500
Printer	1	6,400	6,400
Facsimile Machine	1	2,500	2,500
Phones	5	350	1,750
Hub & router	1	4,500	4,500
Office & conference room furniture			15,000
Total Equipment			51,650
Summary Costs	FY98	Future	
Personal Services	376,200	376,200	
Travel	65,128	65,128	
Contractual	81,784	81,784	
Supplies	6,000	4,500	
Equipment	51,650	0	
Total	580,762	527,612	
100% GENERAL FUNDS			

HB227

Capital Project Authority=staff of 4 reporting to 7 member board
 Board has 2 members each in Anchorage, Fairbanks, 1 each in Juneau, Ketchikan and Bethel
 Board meetings = 10 in Anchorage and 2 in Juneau, average of 2 days each
 Staff is located in Anchorage

TRAVEL COSTS

Anchorage Board Meetings:

Board Members	Meals	Lodging	Airfare	Misc. (tax)	Total
2 Anchorage	n/a				
2 Fairbanks	168	220	366	30	784
1 Juneau	84	110	220	15	429
1 Ketchikan	84	110	620	20	834
1 Bethel	106	220	960	20	1,306
Coffee, etc.				20	20
Total	442	660	2,166	105	3,373

Cost per meeting
 Cost of 10 meetings

Juneau Board Meetings:

Board Members	Meals	Lodging	Airfare	Misc. (tax)	Total
2 Anchorage	212	356	440	30	1,038
2 Fairbanks	212	356	1,252	30	1,850
1 Juneau	n/a				0
1 Ketchikan	48	89	268	20	425
1 Bethel	126	316	886	20	1,348
2 staff from Anchorage	212	356	440	30	1,038
Total	810	1,473	3,286	130	5,699

Cost per meeting
 Cost of 2 meetings

Transportation Association Meetings (e.g. WASHTO, AASH)

Staff	5,000			
Authority	15,000			
subtotal	20,000			

Travel Total 65,728

Contractual Costs

Legal costs for reqs	10,000			
Telephones				
voice mail/centrex & lines	3,000			
long distance charges	6,000			
installation	750			
Computing/Network Charges				
port-connect	1,980			
port access charges	3,600			
internet address	100			
terminal/printer access charges	1,584			
data line installation	2,500			
dataline mo. charges	1,800			
leased modem for dataline	300			
etc. for router	450			
wiring installation	800			
contract LAN & desktop support	6,000			

Leased office space with conference room	23,400	for 1300 sq. ft. @ 1.50/sq.ft./mo.
Advertising for public board meetings	7,200	average based on 3 newspapers, 3 days for 12 mths.
Advertising for proposed regulations	2,400	4 locations, twice
Other = postage, express mail, etc.	5,000	
Vehicle = sedan class 106	4,920	
Contractual Total	81,784	

HB 227

Furniture					
File Cabinets	4 drwr legal	4 drwr letter		Total (2 each)	
	290	249		1078	
				Total (2)	
BookCase	600			1200	
	Table	Chairs		Total Table and 10 Chairs	
96" Conference	900	300		3900	
	Desk	Side table	Chair	Total (4 of each)	
Desks, Computers	675	400	400	5900	
				Total (10)	
Guest Chairs	200			2000	
		First Year Furniture		14078	

FISCAL NOTE

No: 2

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. Bill Version: CSHB 227 (TRA)
(H) Publish Date: 3/13/98

Title: Alaska Capital Project Improvement Authority (ACIPA)

Dept. Affected: DOT&PF

BRU: ACIPA

Sponsor: Representative Phillips

Components: ACIPA

Requestor: House Transportation

Serial # _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	2261.5	2261.5	2261.5	2261.5	2261.5	2261.5
Travel	7.4	7.4	7.4	7.4	7.4	7.4
Contractual	38.2	38.2	38.2	38.2	38.2	38.2
Supplies	21.1	21.1	21.1	21.1	21.1	21.1
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	2328.2	2328.2	2328.2	2328.2	2328.2	2328.2

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

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)

General Fund	138.7	138.7	138.7	138.7	138.7	138.7
Federal Fund	2172.0	2172.0	2172.0	2172.0	2172.0	2172.0
Other	17.5	17.5	17.5	17.5	17.5	17.5
TOTAL	2328.2	2328.2	2328.2	2328.2	2328.2	2328.2

POSITIONS:

Full-Time	35	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared by: Pete Ecklund
House Transportation Committee
W. F. W. Williams ^{PS/GW} Chairman

Date: 3/4/98
 Phone: 465-4858
 Phone: _____

ANALYSIS:

Transfers money and positions into a new
ACIPA BRU from the Statewide Planning BRU

PAGE 1 OF 1

COMMITTEE COPY

FISCAL NOTE

No: 1

STATE OF ALASKA
1997 LEGISLATIVE SESSION

BILL NO. Bill Version: CSFB 227 (TRA)
(H) Publish Date: 3/13/98

Title: Alaska Capital Project Improvement Authority (ACIPA)
Sponsor: Representative Phillips
Requestor: House Transportation

Dept. Affected: DOT&PF
BRU: Statewide Planning
Components: Planning
Serial # _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Personal Services	(2,261.5)					
Travel	(7.4)					
Contractual	(38.2)					
Supplies	(21.1)					
Equipment						
Land & Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING	(2,326.2)	0.0	0.0	0.0	0.0	0.0

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

REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (THOUSANDS OF DOLLARS)

General Fund	(138.7)					
Federal Fund	(2,172.0)					
Other	(17.5)					
TOTAL	(2,328.2)	0.0	0.0	0.0	0.0	0.0

POSITIONS:

Full-Time	(35)	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

Prepared by: Pete Ecklund
House Transportation Committee
Pete Ecklund Chairman

Date: 3/4/98
Phone: 465-4858
Phone: _____

ANALYSIS:

Transfers the money and positions out of the Statewide Planning BRU and into a new ACIPA BRU

PAGE 1 OF 1

COMMITTEE COPY

Alaska State Legislature

House of Representatives



Transportation Committee

Letter of Intent

CSHB 227 (TRA)

It is the intent of the House Transportation Committee that no funds in this fiscal note shall be expended for the transfer of positions out of Juneau. Positions allocated to this Authority are to remain in current offices or close proximity to the current headquarters to provide maximum interaction with other Department of Transportation headquarter functions.

Pa for
W.K. Williams

Rep. Williams, Chair

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3267 or 465-2453
FAX (907) 465-2029
Mail Stop 3101


130 Seward Street, Suite 413
Juneau, Alaska 99801-2105

MEMORANDUM

March 12, 1998

SUBJECT: CSHB 227(TRA), relating to the Alaska Capital Improvement Project Authority

TO: Representative Bill Williams
Attn: Pete Ecklund

FROM: George Utermohle 
Legislative Counsel

Enclosed is CSHB 227(TRA) as passed out of the House Transportation Committee. This memorandum is to alert you that one of the amendments adopted by the Committee raises constitutional issues in regard to the appropriation power of the legislature.

The Committee adopted an amendment stating that "The legislature shall appropriate money from the general fund to provide the Authority with funds to pay the Authority's salaries, per diem, travel, hearings, and administrative costs." Page 4, lines 29-31. This amendment raises constitutional issues in regard to the legislature's appropriation powers in that it seems intended to deprive the legislature of its discretion to appropriate or not appropriate money for the proposed Alaska Capital Improvement Project Authority and to require the legislature to appropriate the required funds from a particular source (general fund). The legislature cannot appropriate funds except in a bill confined only to appropriations and cannot require by statute that an appropriation be made. This issue can be avoided by changing "shall" to "may" or by moving this language to the Findings and Intent in section 1 of the bill.

If I may be of further assistance, please advise.

GU:pl:glc
98-054.plm

Enclosure

"There is general agreement that our transportation and public facility infrastructure is wearing out and needs rebuilding. There is never enough money to do all the things that should be done. The situation is aggravated by siphoning off the money we do have to projects that do not meet basic planning priorities. The Alaska Capital Improvement Planning Authority will bring discipline to our capital projects program." (Rep. Gail Phillips, R-Homer)

**HB 227 SPONSOR STATEMENT: SPEAKER GAIL PHILLIPS
ALASKA CAPITAL IMPROVEMENT PLANNING AUTHORITY
(ACIPA)**

The purpose of House Bill 227 is to increase public involvement, stability and discipline in capital project planning for the State of Alaska.

Planning for Alaska's capital improvement projects is presently carried out by the Planning Division of the DOT/PF. Research and planning is carried out by three regional planning teams (Central, Northern and Southeast). The Regional Planning Teams coordinate with the local governments, including AMATS and FMATS, within their regions. They feed their regional plans into the Statewide Planning Team in headquarters, Juneau. HQ Juneau consolidates the local and regional plans into statewide plans. Statewide plans are required for internal management and to meet requirements for federal funding.

HB 227 comes into play at the level of statewide prioritization and funding alternatives. It would not change the basic planning process now in use. It will change the method by which projects are rated, prioritized and submitted to the governor and legislature.

Whereas currently, DOT/PF sets up a Project Evaluation Board to prioritize projects, HB227 establishes an independent Authority, the Alaska Capital Improvement Project Authority (ACIPA), to perform the functions that lead to finalizing our capital spending priorities. The Authority will have all the expertise available from DOT/PF's Planning Division. It will have greater public participation and community sensitivity built into it by virtue of the diverse composition of its members. And, it will be more independent of political influence by virtue of the staggered tenure of its appointees.

Despite efforts by DOT/PF over the years to make the planning process more inclusive and transparent to the public, capital project planning remains a dark science to most Alaskans. We don't know how or why Project A gets funded before Project B, and why Project C doesn't get funded at all. Part of the problem is that there are several different plans arrived at by different methods. All are subject to political intrigues between the governor and legislature.

Planning is hindered by a lack of continuity at the executive level. DOT/PF Commissioners have an average tenure under two years. The permanent professional planners get committed to the projects they work on and the people they work with.

The provisions in HB 227 are intended to make the capital project planning process more comprehensive, coherent to the public and stable in its role of building Alaska's infrastructure. The Authority will have a single purpose mission rather than be entangled with the multi-purposes of the governor, legislature and DOT/PF.

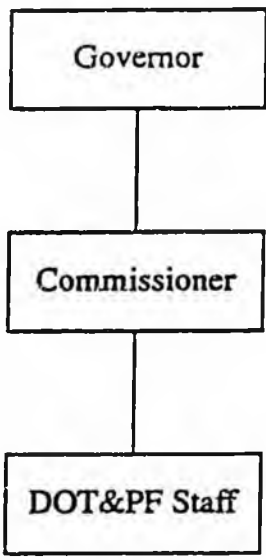
This bill also vests in the Authority the power to set tolls on toll facilities and to establish signing standards and speed limits for Capital Improvement Projects.

The sponsors of HB 227 look forward to the constructive critique, and changes where necessary, of this legislation.

4/27/98

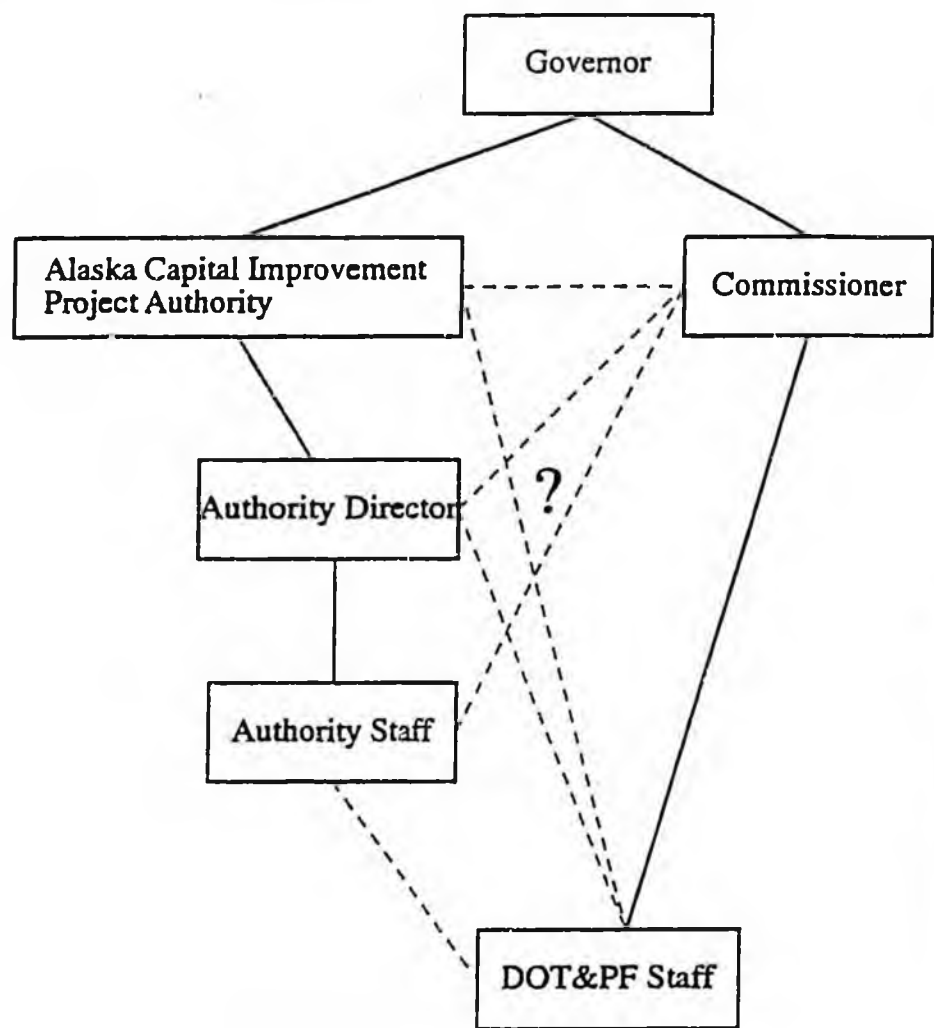
Without HB 227

Administration



With HB 227

Administration



———— Direct Reporting Relationship

———— Direct Reporting Relationship

----- Indirect Relationship

Incremental Cost

FY 99	\$0
FY 00	\$0
FY 01	\$0
FY 02	\$0
FY 03	\$0

Incremental Cost

FY 99	\$580.8k
FY 00	\$527.6k
FY 01	\$527.6k
FY 02	\$527.6k
FY 03	\$527.6k



House Finance Committee

DATE: 4-27-98

PLACE: CAP 519

SUBJECT OF MEETING:
HB 227
SB 250

	NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
X	TOM BRIGHAM	DOT/PF	3132 CHANNEL DRIVE	99801	4070		(Y) N	HB 227
X	KEVIN BROWN	ADFG	PO BOX 22525		888	5999	(Y) N	SB 250
X	JACK KREINHOFFER	DMIB			4676		(Y) N	HB 227
							Y N	
							Y N	
							Y N	
							Y N	
							Y N	
							Y N	
							Y N	
							Y N	

HB

230

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: April 4, 1997

FURTHER REFERRALS:

Date of Committee Action: 4/28/98

The FINANCE Committee considered:

HB 230

HOUSE BILL NO. 230

AHFC HOUSING FUNDS & PROGRAMS

"An Act relating to housing assistance provided by the Alaska Housing Finance Corporation and to its rural housing programs, to the corporation's supplemental housing development grants to regional housing authorities, and to housing programs of regional housing authorities; permitting regional housing authorities to make, originate, and service loans for the purchase and development of residential housing; and amending definitions relating to various housing programs; and providing for an effective date."

recommends it be replaced with the following committee substitute CS HB 230 (FIN) the same title a new title

additional referral to _____ Committer.
 attached amendment(s)

ADOPTS: _____ Letter of Intent

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

APPROVES PREVIOUS: (Dept/Date) _____

fiscal note(s) _____

fiscal note(s) _____

zero fiscal note(s) Revenue

zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS		DP	DNP	NR	AM
<i>Gene Therriault</i>	Therriault			X	
<i>Mark Hanley</i>	Hanley			X	
<i>Leon Mulden</i>	Mulden	✓			
<i>Terry Martin</i>	Martin			X	
<i>Vick Kohring</i>	Kohring				X
<i>Jim Davis</i>	J. Davis			X	
<i>Ben Grissendot</i>	Grissendot	X			
<i>Carol E. Moses</i>	Moses	X			
<i>John G. Davis</i>	G. Davis	X			
<i>John Kelly</i>	Kelly				✓
<i>John Foster</i>	Foster	X			

CO-CHAIR'S SIGNATURE

Gene Therriault
 Therriault
Mark Hanley
 Hanley

Revision Date: _____ Dept. Affected: Revenue
 Title: AHFC Housing Funds & Programs BRU: Alaska Housing, Operations
 Component: Alaska Housing, Operations
 Sponsor: Representative Ivan
 Requestor: (H) FIN COMPONENT SERIAL NO. 110

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
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						
1001 CBRF						
1048 University of AK receipts						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This legislation keeps the status quo for all the communities that currently qualify for this program. The population caps are being increased to continue to allow the communities of Bethel and Haines to qualify for the rural mortgage program. This will have no addition fiscal impact on the Alaska Housing Finance Corporation.

Prepared by: John Bitney
 Division: Alaska Housing Finance Corporation
 Approved by Commissioner: Wilson L. Condon
 Agency: Revenue

Phone: 330-8445
 Date: April 28, 1998
 Date: April 28, 1998

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

4/28/98

O-LS0871/E.1
Cook
4/28/98

Withdrawn
AMENDMENT #1 change pg 2
2iv 5

OFFERED IN THE HOUSE

BY REPRESENTATIVE MULDER

TO: CSHB 230(), Draft Version "E"

1 Page 1, line 2, following "Corporation":

2 Insert "; relating to University of Alaska student housing and approving
3 participation in certain student housing projects by the Alaska Housing Finance
4 Corporation; and providing for an effective date"

5 Page 1, following line 9:

6 Insert new bill sections to read:

7 ** Sec. 2. UNIVERSITY OF ALASKA STUDENT HOUSING PROJECT APPROVAL.

8 (a) The Twentieth Alaska State Legislature approves the plans of the Board of Regents of
9 the University of Alaska to enter into obligations to borrow \$43,000,000 from the Alaska
10 Housing Finance Corporation for the following:

11 (1) \$20,000,000 for acquisition and construction of student housing on the
12 University of Alaska Anchorage campus;

13 (2) \$10,000,000 for acquisition and construction of student housing on the
14 University of Alaska Fairbanks campus;

15 (3) \$6,000,000 for renovation of the Lola Tilly Commons student housing
16 eating facility on the University of Alaska Fairbanks campus; and

17 (4) \$7,000,000 for deferred maintenance of student housing at University of
18 Alaska campuses.

19 (b) For acquisition, construction, and renovation of facilities described in (a) of this
20 section, the anticipated

21 (1) total construction and other costs of the facilities are \$47,945,000, of
22 which \$43,000,000 is for construction to be through the Alaska Housing Finance Corporation
23 under a subsidized bond authorization;

24 (2) annual debt service is \$3,655,000 a year for 25 years, of which

0-LS0871VE.1

1 (A) the University of Alaska Anchorage will pay an amount not to
2 exceed \$700,000 a year for acquisition and construction of student housing on the
3 University of Alaska Anchorage campus; and

4 (B) the University of Alaska Fairbanks will pay an amount not to
5 exceed \$350,000^{a year} for the acquisition and construction of student housing on the
6 University of Alaska Fairbanks campus;

7 (3) total debt service for the full term of the bond is \$96,857,500.

8 (c) Subsection (a) of this section provides the project approval required by
9 AS 14.40.253 for obligations of the University of Alaska having an annual payment by the
10 university anticipated to exceed \$1,000,000.

11 * Sec. 3. ALASKA HOUSING FINANCE CORPORATION AUTHORIZED TO ISSUE
12 OBLIGATIONS IN ORDER TO MAKE LOANS. (a) The Alaska Housing Finance
13 Corporation may

14 (1) issue bonds or other obligations of the corporation with respect to the
15 loans to be financed for acquisition, construction, or renovation of student housing and
16 student housing eating facilities described in sec. 2 of this Act; and

17 (2) loan to the University of Alaska the amounts set out in sec. 2 of this Act
18 to finance the acquisition, construction, and renovation of the facilities.

19 (b) Subsection (a) of this section provides the approval required by AS 18.55.100(d)
20 for the Alaska Housing Finance Corporation to arrange for or contract for the financing,
21 design, construction, renovation, and acquisition of a public building project under
22 AS 18.55.100(a)(7).

23 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c)."

Alaska State House of Representatives
House District 39



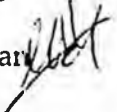
Session
Alaska State Capitol
Juneau, Alaska 99801-1182
Phone: (907) 465-4942
1-800-323-4942
Fax: (907) 465-4589
www.akrepublicans.org/Ivan.htm

Interim
P.O. Box 137
Akiak, Alaska 99552
Phone: (907) 765-7526

Representative Ivan M. Ivan

MEMORANDUM

TO: Representative Gene Therriault, Co-Chair
Representative Mark Hanley, Co-Chair
House Finance Committee

FROM: Representative Ivan M. Ivan 

DATE: March 31, 1998

RE: Request for Hearing - House Bill 230

Please consider this request to hear House Bill 230: *"An Act relating to housing assistance provided by the Alaska Housing Finance Corporation and to its rural programs, to the corporation's supplemental housing development grants to regional housing authorities; permitting regional housing authorities to make, originate and service loans for the purchase and development of residential housing; and amending definitions relating to various housing programs; and providing for an effective date"* before the House Finance Committee at your convenience.

Attached is a blank committee substitute which amends the population caps in the rural loan program within AHFC. There are communities that are approaching the cap or have exceeded the cap, most notably Bethel and Haines. Haines has exceeded the 1,400 cap while Bethel is rapidly approaching the current statutory population cap of 5,500. By amending the population caps, these two communities will be able to continue their participation in AHFC's rural loan program.

Thank you for your consideration of my request. Please do not hesitate to contact me if I can provide further information or answer any questions.

IMI:tw

Attachment

**Alaska State House of Representatives
House District 39**

Session
Alaska State Capitol
Juneau, Alaska 99801-1182
Phone: (907) 465-4942 -
1-800-323-4942
Fax: (907) 465-4589
www.akrepublicans.org/Ivan.htm

Interim
P.O. Box 137
Akiak, Alaska 99552
Phone: (907) 765-7526

Representative Ivan M. Ivan

SPONSOR STATEMENT - HOUSE BILL 230

House Bill 230 modifies the rural loan programs of the Alaska Housing Finance Corporation and regional housing authorities to substantially improve the delivery of housing services. It recognizes that there are unique circumstances in Alaska's rural areas that must be taken into account to ensure that the housing programs are administered practically and fairly for all Alaskans. It also recognizes and relies on the role that regional housing authorities play in the implementation of housing programs.

Among the changes contained in House Bill 230 are:

- An expansion of permitted uses of supplemental housing development grants to regional housing authorities to allow funds to be expended on improvements to a community's water and sewer infrastructure necessitated by the development of a housing project;
- Modifying the Building Material Loan Program to meet rural housing conditions;
- Permitting of refinancing of housing loans in small communities similar to that now offered borrowers in urban areas;
- Allowing loans to pay for the installation of building materials by third party contractors to ensure installation by qualified professionals.

Enactment of this bill will greatly improve the quality of life for numerous Alaskans living in the small communities of Alaska.

Alaska State House of Representatives

House District 39

Session

Alaska State Capitol
Juneau, Alaska 99801-1182
Phone: (907) 465-4942 -
1-800-323-4942
Fax: (907) 465-4589
www.akrepublicans.org/Ivan.htm

Interim

P.O. Box 137
Akiak, Alaska 99552
Phone: (907) 765-7526

Representative Ivan M. Ivan

SECTIONAL ANALYSIS - HOUSE BILL 230

Section 1: Amends AS 18.55.997, Residential Loans. Allows regional housing authorities to originate and service loans in small communities of the state for the purpose of the purchase or development of residential housing.

Also in areas not meeting the definition of a small community, a regional housing authority may borrow funds from AHFC and make those funds available to borrowers who cannot obtain financing through traditional mortgage sources. These borrowers would generally be persons of low income whose financing needs are not currently met through existing conventional loan programs.

Section 2: Amends AS 18.55.998(a), Supplemental Housing Development Grants. Under the allowable uses of the supplemental housing development grant fund, infrastructure development for water and sewer could include both on-site and off-site facilities. For example, if a regional housing authority is constructing a water or sewer line to the site of a project, the cost of providing hook ups for other homes located along the line could be included as part of the project cost paid by these grant funds.

Section 3: Amends AS 18.55.998(c), Supplemental Housing Development Grants. The amended language attempts to clarify existing statute. It does not make substantive change.

Section 4: Amends AS 18.55.998(d), Supplemental Housing Development Grants. This section requires AHFC to establish a priority system for the allocation of supplemental housing development grant funds used to pay for off-site water and sewer facilities established under Section 2.

Section 5: Adds a new subsection to AS 18.56.096, Limitation On Power To Make or Purchase Mortgage Loans. Projects under the Building Material Loan Program are exempted from energy standards provided under AS 18.56.096(c).

While AHFC will support and encourage all projects to adhere to energy standards, the costs of the inspections and energy ratings for these standards can represent an extraordinary percentage of the small loans under this program. These loans are

Akiachak • Akiak • Aleknagik • Atmautluak • Bethel • Chefornak • Clark's Point • Dillingham • Eek • Ekuk • Ekwok • Goodnews Bay • Kasigluk • Kipnuk • Koliganek • Kongiganak • Kwethluk • Kwigillingok • Manokotak • Napakiak • Napaskiak • New Stuyahok • Nunapitchuk • Oscarville • Platinum • Portage Creek • Quinhagak • Togiak • Tuntutullak • Twin Hills

intended and designed to help people in rural Alaska finish or improve their homes, use local materials in the construction of homes or install wells or septic systems.

Section 6: Amends AS 18.56.300(d), Construction Standards for Housing Eligible for Purchase of Loans. Projects constructed under the Building Material Loan Program are exempted from construction standards provided under AS 18.56.300.

Again, as stated in the Section 5 analysis, AHFC will support and encourage all projects to adhere to good building standards. However, the inspections that would be required to insure these standards are met would represent an extraordinary percentage of the amount of the small loans under this program.

Section 7: Amends AS 18.56.420(a), Housing Assistance Loan Fund. Allows for the refinancing of rural mortgages in the same manner as AHFC's mortgage programs allow for the refinancing of urban loans. Current statute simply does not provide for refinancing as an option under rural loans. Rural residents have not had the opportunity to benefit from the lower interest rates by refinancing their loans as have most other individuals in Alaska and elsewhere in the United States. Under the Housing Assistance Loan Fund, a borrower would be required to do substantial improvements to their home as the only way to receive a new loan at a lower interest rate. This provision would allow for a refinance in which the borrower would not have to increase the loan amount to benefit from current low interest rates provided the borrower's refinance loan meets established eligibility criteria.

Additionally, this section allows a rural assistance loan to be used to pay for the cost of third party labor for a building materials loan. In other words, the loan could be taken out to not only cover the cost of the material for the improvements but could also be used to cover the labor costs for the improvements. To restrict loan proceeds to materials only may serve to promote unqualified borrower's installation of materials, equipment, utilities or appliances rather than installation by qualified professionals.

Section 8: Amends AS 18.56.440, Limitations on Use of Housing Assistance Loan Fund. Allows AHFC to make loans for rural non-owner occupied housing, to the extent feasible, to someone who already has an AHFC loan for an existing owner occupied loan.

The language in this section would not change any current practice since AHFC already interprets this statute to allow a qualified borrower to have more than one

non-owner occupied loan. This section clarifies the statute to more clearly make this type of loan available.

Section 9: Adds a new subsection to AS 18.56.460, Security for Loans. Expands the Building Material Loan Program to allow for small (\$20,000 or less) unsecured loans for borrowers who have either restrictive deed lands or have no title to their HUD Mutual Help home. These borrowers have financing needs for repairs and/or improvements to their homes but are unable to pledge their home as collateral or have native restricted deed land that is cost prohibitive in obtaining required BLA approval for encumbering the property.

Section 10: Amends AS 18.56.580(a), Loans for Nonowner Occupied Housing. Conforming change to coordinate this statute with the change made in Section 12.

Section 11: Amends AS 18.56.580(c), Loans for Nonowner Occupied Housing. Conforming change to coordinate this statute with the change made in Section 12.

Section 12: Amends AS 18.56.580(d), Loans for Nonowner Occupied Housing. Clarifies the definition of non-owner occupied housing as rental housing. The definition of a multi-family rental house is changed from an eight to a sixteen dwelling unit. Existing statute allows AHFC to modify this definition if AHFC determines there is special need and qualified tenants that shows going beyond an eight unit project is warranted. Borrowers can save costs on projects with up to the sixteen units by avoiding having to do a special demonstration as required by current statute.

Section 13: Amends AS 18.56.600, Definitions. Current statute limits the term "housing" to either single family and owner occupied duplexes. This section brings this term into compliance with industry standards that view the term "housing" as owner occupied housing with up to four units. This is the standard that is used by the VA, FHA, Fannie Mae and AHFC conventional urban loans.

This section would also increase the population base for communities eligible to participate in the rural loan program from 5,500 to 6,500 for communities not connected to Anchorage or Fairbanks by road or rail or from 1,400 to 1,600 for communities on the road system. Currently, the population of Bethel is approaching 5,300 with a continuing pattern of growth. By increasing the population allowance, communities such as Bethel will remain eligible to participate in the rural loan program. Alternative financing is generally not available from national secondary market sources.

Page Four
Sectional Analysis
HB 230

Section 14: Allows AHFC to implement any necessary changes in regulation as a result of this legislation.

Section 15: Immediate effective date.

**1997 MUNICIPAL POPULATION CERTIFICATION
FOR FY 99 STATE REVENUE SHARING AND SAFE COMMUNITIES PROGRAMS
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS**

Municipality	Incorporation Type	1997 Population
Akhiok (8)	Second Class City	101
Akiak	Second Class City	327
Akutan (1)	Second Class City	420
Alakanuk	Second Class City	651
Aleknagik	Second Class City	226
Aleutians East Borough	Second Class Borough	2,355
Allakaket	Second Class City	182
Ambler (12)	Second Class City	333
Anaktuvuk Pass (11)	Second Class City	301
Municipality of Anchorage	Unified Home Rule Muni.	254,849
Anderson (3)	Second Class City	565
Angoon	Second Class City	616
Aniak	Second Class City	578
Anvik	Second Class City	83
Atka	Second Class City	111
Atkasuk (11)	Second Class City	235
Barrow (11)	First Class City	4,380
Bethel	Second Class City	5,277
Bettles	Second Class City	32
Brevig Mission	Second Class City	265
Bristol Bay Borough	Second Class Borough	1,270
Buckland (12)	Second Class City	412
Chefornak	Second Class City	405
Chevak	Second Class City	721
Chignik (9)	Second Class City	125
Chuathbaluk	Second Class City	115
Clark's Point	Second Class City	66
Coffman Cove	Second Class City	246
Cold Bay (1)	Second Class City	120
Cordova	Home Rule City	2,437
Craig	First Class City	2,043
Deering (12)	Second Class City	158
Delta Junction	Second Class City	855
Denali Borough	Home Rule Borough	1,899
Dillingham	First Class City	2,252
Diomedea	Second Class City	174
Eagle	Second Class City	165
Eek	Second Class City	277
Egegik (9)	Second Class City	127
Ekwok	Second Class City	124
Elim	Second Class City	301
Emmonak	Second Class City	820
Fairbanks (4)	Home Rule City	31,850
Fairbanks North Star Borough	Second Class Borough	82,278
False Pass (1)	Second Class City	64

**1997 MUNICIPAL POPULATION CERTIFICATION
FOR FY 99 STATE REVENUE SHARING AND SAFE COMMUNITIES PROGRAMS
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS**

Municipality	Incorporation Type	1997 Population
Fort Yukon	Second Class City	575
Galena	First Class City	543
Gambell	Second Class City	653
Golovin	Second Class City	152
Goodnews Bay	Second Class City	263
Grayling	Second Class City	186
Haines (5)	First Class City	1,429
Haines Borough	Third Class Borough	2,421
Holy Cross	Second Class City	260
Homer (6)	First Class City	4,126
Hoonah	First Class City	906
Hooper Bay	Second Class City	1,012
Houston (10)	Second Class City	994
Hughes	Second Class City	69
Huslia	Second Class City	245
Hydaburg	First Class City	425
City & Borough of Juneau	Unified Home Rule Muni.	30,396
Kachemak (6)	Second Class City	398
Kake	First Class City	767
Kaktovik (11)	Second Class City	222
Kaltag	Second Class City	245
Kasaan	Second Class City	42
Kenai (6)	Home Rule City	6,971
Kenai Peninsula Borough	Second Class Borough	48,098
Ketchikan (7)	Home Rule City	8,552
Ketchikan Gateway Borough	Second Class Borough	14,599
Kiana (12)	Second Class City	415
King Cove (1)	First Class City	773
Kivalina (12)	Second Class City	357
Klawock	First Class City	704
Kobuk (12)	Second Class City	89
Kodiak (8)	Home Rule City	6,749
Kodiak Island Borough	Second Class Borough	14,181
Kotlik	Second Class City	543
Kotzebue (12)	Second Class City	3,232
Keyuk	Second Class City	272
Koyukuk	Second Class City	126
Kupreanof	Second Class City	24
Kwethluk	Second Class City	672
Lake & Peninsula Borough	Home Rule Borough	1,816
Larsen Bay (8)	Second Class City	120
Lower Kalskag	Second Class City	278
Manokotak	Second Class City	387
Marshall	Second Class City	318
Matanuska-Susitna Borough	Second Class Borough	52,669

**1997 MUNICIPAL POPULATION CERTIFICATION
FOR FY 99 STATE REVENUE SHARING AND SAFE COMMUNITIES PROGRAMS
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS**

Municipality	Incorporation Type	1997 Population
McGrath	Second Class City	456
Mekoryuk	Second Class City	192
Metlakatla	Federal Law	1,595
Mountain Village	Second Class City	738
Napakiak	Second Class City	354
Napaskiak	Second Class City	399
Nenana	Home Rule City	440
New Stuyahok	Second Class City	452
Newhalen (9)	Second Class City	177
Nightmute	Second Class City	217
Nikolai	Second Class City	108
Nome	First Class City	3,656
Nondalton (9)	Second Class City	221
Noorvik (12)	Second Class City	631
North Pole (4)	Home Rule City	1,631
North Slope Borough	Home Rule Borough	9,189
Northwest Arctic Borough	First Class Borough	7,108
Nuiqsut (11)	Second Class City	435
Nulato	Second Class City	365
Nunapitchuk	Second Class City	489
Old Harbor (8)	Second Class City	301
Ouzinkie (8)	Second Class City	246
Palmer (10)	Home Rule City	4,167
Pelican	First Class City	187
Petersburg	Home Rule City	3,432
Pilot Point (9)	Second Class City	115
Pilot Station	Second Class City	547
Platinum	Second Class City	41
Point Hope (11)	Second Class City	749
Port Alexander	Second Class City	94
Port Heiden (9)	Second Class City	116
Port Lions (8)	Second Class City	239
Quinhagak	Second Class City	567
Ruby	Second Class City	217
Russian Mission	Second Class City	295
Saint George	Second Class City	184
Saint Mary's	First Class City	504
Saint Michael	Second Class City	341
Saint Paul	Second Class City	764
Sand Point (1)	First Class City	870
Savoonga	Second Class City	622
Saxman (7)	Second Class City	381
Scammon Bay	Second Class City	479
Selawik (12)	Second Class City	696
Seldovia (6)	First Class City	285

**1997 MUNICIPAL POPULATION CERTIFICATION
FOR FY 99 STATE REVENUE SHARING AND SAFE COMMUNITIES PROGRAMS
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS**

Municipality	Incorporation Type	1997 Population
Seward (6)	Home Rule City	2,999
Shageluk	Second Class City	145
Shaktolik	Second Class City	226
Sheldon Point	Second Class City	177
Shishmaref	Second Class City	542
Shungnak (12)	Second Class City	252
City & Borough of Sitka	Unified Home Rule Muni.	8,733
Skagway	First Class City	816
Soldotna (6)	First Class City	4,092
Stebbins	Second Class City	513
Tanana	First Class City	299
Teller	Second Class City	265
Tenakee Springs	Second Class City	116
Thorne Bay	Second Class City	625
Togiak	Second Class City	762
Toksook Bay	Second Class City	496
Unalakleet	Second Class City	803
Unalaska	First Class City	4,251
Upper Kalskag	Second Class City	198
Valdez	Home Rule City	4,486
Wainwright (11)	Second Class City	550
Wales	Second Class City	162
Wasilla (10)	First Class City	4,917
White Mountain	Second Class City	193
Whittier	Second Class City	289
Wrangell	Home Rule City	2,543
City & Borough of Yakutat	Home Rule Borough	833

- 1 = City located within the Aleutians East Borough
- 2 = City located within the Bristol Bay Borough (none)
- 3 = City located within the Denali Borough
- 4 = City located within the Fairbanks North Star Borough
- 5 = City located within the Haines Borough
- 6 = City located within the Kenai Peninsula Borough
- 7 = City located within the Ketchikan Gateway Borough
- 8 = City located within the Kodiak Island Borough
- 9 = City located within the Lake & Peninsula Borough
- 10 = City located within the Matanuska-Susitna Borough
- 11 = City located within the North Slope Borough
- 12 = City located within the Northwest Arctic Borough

The Association of Alaska Housing Authorities Supports:

• *Full Funding in the Amount of \$53 million for the Alaska Housing Finance Corporation's Capital Budget*

-To include full funding in the amount of \$8 million for the Supplemental Housing Development Program - The program matches \$40 million in HUD funding and will construct 225 new housing units throughout the State of Alaska

• *House Bill 230 - Sponsored By Representative Ivan Ivan*

-This bill will allow all regional housing authorities to use their housing delivery systems to provide AHFC mortgage loans in Alaska's small communities. In urban areas, regional housing authorities would be able to receive a loan from AHFC to develop homeownership programs which meet the needs of individual communities.

• *Full Funding for the Department of Environmental Conservation's Village Safe Water Program*

-FY 98 funding will provide for the planning, construction or renovation of water and sewer systems in 57 Alaskan communities. The total program funding of \$23.19 million is provided from the AHFC capital budget and the state general fund.

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

520 East 34th • Anchorage, AK 99503
Phone (907) 562-7119 • Fax (907) 562-7123

POSITION STATEMENT ON HOUSE BILL 230

Alaska Housing
Finance Corporation

Alutian
Housing Authority

Association of Village
Council Presidents Regional
Housing Authority

Baranof Island
Housing Authority

Bering Straits Regional
Housing Authority

Bristol Bay
Housing Authority

Cook Inlet
Housing Authority

Copper River Basin
Regional Housing Authority

Interior Regional
Housing Authority

Kodiak Island
Housing Authority

Metlakatla
Housing Authority

North Pacific Rim
Housing Authority

Northwest Inupiat
Housing Authority

Tagliagamitlu
Nunamitlu (TNHA)

Tlingit-Haida Regional
Housing Authority

The Association of Alaska Housing Authorities issues its strong support for House Bill 230, introduced in the Twentieth Alaska State Legislature.

The legislation provides for increased housing construction and housing purchase opportunities in rural Alaska by amending statutory language. Current Alaska statute indicates that regional housing authorities may, "...make (Alaska Housing Finance Corporation) loans for the purchase or development of residential housing in rural areas of the state, other than in an area where the corporation has a loan office." This precludes regional housing authorities serving the Bethel, Dillingham and Nome regions from using their rural housing delivery systems to provide mortgage loans in Alaska's small communities.

We believe that it is very important for all the state's regional housing authorities to have the ability to provide mortgage loans in rural parts of the state because housing needs in remote Alaska continue to vastly outpace the need for new construction in urban parts of the state.

The 1991 State of Alaska Housing Needs Assessment Study indicated a need for over 12,000 new affordable housing units in rural Alaska as compared to a need for just over 5,000 new units in urban parts of the state. Since the time of the study, building permits for 7,000 new housing units have been issued in urban Alaska as compared to 5,900 in areas outside of Anchorage, Fairbanks and Juneau (Statistics: Through 2nd Quarter, 1996, AHFC/Alaska Housing Market Indicators).

*Association of Alaska Housing Authorities
Position Paper on House Bill 230*

House Bill 230 also amends state statute so that regional housing authorities can borrow funds from AHFC to develop homeownership programs, thus providing a means to increase new affordable housing construction and housing opportunities in more populated parts of the state.

The legislation also would allow AHFC's Supplemental grant program to be used to upgrade community sanitation systems in addition to supporting the installation of water and sewer systems in homes and on housing sites.

In addition, the bill makes amendments to AHFC's rural loan programs so that programs are more workable and more accessible to rural Alaskan residents, thus further increasing new housing construction in rural parts of the state.

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION							
SFY 98 CAPITAL BUDGET							
VILLAGE SAFE WATER CIP PRIORITY LIST							
Municipality	Project Title	Federal RDA**	Federal EPA***	State Funds G.F.	State Funds A.H.F.C.	Cumulative Avail. Res.	Score
Statewide	CIP Project Administration			1,139,200		1,139,200	
Statewide	Operation & Maintenance Capacity Development			500,000		1,639,200	
Statewide	Engineering Feasibility Studies in 23 locations						
Municipality	Project Title						
Hughes, City of	Sanitation Feasibility Study		30,000	30,000		1,669,200	0
Thomas Bay, City of	Water Proj., Ph. I Feas. Study/Design		28,000	28,000		1,697,200	0
Port Protection Com. Assn.	Watershed Area Delineation Study		6,800	6,800		1,704,000	0
Saaman, City of	Reevaluation of Wtr & Wastewtr. Studies		60,000	60,000		1,764,000	0
Kotiganez (New) Va. Cnd.	Water & Sewer System Study		62,500	62,500		1,826,500	0
Pelican, City of	Sanitation/Wastewater Management Plan		25,000	25,000		1,851,500	0
Sleetmute Trad. Cnd.	Sanitation Master Plan		87,500	87,500		1,939,000	0
Kipnuk, Village of	Sanitation Facil. Master Plan		75,000	75,000		2,014,000	0
Kipnuk, Village of	Aquifer Stor. & Recovery Demo. Study		65,000	65,000		2,079,000	0
Anchor Pt. Safe Water Corp	Wtr Syst. Expan. Feas. Study		50,000	50,000		2,129,000	0
Red Devil Vil. Non-Profit Co	Sanitation Master Plan		87,500	87,500		2,216,500	0
Shageluk, City of	Comprehensive Utility Master Plan		65,000	65,000		2,281,500	0
Stana Community Corp.	Sanitation Feasibility Study		25,000	25,000		2,306,500	0
Kaktvaq, City of	Upgr. Exist. Water/Sewer Fac. Plan		23,000	23,000		2,329,500	0
Kotzebue, City of	Water Improvement Study		42,500	42,500		2,372,000	0
L. K. Sch. Dist. - Nuytmuta	Sch. Sewage Lagoon Feas. Study/Design		32,000	32,000		2,404,000	0
L. K. Sch. Dist. - Tunulutak	Sch. Sewage Disp. Feas. Study/Design		57,500	57,500		2,461,500	0
New Stuvahok, City of	Lead Corrosion Study		10,000	10,000		2,471,500	0
Pilot Point, City of	Sanitation Facilities Study		50,000	50,000		2,521,500	0
Talroon Tribal Cnd.	Safe Water Study		61,300	61,300		2,582,800	0
Chilkat Indian VL - Kluwan	Water Sub., Trmt. & Dist. Upgrade Study		42,500	42,500		2,625,300	0
Hydaburg, City of	Solid Waste Master Plan		25,000	25,000		2,650,300	0
Shungnak, City of	Feas. Studies on Water/Sewer Upgr.		37,500	37,500		2,687,800	0
Municipality	Project Title						
Deering, City of *	Water & Sewer		1,200,000	1,200,000		3,887,800	1375
Iditarod Ar Sch. Dis. - Lina Vill	Sewer		11,000	11,000		3,898,800	1375
Savoonga, City of *	Piped Water & Sewer		900,000	900,000		4,798,800	1350
Too'gha, Inc. (Tanana) *	Water Improvements		275,000	275,000		5,073,800	1325
Nunapichuk, City of *	Sewer & Water Imp.	1,150,000		1,150,000		6,223,800	1275
Allakaket, City of	Landfill relocation	235,800		235,800		6,459,600	1250
Denali Borough	Regional Landfill Project			1,004,000		7,463,600	1225
Togiak, City of	Water & Sewer Sys. Upgr. & Rep.		200,000	200,000		7,663,600	1225
Whitler, City of	Sewer System Imp.		617,000	617,000		8,280,600	1225
Kotik, City of *	Vacuum Sewer and Water Utility	533,000		312,000	221,000	8,811,600	1225
Kotzebue, City of *	Dump Closure/Baler/Balefill & Loan Reps	950,000			950,000	9,761,600	1200
Alakanuk, City of	Piped Water Project		1,100,000		1,100,000	10,861,600	1175
Goodnews Bay, City of *	Sanitation Facilities	610,000			610,000	11,471,600	1175
Koyuk, City of *	Water & Sewer Project		375,000		375,000	11,846,600	1175
Wainwright, City of *	Water & Sewer Project	440,000			440,000	12,286,600	1150
Russian Mission, City of *	Sewer Lagoon Expansion		175,000		175,000	12,461,600	1150
Tunulutak Village *	Water & Sewer Project	750,000			750,000	13,211,600	1150
Makoryuk, City of *	Water & Sewer, Ph. IV	750,000			750,000	13,961,600	1150
Saint Mary's, City of *	Sewer Sys. Renovation Ph. II		450,000		450,000	14,411,600	1150
Armoakuk, Village of *	Wastewtr. & Connecting Sewer System	221,000			221,000	14,632,600	1125
Brevig Mission, City of *	Water & Sewer Project		1,250,000		1,250,000	15,882,600	1125
Saint Michael, City of *	Piped Water & Sewer Project		1,120,000		1,120,000	17,002,600	1125

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION							
SFY 98 CAPITAL BUDGET							
VILLAGE SAFE WATER CIP PRIORITY LIST							
CIP Ranking							
Municipality	Project Title	Federal RDA	Federal EPA	State Funds G.F.	State Funds A.H.F.C.	Cumulative Avail. Req.	Score
Rampart Village Council	Wastewater Water Trmt. Prt.		354,500		354,500	17,387,100	1125
Anaktuvuk Pass, City of	Water/Sewer Project		1,000,000		1,000,000	18,367,100	1100
Marshall, City of	Heavy Equipment for Landfill	60,000			60,000	18,427,100	1100
Koyukuk, City of	Solid Waste Project	90,000			90,000	18,517,100	1100
Coffman Cove, City of	Water and Sewer		680,000		680,000	19,197,100	1100
Quinhagak, City of	Wastewater Ph. III	275,000			275,000	19,472,100	1100
Evansville Village	Phase II Solid Waste Landfill	185,000			185,000	19,657,100	1075
Napakiat, City of	Fl. Tk & Hl Sys. Comol. & Wash. Upgr.	425,000			425,000	20,082,100	1075
Chetoniak, City of	Water & Sewer Imp. Proj.	280,000			280,000	20,362,100	1050
Chignik Lagoon, Village of	Water & Sewer Project		750,000		750,000	21,112,100	1050
Stevens Village	Landfill Heavy Equipment	55,000			55,000	21,167,100	1050
Tedin Village Council	Piped Wtr & Pres. Sewer Ph II & VI		925,000		925,000	22,092,100	1050
Stebbins, City of	Water & Sewer System		603,000		603,000	22,695,100	1050
Sheldon Point, City of	Water Distribution Utilidors	90,000			90,000	22,785,100	1025
Akrak Native Community	Water System Ph III	405,500			405,500	23,190,600	1025
		TOTAL	7,505,300	13,042,100	8,530,600	14,600,000	23,190,600
Projects Beyond Anticipated Funding							
Community	Project			Response Amount	Cumulative Total	Score	
Bethel, City of	Water & Sewer Facilities Imp. - Ph. I			5,500,000	5,500,000	1025	
Hooper Bay, City of	Water/Wastewater Utility Bldg.			1,500,000	7,000,000	1025	
Shishmaref, City of	Wtr. & San. Fac. Imp. Proj.			900,000	7,900,000	1025	
Atkasuk, City of	Sewer Project			2,000,000	9,900,000	1000	
Ketchikan Gtwy Bor.-Shoup	Serv. Area Sewer & Water Imp.			1,100,000	11,000,000	1000	
Atkasut Tribal Council	Wtr. Trmt. Prt. Upgr. & Wash.			1,190,000	12,270,000	1000	
Buckland, City of	Flush & Haul/Alaskan Project			2,280,000	14,550,000	1000	
Grayling, City of	Solid Waste Site Improvement			372,000	14,922,000	1000	
Crooked Creek	Village Safe Water Building			3,000,000	17,922,000	975	
Mountain Village	Water, Sewer, Solid Waste Imp.			848,000	18,771,000	950	
Kaktovik, City of - NSB	Water/Sewer Project			1,500,000	20,271,000	950	
Enk, City of	Water & Sewer			515,000	20,786,000	950	
City of Chignik	Water Trmt. Tank & Assoc. Imp.			1,082,000	21,868,000	950	
Iditarod Area Sch. Dis.-Takot	School Sewer & Water			80,000	21,948,000	950	
Northway Traditional Cnd.	Water/Sewer Haul System			1,448,000	23,396,000	950	
Unalakleet, City of	Water Supply Renovation			616,000	24,012,000	950	
Taddei IRA Village Cnd.	Water System Upgrades			463,700	24,475,700	925	
Kobuk, City of	Piped Water/Sewer for new subdivision			1,110,000	25,585,700	900	
Pilot Station, Trad. Cnd.	Water & Sewer Project			1,256,700	26,841,400	900	
Galena, City of	Sewer Lagoon Improvements			300,000	27,141,400	900	
Galena, City of	Landfill			500,000	27,641,400	900	
Iditarod Area Sch. Dis.-Ami	Water & Sewer Project			90,000	27,731,400	900	
Siana Community Corp.	Well & Septic for Comm. Ctr/Clinic/Watermg Pt			50,000	27,781,400	900	
Minto Tribal Council	Water, Sewer & Solid Waste Upgrade			375,000	28,156,400	900	
Tuluksak (Tulkisammua Nat.	Water Storage Tank			185,000	28,321,400	900	
Saint George, City of	Village Water Tank Replacement			367,000	28,688,400	875	
Point Lay Native Village (NS)	Water/Sewer Project			2,000,000	30,688,400	875	
Kana, City of	Water/Sewer Repairs			53,000	30,741,400	875	
Point Hope, City of (NSB)	Water & Sewer Project			2,000,000	32,741,400	860	
Aleknagik, City of	Wastewater Disposal Site Const.			200,200	32,941,600	850	
Arvik, City of	Dump Fencing			42,000	32,983,600	850	
Aniak, City of	Sewer Extension			2,084,000	35,047,600	825	
Chukchoakuk, City of	Water System Repair & Master Plan			318,000	35,365,600	825	
Nauyasut, City of (NSB)	Water/Sewer Project			2,000,000	37,365,600	800	
Teller, City of	Piped Water & Sewer - Ph. I			3,019,000	40,384,600	800	

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION			
SFY 98 CAPITAL BUDGET			
VILLAGE SAFE WATER CIP PRIORITY LIST			
Projects Beyond Anticipated Funding			
Community	Project	Requested Amount	Current Total Score
Noorvik, City of	Water & Sewer Project	338,000	40,720,600 800
Noatak, Native Village of	Interior House Plumbing Upgrade	600,000	41,320,600 775
Karevliuk, City of	Phase I per Water & Sewer Master Plan	1,000,000	42,320,600 775
Emmonak, City of	Westside Water/Sewer Extension	1,500,000	43,820,600 775
Tanacross, Village of	Water & Sewer Repair & Renovation	500,000	44,320,600 775
Nikolai, City of	Public Landfill Permitting & Upgrade	50,000	44,370,600 775
Napaskiak Tribal Council	Sanitation Fac. Imp. Proj.	300,000	44,670,600 750
Gambel, City of	Water & Sewer for Old Village Site Area	975,000	45,645,600 725
Evansville Village	Water & Sewer	200,000	45,845,600 725
Fort Yukon, City of	Sanitation Upgrade, Phase I	1,200,000	47,045,600 725
Mattakatha Indian Community	Water System Upgrade	841,000	47,886,600 700
Alutian, City of	Surface Water Trtmt. Upgrade	1,390,000	49,276,600 700
Murika, City of	Water Upgrade (Washetena)	555,000	49,831,600 700
Arctic Village Tribal Govt	Wtr. & Wastewtr Upgr.	284,000	50,115,600 675
Katlag, City of	Imp. & Extension along 6th Ave.	458,300	50,573,900 650
Platinum, City of	Platinum Sanitation Facilities	790,000	51,363,900 650
Ambler, City of	Water/Sewer Plumbing & Lift Sta.	356,000	51,719,900 650
Diomedes, City of	Solid Waste	290,000	52,009,900 650
Lower Kalskag, City of	Water, Sewer & Waste Heat	150,000	52,159,900 650
McGrath, City of	Sewer Project - Phase II	525,000	52,684,900 625
Old Harbor, City of	Solid Waste Disposal	120,000	52,804,900 625
Pelican Seafoods	Community Water System Upgrade	654,000	53,458,900 625
Karpitunqok, Native Vil. of	Water Storage Tank/ WTP upgrades	2,081,000	55,499,900 625
Kivalina, City of	Tractor & Sewer Equipment	282,000	55,781,900 600
Port Graham, Native Vil.	Surface Water Treatment Upgrades	545,000	56,326,900 600
Voznesenka Vil. Hmown As	Safe Water Imp. Proj.	1,500,000	57,826,900 600
Ellis, City of	Phase II Water Plant System	160,000	57,986,900 600
Aniak, City of	Across Slough Sewer	1,200,000	59,186,900 575
L. K. Sch. Dist. - Kasigluk A	Sch. Water Trtmt. Sys. Upgrade Design	739,800	59,926,700 575
Elorok, City of	Water Treatment	150,000	60,076,700 575
Port Lions, City of	Water Dam Replacement	750,000	60,826,700 550
Egegik, City of	Freshwater Stor. Tank & Trmt. Plant Exp.	190,000	61,016,700 550
Karluk - Kodiak Island Bor.	Landfill/sanitation project	400,000	61,416,700 550
Anderson, City of	Phase II Sewer/Waste Oil Project	132,000	61,548,700 525
Lima Village, Council of	Watershed Pond Renovation	50,000	61,598,700 500
Golovin, City of	New Water Storage Tank	600,000	62,198,700 500
Beaver Village Council	Washetena Renovation	100,000	62,298,700 500
Kuspuk Sch. Dis. - Aniak	2ndry. & Reg. Voc. Ctr. Sewer Con.	630,000	62,928,700 475
L. K. Sch. Dis. - District 10	Water Trtmt. Subsurf. Source - 8 sch.	4,985,600	67,914,300 475
L. K. Sch. Dis. - Kipruk	Sch. Sewerage Trtmt. Plan Const.	135,000	68,049,300 475
Mentasta Lake Vil., Trad. C	Ind. Well/Com. Sewer Sys.	561,000	68,610,300 475
Chenequa Bay IRA Council	Surf. Wtr. Trtmt. Syst. Upgr.	499,800	69,110,100 450
L. K. Sch. Dis. - Napaluk	Sch. Water Trtmt. Sys. Upgrade Design	731,700	69,841,800 425
Chistochina	Laundromat Construction	94,700	69,936,500 400
Gulkana Village Council	Water System Improvements	800,000	70,736,500 375
Kuspuk Sch. Dis. - Kalskag	George Morgan Sr. H.S. Sewer Line	980,000	71,716,500 375
Kuspuk Sch. Dis. - Ch. Washba	Crow Village Sam Sch.	290,000	71,996,500 375
Tazlina Village Council	Copper Center Safe Water	28,000	71,994,500 375
Hyder Community Assn.	System Engineering	400,000	72,394,500 250

*Project has other Federal funding that is not received or expended by the State.

**RDA (Rural Development Administration) monies are received by the community, but administered by VSW. Authority to

***Authority to receive and expend EPA funds is required.

03171

D2
5
M10
ASK* Marketing and Research
1991 Housing Needs Assessment
Study

c.1

1991 HOUSING NEEDS ASSESSMENT STUDY

Part One



State of Alaska
Walter J. Hickel, Governor



D2
5
M10
c.1

Department of Community
and Regional Affairs
Edgar Blatchford, Commissioner

Conducted by
ASK* Marketing and Research Group
June 1991

03171

o Only 24% of the state's 514 Community Water Systems can boast of having no violations or regulatory orders for corrective action in the past year. Alaska's ranks last in its bacterial water test reporting compliance with the Federal Safe Water Act.

o Weatherization programs for low income households have improved 19,882 units since program initiation, but substantial numbers of eligible households remain --perhaps as many as 33,000 statewide.

o Housing condition, especially for rural areas and Native homes, remains poor with 50.9% of the rural respondents reporting wind coming in around doors and windows, one-third of rural and Native households with interior ice build-up, and 44% of Native households with foundation heaving. Urban housing conditions, by contrast, are dramatically better.

o Expenditures for home heating, particularly during the winter, remain high with the average expenditures for non-Native households at \$146 per month and for Native households \$192 per month, or roughly \$1,500 per year. Substantial portions of Native and rural respondents had difficulty maintaining a comfortably warm temperature of 68 to 70 degrees during winter.

o The DCRA-sponsored Colovin housing project, where 13 HUD homes will be built to Alaska Home Craftsman Program energy standards, is planned to demonstrate that up to 70% of home heating costs can be saved through properly insulated and sealed homes.

o Both the housing and sanitation program funding levels in Alaska fall far short of the mark for meeting existing needs. Despite significant spending in some areas --notably one billion dollars for sanitation since 1980-- there remain serious and sometimes critical requirements to adequately house people and provide safe sources of drinking water and sanitary sewage disposal.

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

Central Microfilm Services
Department of Education
State of Alaska

03171

D2
5
M10
ASK* Marketing and Research
1991 Housing Needs Assessment
Study

c.1

1991 HOUSING NEEDS ASSESSMENT STUDY

Part One



State of Alaska
Walter J. Hickel, Governor



Department of Community
and Regional Affairs
Edgar Blatchford, Commissioner

Conducted by
ASK* Marketing and Research Group
June 1991

D2
5
M10
c.1

03171

HIGHLIGHTS OF FINDINGS

- o An update of 1988 survey data with U.S. Census and 1991 study results of housing need statewide found that at least 16,867 new housing units are required in order to replace units in poor condition and to alleviate overcrowding based on three or more generations living in one household.

- o Estimated cost for constructing 16,867 units is \$2.2 billion.

- o Over and above new homes needed, construction of additions to another 18,000 existing, overcrowded houses mainly for rural, Native households would cost an estimated \$280 million.

- o A primary reason for the housing demand is population growth: Alaska experienced the nation's second highest growth rate (after Nevada) at 36.9% over the last ten years. Rural areas of the state grew the fastest with a 46% increase and the Native Alaskan population, statewide, expanded at a 37% rate, increasing their numbers by 21,595.

- o Relatively few housing units have been constructed since the 1988 study, 1,444 urban housing permits were authorized and 874 predominantly rural units were constructed under public programs. Housing construction, in general, and multi-family housing construction, in particular, declined in the late 80's. Vacancy rates of less than 1% are common for urban areas.

- o Housing need for Native households remains serious -- up to 24% of Native respondents reported needing housing for one or more members. Very little progress in resolving housing problems for Native Alaskans has been made since the 1988 report as only 704 units have been built by HUD Indian Housing and the Bureau of Indian Affairs Housing programs.

- o Based on the 1991 statewide survey data, of those households reporting needing housing for at least one person, 50% had incomes of less than \$25,000 and 68% had incomes less than \$35,000.

- o In a special examination of village sanitation needs where most systems do not offer piped water and sewer services, costs for upgrades total \$1.108 billion. Only about 60 villages out of all 220 rural, remote communities have conventional, piped water and sewer systems.

- o More than 35% of Alaska Native respondents in the 1991 survey did not have piped water and sewer for flush toilets or working flush toilets. In the 1988 study which focused exclusively on rural areas, 39% of respondents did not have running water and 44% did not have (piped) sewer systems.

- o The survey found that the upper limit rural residents were willing to pay for piped water and sewer was \$55 per month; average cost per household to pay for operational and maintenance ranges between \$100 and \$125 per month for villages. Currently, many sanitation systems have inadequate operational and maintenance programs due to underfunding and most are bankrupt.

o Only 24% of the state's 514 Community Water Systems can boast of having no violations or regulatory orders for corrective action in the past year. Alaska's ranks last in its bacterial water test reporting compliance with the Federal Safe Water Act.

o Weatherization programs for low income households have improved 19,882 units since program initiation, but substantial numbers of eligible households remain --perhaps as many as 33,000 statewide.

o Housing condition, especially for rural areas and Native homes, remains poor with 50.9% of the rural respondents reporting wind coming in around doors and windows, one-third of rural and Native households with interior ice build-up, and 44% of Native households with foundation heaving. Urban housing conditions, by contrast, are dramatically better.

o Expenditures for home heating, particularly during the winter, remain high with the average expenditures for non-Native households at \$146 per month and for Native households \$192 per month, or roughly \$1,500 per year. Substantial portions of Native and rural respondents had difficulty maintaining a comfortably warm temperature of 68 to 70 degrees during winter.

o The DCRA-sponsored Golovin housing project, where 13 HUD homes will be built to Alaska Home Craftsman Program energy standards, is planned to demonstrate that up to 70% of home heating costs can be saved through properly insulated and sealed homes.

o Both the housing and sanitation program funding levels in Alaska fall far short of the mark for meeting existing needs. Despite significant spending in some areas --notably one billion dollars for sanitation since 1980-- there remain serious and sometimes critical requirements to adequately house people and provide safe sources of drinking water and sanitary sewage disposal.

STATEWIDE HOUSING NEEDS ASSESSMENT OVERVIEW

New Housing Required

This study, conducted for the Alaska Department of Community and Regional Affairs (DCRA) of housing needs in Alaska estimates that at least 16,867 new housing units are required to meet demand created by population growth and to alleviate overcrowding and deteriorated housing condition. Due to a combination of poor economic conditions and the lack of financial support from the public sector, there has been very little housing constructed in Alaska since 1988.

The estimate of 16,867 new housing units is a grand total of several separate calculations. The base is formed by a 1988 Rural Housing Needs Assessment estimate of 6,740 housing units needed, and updated with 1990 Census information, produces a new total of 8,006. Add to that 2,086 units required for Native housing in urban areas and another 3,076 units for non-Native 'urban' households with incomes under \$25,000 needing housing, produces a total of 13,168 units.

A further increment of at least 4,573 housing units which were determined by the 1988 survey to be in poor condition or containing crowded households (with three and four generations present or having less than 200 square feet per person) is added to the total and updated with 1990 Census information.

Housing construction under state and federal programs for Native Alaskan and low income families, totalling 574 units since 1988, is subtracted from the total to give the actual statewide need figure of 16,867 units. A high range estimate of 27,864 is suggested by including 14,032 crowded households, identified in the 1988 study, instead of the more congested 4,573 households utilized in the low range calculation.

A detailed explanation of housing needed is discussed in the next section of this report "New Housing Stock Needed".

Cost Calculated At \$2.2 Billion

The estimated cost of constructing the required new housing is \$2.192 billion, based upon average cost of \$130,000 for 1,200 square foot unit, an amount identified by the U.S. Department of Housing and Urban Development based on their Indian Housing Program experience. The cost elements are further broken down to allocate \$110,000 as the federal contribution, matched with state funds of about \$20,000 from the supplemental housing program in the Department of Community and Regional Affairs.

To construct 320 square feet additions for another 18,000 units, structurally eligible for improvements, it is estimated that another \$280 million would be required. These units are presently overcrowded and represent square footage per person levels below 200 square feet. A more detailed explanation is provided in the section on overcrowding.

Most Need Is Low Income and Native Alaskan

The obligation for providing most of the \$2.2 billion will likely fall on public resources as the total represents mainly low-income (non-Native) and Native Alaskan housing requirements. Nearly one third of all respondents in the 1991 study earned \$25,000 or less annual household income; 39% of rural respondents and 65% of Native respondents were reported in that category as well.

Solving housing need for low income and Native households through private sector sources does not often occur in Alaska because of higher construction costs, remoteness of Alaska Native villages, and fluctuating local economies which involve considerable risk for developers and landlords.

Low income housing need has frequently been met through a combination of federal and state programs, under the Department of Housing and Urban Development (HUD) public housing and the Alaska State Housing Authority (ASHA) which supplies and manages low-income family and elderly housing throughout the state. Native Alaska housing has traditionally been provided by the federal government under its trust responsibility for Native Americans through both the HUD Indian Housing Program, through the regional housing authorities, and the Bureau of Indian Affairs. Housing can be either rental or owner-occupied.

Survey Measured Reported Need

The 1991 housing survey, conducted in February-March, 1991, consisted of in-depth telephone interviews conducted in over 200 communities. The questionnaire appears in Part Two under "General Findings on Housing Status, The 1991 Statewide Survey."

Of 1,200 households interviewed, 11.6% reported at least one person and more required other housing; about half of that number indicated that two or more

STATEWIDE HOUSING NEEDS ASSESSMENT OVERVIEW

New Housing Required

This study, conducted for the Alaska Department of Community and Regional Affairs (DCRA) of housing needs in Alaska estimates that at least 16,867 new housing units are required to meet demand created by population growth and to alleviate overcrowding and deteriorated housing condition. Due to a combination of poor economic conditions and the lack of financial support from the public sector, there has been very little housing constructed in Alaska since 1988.

The estimate of 16,867 new housing units is a grand total of several separate calculations. The base is formed by a 1988 Rural Housing Needs Assessment estimate of 6,740 housing units needed, and updated with 1990 Census information, produces a new total of 8,006. Add to that 2,086 units required for Native housing in urban areas and another 3,076 units for non-Native 'urban' households with incomes under \$25,000 needing housing, produces a total of 13,168 units.

A further increment of at least 4,573 housing units which were determined by the 1988 survey to be in poor condition or containing crowded households (with three and four generations present or having less than 200 square feet per person) is added to the total and updated with 1990 Census information.

Housing construction under state and federal programs for Native Alaskan and low income families, totalling 874 units since 1988, is subtracted from the total to give the actual statewide need figure of 16,867 units. A high range estimate of 27,864 is suggested by including 14,032 crowded households, identified in the 1988 study, instead of the more congested 4,573 households utilized in the low range calculation.

A detailed explanation of housing needed is discussed in the next section of this report "New Housing Stock Needed".

Cost Calculated At \$2.2 Billion

The estimated cost of constructing the required new housing is \$2.192 billion, based upon average cost of \$130,000 for 1,200 square foot unit, an amount identified by the U.S. Department of Housing and Urban Development based on their Indian Housing Program experience. The cost elements are further broken down to allocate \$110,000 as the federal contribution, matched with state funds of about \$20,000 from the supplemental housing program in the Department of Community and Regional Affairs.

To construct 320 square feet additions for another 18,000 units, structurally eligible for improvements, it is estimated that another \$280 million would be required. These units are presently overcrowded and represent square footage per person levels below 200 square feet. A more detailed explanation is provided in the section on overcrowding.

Most Need Is Low Income and Native Alaskan

The obligation for providing most of the \$2.2 billion will likely fall on public resources as the total represents mainly low-income (non-Native) and Native Alaskan housing requirements. Nearly one third of all respondents in the 1991 study earned \$25,000 or less annual household income; 39% of rural respondents and 65% of Native respondents were reported in that category as well.

Solving housing need for low income and Native households through private sector sources does not often occur in Alaska because of higher construction costs, remoteness of Alaska Native villages, and fluctuating local economies which involve considerable risk for developers and landlords.

Low income housing need has frequently been met through a combination of federal and state programs, under the Department of Housing and Urban Development (HUD) public housing and the Alaska State Housing Authority (ASHA) which supplies and manages low-income family and elderly housing throughout the state. Native Alaska housing has traditionally been provided by the federal government under its trust responsibility for Native Americans through both the HUD Indian Housing Program, through the regional housing authorities, and the Bureau of Indian Affairs. Housing can be either rental or owner-occupied.

Survey Measured Reported Need

The 1991 housing survey, conducted in February-March, 1991, consisted of in-depth telephone interviews conducted in over 200 communities. The questionnaire appears in Part Two under "General Findings on Housing Status, The 1991 Statewide Survey."

Of 1,200 households interviewed, 11.6% reported at least one person and more required other housing; about half of that number indicated that two or more

persons were in need. Proportionally, housing need is greater in rural Alaska with close to 15% of respondents reporting need and Native households registering an even higher requirement at 24%. The table below, based on a question in the 1991 survey, demonstrate the distribution of need.

91 STUDY QUESTION: How many people in your household need other housing?

	ALL	URBAN	RURAL	NATIVE	NON-NATIVE
INDICATING NO ONE IN NEED:	38.4%	92.9	85.4	76.1	92.7
INDICATING ONE PERSON:	5.7	3.0	7.5	11.4	3.8
INDICATING TWO OR MORE:	5.9	4.1	7.1	12.5	3.5
TOTAL HH INDICATING NEED:	11.6	7.1	14.6	23.9	7.3

Source: ASK* Marketing and Research Group

In response to the question "Do any adults in your household have an interest in building or having a home built?" 35% of all respondents replied that there were. More than half of the rural respondents indicated an interest in building, while only one-third of the urban respondents did. And, of those who were interested in building, nearly half reported they had land on which a new home could be built.

New Housing and Additions to Address Overcrowding

Adjusted for 1990 population changes, the 1988 survey provided the basis for estimating at least 4,573 crowded units should be built (with as many as 14,032 new homes, depending on square footage allowances) were needed to remedy overcrowding. This is discussed further in the section on overcrowding.

Costs for 320 square foot expansions of 18,000 units was estimated to be approximately \$200 million. This is based upon an average cost per unit of \$15,000 which is the typical cost of a Bureau of Indian Affairs addition under its Housing Improvement Program (HIP).

Results from the 1991 survey indicated that approximately three times as many Native households reported needing housing for one or more persons than did non-Native respondents. Much of the need relates to the fact that household size for Native Alaskans, generally, is larger than for non-Native. And, Native Alaskans comprise the majority of population in rural remote areas where housing financing and construction is difficult to obtain.

Household size is a major determinant of housing need for rural Alaska, where it is not uncommon to find third and fourth generations living in the same dwelling. Often, larger families are living in homes of lower square footage. The 1988 rural survey recorded square footage for each household and found that average size was 1,162 square feet, compared with 1,635 square foot average for Anchorage.

The 1991 statewide survey found that average household size was 3.2 persons for the state, while rural households had 3.4 persons and Native households had 3.9 persons. The variation in household size for rural residents is dramatic in a regional breakdown: Household size in the interior region (Ahtna) was 2.6, while Northwest Alaska was 5.3 average persons. About one-tenth of the respondents in the statewide survey had five or more persons; one-fifth of Native respondents said that six or more persons lived in the house during the winter.

Why Need Exists

The need for 16,867 housing units may be attributed to a number of factors, especially to a relatively high population growth rate for many communities and for the state as a whole. In addition, the supply of housing through governmentally-assisted sources has not been significant, at least, not when compared with the high degree of need.

Federal funding levels for construction of homes for Native Americans have rarely been able to match the need. A persistent and wide gap between housing supply and housing demand for Native Alaskans has existed since the 1960's when federal housing construction programs began in earnest. That gap by 1991 showed Native need to be about 8,000 units, yet only 704 homes have been built for this group since 1988.

State housing policies have tended to benefit housing construction in urban, rather rural areas, and for moderate and upper income groups. Private financing of housing in smaller, more remote communities is rare. Other constraints exist, such as shipment of construction materials to off-road locations is expensive and usually must be coordinated with summer barge traffic. There is a often lack of availability of housing developers and skilled craftsmen in rural areas. Additionally, the variability in Alaska's economic conditions tends to discourage housing investment, especially in multi-family, rental housing.

Alaska Housing Expanded During 1980's

The total number of housing units (vacant and occupied) counted in the 1990 U.S. Census for Alaska was 232,608 as compared to 154,165 total units enumerated in 1980. This increase amounted to 78,445 total units, or a 51% gain. A sizeable chunk of that new housing was built in Anchorage which found 24,769 more housing units in 1990 than in 1980. Other urban areas added approximately 19,462 housing units, while remainder of 34,214 was scattered throughout rural Alaska.

The vast majority of new housing supplied has been through private sector construction activity which experienced a boom in many parts of the state during the early 1980's. Construction levels dropped dramatically in most regions when an economic recession began in 1985-86, with housing permit authorizations from 1985 to 1990 only a fraction of those in the earlier part of the decade.

Population Growth a Significant Feature

Population growth is one of the more important factors in creating housing demand. This growth has continued at a high pace with 148,192 more persons in Alaska in 1990 (550,043) than in 1980, according to the U.S. Census. The 36.9% growth was second highest in the nation, ranking after Nevada. Anchorage with 41.15% of the population had an increase of 29.8%, or 51,907 persons added. Rural areas grew at a rate more than double that of urban areas, with a 46.1% increase in the total from 1980 to 1990.

POPULATION GROWTH FOR URBAN-RURAL AREAS, 1980-1990

	1980	1990	% Change
Municipality of Anchorage	174,431	226,338	29.8
Fairbanks North Star Borough	53,983	77,720	44.1
City and Borough of Juneau	19,528	26,751	37.0
City and Borough of Sitka	7,803	8,588	9.9
Ketchikan Gateway Borough	11,316	13,828	22.2
Urban Total	267,061	353,225	21.7
Rural Areas	134,790	196,818	46.1
Alaska Total	401,851	550,043	36.9

Source: ASK* Marketing and Research Group, from 1980 & 1990 U.S. Census.

The state's population growth rate, and this is especially true for rural Alaska, is related to both high birth rates and rates of in-migration. The overall population growth in a given area is dependent to a large degree on net migration and net migration appears to be directly linked to local economic conditions.

Non-white racial and ethnic groups constituted a third of the population increase with 42,428 Black, Native Alaska or American Indian, Asian or Pacific Islanders, and Hispanic persons -- an average growth rate (67%) twice that of Whites. Native Alaskans increased their numbers by 21,595 from a base of 64,103 in 1980 to 85,698 in 1990.

POPULATION DISTRIBUTION BY RACE AND HISPANIC ORIGIN, 1990-1980

Alaska	1990		1980		Number Change	Percent Change
	Number	Percent	Number	Percent		
Total Population	550,043	100.0	401,851	100.0	148,192	36.9
White.....	415,492	75.5	309,728	77.1	105,764	34.1
Black.....	22,451	4.1	13,643	3.4	8,808	64.6
American Indian, Eskimo, or Aleut	85,698	15.6	64,103	16.0	21,595	33.7
Asian or Pacific Islander.....	19,728	3.6	8,054	2.0	11,674	149.9
Other Race	6,674	1.2	6,323	1.6	351	5.6
Hispanic Origin*	17,803	3.2	9,507	2.4	8,296	87.3

*Persons of Hispanic Origin can be of any race.

Source: U.S. Census 1990 count, March 1991

Alaska Native population in urban locations is a significant feature. The Municipality of Anchorage can rightfully claim having the state's largest Native Alaskan community with over 14,000 persons in that group. Although numerically, Alaska Natives form much smaller populations in other cities, their proportionate representation is significant. Overall, 28% of Native Alaskans are urban residents. (Note that all totals, except those for Anchorage, represent city and not borough boundaries, therefore the urban Native population may appear to be understated.)

NATIVE POPULATION IN ALASKAN URBAN AREAS, 1990

COMMUNITY	TOT POP	%NATIVE	%NON-NAT	WHITE	NATIVE
Anchorage Municipality	226,338	6.4%	93.6%	182,736	14,569
Juneau city	26,751	12.9%	87.1%	21,570	3,462
Ketchikan city	8,263	15.7%	84.3%	6,471	1,296
Sitka city	8,588	20.9%	79.1%	6,359	1,797
Fairbanks city	30,843	9.2%	90.8%	22,316	2,830

Source: U.S. Census 1990 count, March 1991

Lower Income Population Important Component

According to 1988 and 1991 survey data, the proportion of low income households (earning \$25,000 and under annual household income) can be significant depending upon location and Native/non-Native status. Nearly twice as many rural respondents earn \$25,000 or less annual household income than do urban respondents and three times as many Native households are placed in that category than are non-Native households.

LOWER INCOME POPULATION SURVEY COMPONENTS

	Households Under \$25,000 Annually	Est. No. of HH's	Households Under \$35,000 Annually	Est. No. of HH's
Anchorage (estimated from 1990 population and survey data)	30%	24,000	45%	37,000
1988 Study: (predominately rural, Native households)	85%		90%	
1991 Study:				
All Resp.	32%		48%	
Rural	39%		55%	
Urban	22%		38%	
Native	62%		75%	
Non-Native	21%		38%	

Source: ASK* Marketing and Research Group

The preceding table illustrates the basis for the urbanized lower-income factors used in this study's calculations of housing need. For comparison, 1988 survey data on the percent of households with incomes under \$25,000 and \$35,000 are included.

From the 1991 survey data, 44% of those households in urbanized areas reporting housing needed for at least one person, had incomes under \$25,000 with 56% reporting incomes under \$35,000. For those in the rural areas reporting housing needed, 52% had incomes under \$25,000 with 72% reporting incomes under \$35,000. Overall, 50% of those households reporting needing housing for one or more person had incomes under \$25,000 and 68% had incomes under \$35,000.

Income and Housing Expenditure Contrasts

Median household income, as reported in the statewide survey, was \$36,700 for all groups, meaning that half of the sample earned less than that and half earned more. However, urban respondents earned a median income of \$43,500 as opposed to a \$31,900 median income for rural residents. Native Alaskan respondents earned a median income considerably less than any other group at \$20,400. In contrast, median household income for non-Natives was \$43,100 annually.

Respondents reported paying an average of \$625 per month as a housing payment (this excludes those with no monthly payment which represented 30.4% of the total). Urban housing payments were the higher at an average of \$733 compared to rural payments at \$518. Non-Natives paid twice as much (\$694) in monthly housing payments as Native respondents at \$331 average monthly expenditure. Those who owned their homes paid more, \$675 than did those who were renting: \$553 per month. The figure covers rental payments or mortgage payments as well as taxes.

These amounts should be compared to those reported in a special Anchorage survey, summarized at the end of Part One in this report, which found an average monthly payment of \$775 and \$527 for those earning \$35,000 and less household income annually. Housing costs in the state's largest city are somewhat higher than the average urban cost figure.

Housing costs are higher in urban areas as opposed to rural areas by about 30%, but utility costs were reported to be somewhat lower than those found in rural areas. Higher income levels for urban residents would more than make up for more expensive housing costs and which, again, would be somewhat compensated for by lower utility costs.

Energy Costs and Weatherization Program Status

The mean expenditure on a monthly basis for winter home heating, according to the 1991 survey, was reported at \$167 (excluding those with no costs). For Native householders, the monthly home heating expenditure was higher than for all other groups at \$192. Rural Alaskans paid about \$20 more per month (\$166) for home heating than did urban residents (\$157). Summer home heating costs dropped to \$69 monthly, excluding those with no costs. Native households reported higher summer home heating bills at \$63 per month as compared to non-Native households at \$49 monthly. Translating Native Alaskan home heating costs to an annual amount makes it roughly \$1,500 per year -- a substantial expenditure for households existing on \$20,400 (and often less) income.

The 1991 survey found 11.6% of all respondents who were not able to maintain an interior warm temperature of 68 to 70 degrees during the coldest months. Fully nineteen percent of Native respondents could not maintain the warm temperature. Two-thirds of Native respondents said that they had to burn a lot more fuel or run their heating system constantly. These figures should be compared to findings from the 1988 rural survey where 35% of respondents could not maintain a 70 degree interior temperature.

Housing condition, particularly for Native households, was comparatively poorer according to respondent reports. Twice as many Native households compared to non-Native household reported foundation movement due to ground thawing and freezing. Serious heat leakage and the entry of wind around doors and windows was a problem for half of all rural respondents and 64% of Native respondents. Roughly one-third of Native and rural households experienced ice build-up inside the house. Nearly one-fourth of Native respondents had rain or water coming through their roof or ceiling; mold or mildew around windows is more common for Native and rural households.

A special look was made at the impact of low income weatherization programs wherein 19,882 homes have received assistance since program initiation in the late 1970's. Homes which have been assisted in this manner have received additional insulation, sealing around doors and windows, and other energy conservation improvements. In 1985, the Alaska Regional Energy Association estimated that 52,481 homes, statewide, would qualify under the weatherization program. The 1988 DCRA Rural Housing Needs Assessment found that 18,345 homes could not maintain a 70 degree temperature, with another 40,000 to 49,000 with insufficient insulation. A rough estimate of remaining need would place the total at around 40,000 homes for rural areas and an unknown number for urban areas.

Sanitation Systems Require \$1.1 Billion

About \$1 billion has been expended since 1980 to improve Alaska Native village sanitation conditions; about that much again remains to be spent to bring piped water and sewer to all the state's communities. Of 140 villages surveyed in 1990, only sixty villages had piped water systems. About half of the 140 were served only by washeterias, 11 more by simplistic watering points, and the rest have individual wells and septic tanks. The basic problem for numerous remote, rural villages is an inadequate source of fresh water and poor water quality.

In many locations, sewage is disposed of by the "honey bucket" method, where human waste is collected in a five gallon bucket, taken to the edge of town and dumped. The lack of adequate sanitation facilities poses a significant health hazard. Additionally, sanitation systems are plagued with maintenance and operational problems due to underfunding. Reportedly, the vast majority of rural, remote village sanitation systems are either financially troubled or bankrupt.

Respondents to the 1991 survey overwhelmingly (83.5%) expressed the desire to have working, piped water, flush toilets in their homes. But willingness to pay the required monthly fees which can run as high as \$100 to \$125 for smaller villages presents a problem. One in five rural respondents are not willing to pay anything for this service as were one quarter of Native respondents. Of those willing to pay, the upper limit average was about \$52 for rural and Native respondents --an insufficient amount to support rural sanitation system costs.

A more detailed examination, with recommendations, appears later in this section.

Public and Indian Housing Impacts

A total of 1,902 housing units have been constructed since 1985 under various state and federal programs, serving low income, elderly, and Native Alaskans/Native Americans. Federal assistance through the Department of Housing and Urban Development's public housing and Indian housing programs and the Bureau of Indian Affairs' Housing Assistance Program have constructed 1,730 units. These figures can be compared to a total of 5,750 homes which were built throughout Alaska under all federal aid programs from 1963 to 1984. Alaska State Housing Authority (ASHA) built only 132 new units during that time.

For the period under study, 1988 through 1990, a total of 874 units were built. This number has been subtracted from the total statewide need, as estimated from 1988 and 1991 surveys, to produce a more accurate update.

HOUSING CONSTRUCTED UNDER STATE AND FEDERAL PROGRAMS, 1985-1990

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>
HUD Indian Housing	257	192	271	302	157	211
HUD Public Housing	--	--	120	20	150	--
BIA Alaska New Units	--	--	16	12	7	15
ASHA	20	152	--	--	--	--

6-YEAR TOTAL - 1,902

Source: ASK* Marketing and Research Group, U.S Dept. of Housing and Urban Development, Bureau of Indian Affairs, and Alaska State Housing Authority.

In addition, the Alaska Department of Community and Regional Affairs, Housing Assistance Section, provided funding through its Supplemental Housing Development Fund, up to \$20,000 per unit to assist in the construction of 740 HUD units, from 1988 to the present. DCRA supplemental funds to assist in the construction of 175 HUD units are projected for the construction year 1991.

Conclusions

The single most important observation that can be made as a result of this statewide housing assessment is that a continuing, serious deficit exists with regard to low income, rural, and Native Alaskan housing availability and condition. Even though housing stock expanded greatly in Alaska during the past decade when population increased significantly, the supply of housing for those particular groups was lacking. Private sector or market mechanisms for housing do not function properly in rural Alaska where construction costs are high, transportation of materials difficult, and availability of skilled builders and developers scarce. Additionally, fluctuating local and regional economies discourage housing investment, even in urban areas which have better access to construction materials, skilled builders, and financing sources.

Nearly every urban area of the state is currently experiencing severe housing shortages. The housing need for low income households is significantly higher, and construction of units for this group has been particularly lacking in urban areas. Rents would have to rise 20% to 30% to stimulate new construction, but at the same time, place housing out of the reach of many families. Single family housing construction in some urban areas is mainly for upper income households, with median prices pegged at above \$160,000.

Housing of low income and Native Alaskans has typically been assisted through several state and federal programs, which help with financial and technical requirements. Yet the funding levels in these programs have resulted in supplying only a fraction of the need for new or improved housing, especially for Native Alaskans. Houses which are uninhabitable during the winter in the Arctic climate, houses which are small and cramped, households which have three and four generations present for lack of available housing in the community ---these are all common features of rural Alaska housing. The dramatically poorer condition of Native Alaskan housing has been frequently described and documented over the past 30 years.

A large proportion of rural communities do not enjoy modern and hygienic sanitation systems. Sources of good quality fresh water are a problem for remote villages and too many of them continue to dispose of human sewage through the "honey bucket" system. The lack of fresh water, sanitation systems, and sound hygienic practices has led to higher communicable disease rates for Alaskan Native villages. More than \$1 billion has been expended since 1980 to build modern systems and another \$1 billion is estimated to be required to upgrade all systems to conventional standards. In addition, many existing systems are underfunded and experience continual problems in financing operations and maintenance; only a handful are estimated to be operating "in the black." Even if modern systems were constructed in all remote villages, there is serious question --based on survey findings-- that residents are willing to pay the monthly fees required to support the systems.

Costs to resolve both the sanitation problem and the most serious aspects of housing need have been calculated. The overall total is nearly \$3.6 billion. Much of this cost will fall on the public sector. Creative solutions to meet these basic needs will have to be found by government policy-makers and should form a central focus as the State of Alaska prepares its long range housing strategy (as required by the federal government by 1992) and anticipates a potentially serious decline in state revenues in the mid-1990's.

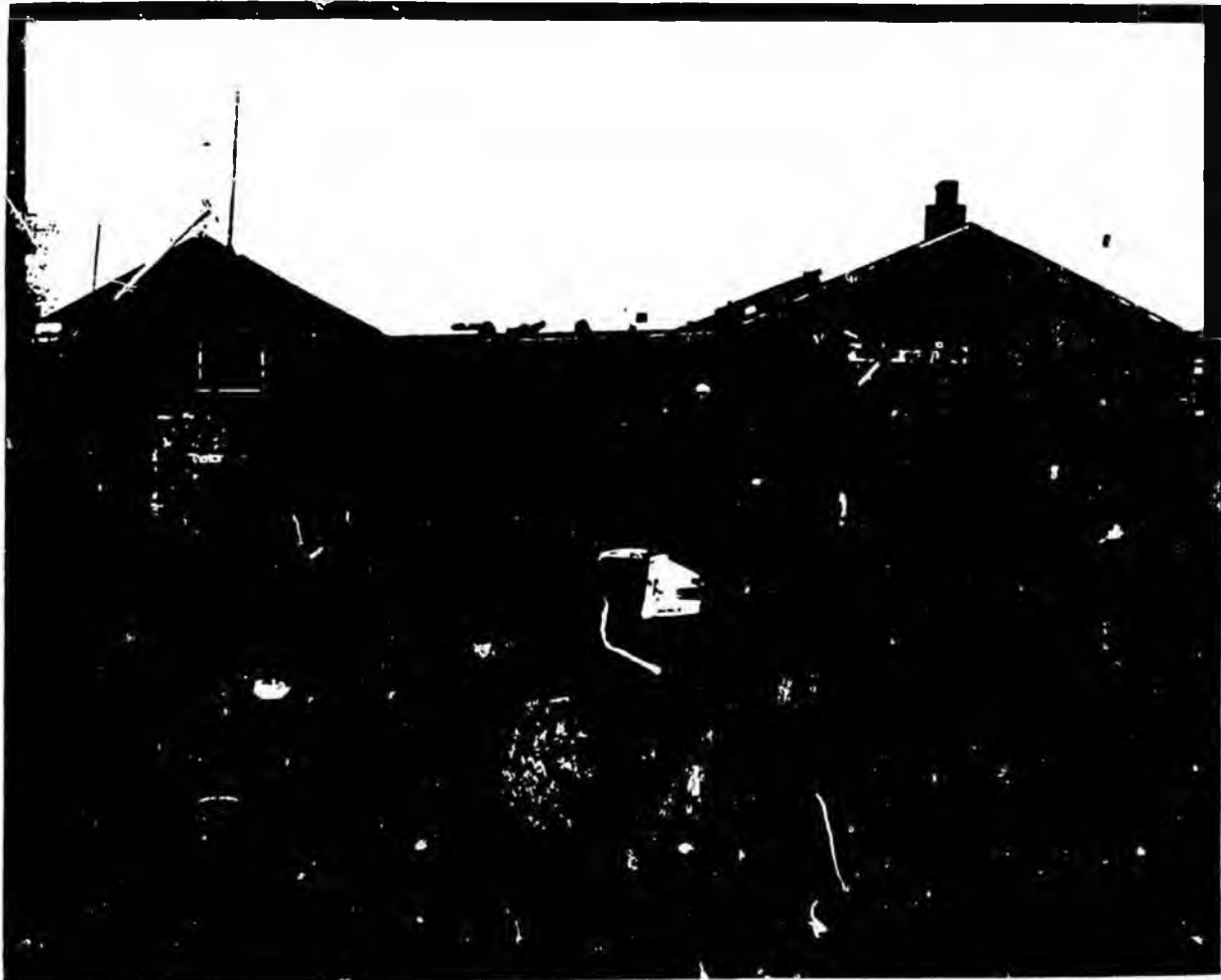
1988 Rural Housing Needs Assessment Study

03167

D2
5
M7

Rural Alaska Community Action
1988 Rural Housing Needs
Assessment Study

c.4



DOYON Region -- Photo by Rob Stapleton, Jr.

State of Alaska
Steve Cowper, Governor.



Department of Community
Regional Affairs
and G. Hoffman, Commissioner

Submitted in fulfillment under contract 88-0137 to the
Alaska Department of Community and Regional Affairs

by

Rural Alaska Community Action Program (RurAL CAP)
ASK* Marketing/Information Search
Alaska Public Interest Research Group (AKPIRG)

March 1988

D2

M7

c.4

03167

PREFACE

The 1987 Alaska State Legislature passed Senate Concurrent Resolution 21 requesting the Department of Community and Regional Affairs to conduct an assessment of rural housing conditions and of the need for rural housing. The Alaska Department of Community and Regional Affairs contracted with the Rural Alaska Community Action Program (Rural CAP) to conduct a study of current conditions in rural housing and the need for additional rural housing.

Excluded under contract specifications, were: the Municipality of Anchorage, the City of Fairbanks, the City of Juneau, the City of Sitka, the City of Ketchikan and all military bases.

The study was conducted in two phases. In Phase I all the existing relevant information on housing conditions in Alaska was gathered and assessed. It was expected that a survey would need to be conducted to supplement and update existing data concerning rural housing.

In Phase II, a household-level survey was conducted. Housing authority directors, community planners and other key informants were also interviewed, and the information gathered was analysed to accurately assess the current conditions of rural housing stock and to project future housing needs.

This report contains the findings of the current housing conditions and needs in the rural Alaska.

March 14, 1988

-Rural Alaska Community Action Program (Rural CAP)
-Alaska Public Interest Research Group (AKPIRG)
-ASK* Marketing/Information Search