

ALASKA LEGISLATURE

1823

HOUSE and SENATE FINANCE COMMITTEE FILES, 1997-1998

**SB**

**261**

**HFIN**

**FILE**

# Alaska State Legislature

#3803

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MIKE MILLER  
President of the Senate

Senate District Q

## SB 261 Sponsor Statement

In the fall of 1997, Anchorage was awarded the bid to host the World Special Olympics Winter games in 2001. The bid award was contingent on the State agreeing to be the financial guarantor of the Games.

Working in conjunction with Senator Stevens, the Governor and private industry, Speaker Phillips and I agreed to jointly introduce legislation (HB357) that would "morally obligate" the State to pay any residual costs of the Games if private industry does not raise the money.

The total budget for the games is eight million dollars, four million dollars cash and four million dollars in-kind. In seven months, the organizing committee has raised over one million cash and two million in-kind. With three years left to generate funds, the organizing committee is committed to raising more than what is required host the Games and the legislature will not be required to appropriate funds to cover costs.

The legislation establishes AIDEA as the controlling agency to oversee the organizing committees fundraising activities and to report to the legislature on January 2 of each year the total funds raised to date. In the event that the money is not raised, the legislature would be 'morally obligated' to cover any costs, up to four million dollars.

Alaska is fortunate to have been awarded the bid. Special Olympics is a unique organization that benefits athletes in all areas of our State. The opportunity for them to participate in a worldwide competition with people of their same abilities is a once in a lifetime experience.

Agreement  
for  
S.O. 2001  
World Wine  
Games

50 pg  
Blu pc  
of km  
games w  
to Be  
rule

3/19/98

shall pay a royalty to SOI in an amount calculated pursuant to Section 11.03 (the "SOI Royalty"), to be paid solely out of the Cash Surplus, if any

ARTICLE X

RAISING FUNDS FOR THE GAMES

Section 10.01. Costs for the Games. All costs incurred by the GOC for planning, organizing, financing and conducting the Games (including without limit the GOC obligations regarding broadcasting under Article XIII), including cash expenses and Budget-Relieving In-Kind Support, shall not exceed Eight Million Dollars (\$8,000,000) (the "Cost Limitation"). The foregoing shall not restrict the GOC from planning and conducting Additional Events that, if included in the GOC Budget Plan, might otherwise cause the GOC to exceed the Cost Limitation, provided that the GOC obtains separate funding for such Additional Events and SOI approves such Additional Events as provided in Article VI. The foregoing proviso is intended to ensure that the funding for a particular Additional Event does not detract from the GOC's efforts and obligation to raise funds for the Games as required by this Agreement. For purposes of this Section, "separate funding" means financial support that the GOC can demonstrate to SOI's reasonable satisfaction is available for funding a particular Additional Event, but not for the GOC's general use in funding the Budget Plan or otherwise paying for the Games.

Section 10.02. Responsibilities of SOI. Except as may be explicitly provided elsewhere in this Agreement, SOI's obligation to provide financial support for the Games shall be limited to the following:

10.02-1. Required SOI Support. SOI shall provide the GOC with support having a total value of eight hundred thousand dollars (\$800,000) (the "Required SOI Support"), made up of the following:

(a) Budget-Relieving In-Kind Support. The Required SOI Support shall include (and may, at SOI's option, consist entirely of) Budget-Relieving In-Kind Support obtained through SOI's corporate sponsors and/or through arrangements by SOI with professionals, such as public relations professionals or accountants, to provide budget-relieving in-kind services to the GOC. On or before March 1, 1999 (or by any later date agreed upon by the parties), SOI shall notify the GOC of the types and approximate value of all Budget-Relieving In-Kind Support that SOI plans to provide as Required SOI Support. In addition, if SOI determines it advisable to provide the GOC with the services of a professional public relations consultant to assist with the GOC's international public information and/or promotional activities for the Games, SOI may credit those fees against Required SOI Support. SOI shall inform the GOC regularly as

order C.S. 3/19/98  
 - as amended - 3/19/98 PG 3 of 4

**CS FOR SENATE BILL NO. 261(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 2/25/98

Referred: Rules

Sponsor(s): SENATORS MILLER, Taylor, Leman, Ellis, Pearce, Wilken, Lincoln, Hoffman, Green

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the Special Olympics World Winter Games to be held in  
 2 Anchorage in the year 2001; establishing a reserve fund for the games; providing  
 3 certain duties and authority for the Alaska Industrial Development and Export  
 4 Authority regarding financing for those games; and providing for an effective  
 5 date."

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

7 \* **Section 1. FINDINGS.** The legislature finds that

8 (1) holding the 2001 Special Olympics World Winter Games in Anchorage will  
 9 benefit the state through national and international recognition of the state as a location for  
 10 large-scale sporting events;

11 (2) the 2001 Special Olympics World Winter Games are expected to draw  
 12 thousands of athletes, coaches, and spectators to the state;

13 (3) the state's economy is expected to benefit from the influx of athletes,

1 coaches, and spectators who participate in or attend the 2001 Special Olympics World Winter  
2 Games;

3 (4) the Alaska Industrial Development and Export Authority can fulfill its vital  
4 economic development mission for the state by facilitating the 2001 Special Olympics World  
5 Winter Games;

6 (5) by the holding of the 2001 Special Olympics World Winter Games in  
7 Anchorage, the state will host the largest multisport event in the world in 2001, showcasing  
8 its world-class competition venues and unparalleled natural beauty to a global television  
9 audience; and

10 (6) the state and its people are proud to welcome athletes experiencing certain  
11 developmental disabilities from around the world who will demonstrate their extraordinary  
12 skills, dedication, courage, and joy during the 2001 Special Olympics World Winter Games.

13 \* Sec. 2. RESERVE FUND ESTABLISHED. There is created in the Alaska Industrial  
14 Development and Export Authority the 2001 Special Olympics World Winter Games reserve  
15 fund to carry out the purposes of this Act. All money for the 2001 Special Olympics World  
16 Winter Games granted to the authority by the United States government, all money  
17 appropriated to the fund, and all money received by the authority from other grants, trusts,  
18 bequests, and donations for those games shall be paid into the reserve fund.

19 \* Sec. 3. ADMINISTRATION. (a) The authority may

20 (1) accept grants from the United States government for the 2001 Special  
21 Olympics World Winter Games to be held in Anchorage;

22 (2) accept gifts, grants, trusts, bequests, or donations from any person for those  
23 games;

24 (3) administer and invest the reserve fund in accordance with the powers and  
25 responsibilities established in AS 37.10.071;

26 (4) use the reserve fund as the authority determines necessary to facilitate those  
27 games; and

28 (5) designate agents and delegate the authority's powers under this Act to them  
29 as necessary;

30 (b) The authority shall

31 (1) review the finance plan submitted to the authority by the local sponsor

*original*  
of the ~~the~~ Budget of \$8 m \$

1 organization under sec. 4 of this Act;

2 (2) annually

3 (A) determine whether there is sufficient money from all sources other  
4 than from state appropriations to cover the valid obligations of the local sponsor  
5 organization for the games;

6 (B) if there is insufficient money from those other sources, determine  
7 the amount, not to exceed a cumulative total of \$4,000,000, necessary to capitalize the  
8 reserve fund to fulfill the purposes of the reserve fund; and

9 (C) report that amount to the governor and the legislature in the  
10 certificate required by sec. 4(e) of this Act.

11 \* Sec. 4. FINANCING AND FINANCIAL GUARANTEE PLAN. (a) If the local sponsor  
12 organization desires a state financial guarantee plan for the games, the organization shall  
13 prepare a finance plan for those games and submit that plan to the authority for approval no  
14 later than 90 days after the effective date of this Act. The finance plan must include

15 (1) an estimate of the total cost of the games and a description of the sources  
16 of money that will be used to finance the total cost of the games;

17 (2) an estimate of the operational costs of the games and a description of the  
18 source of money that will be used to pay the operational costs;

19 (3) a method of financing the games that minimizes the cost to the state and  
20 ensures the local sponsor organization uses its best efforts to minimize costs to the state.

21 (b) The local sponsor organization shall update the finance plan semiannually and  
22 shall submit the updated plan to the authority for approval semiannually.

23 (c) The local sponsor organization shall provide to the authority additional information  
24 reasonably requested by the authority.

25 (d) The finance plan and all updates are subject to approval by the authority following  
26 reasonable due diligence by the authority to ensure state costs are minimized.

27 (e) The chair of the authority shall, at least annually, no later than January 2, make  
28 and deliver to the governor and the legislature a certificate stating whether the local sponsor  
29 organization has met the requirements of (a) - (d) of this section and stating the amount, if  
30 any, determined under sec. 3(b)(2) of this Act, not to exceed a cumulative total of \$4,000,000.

31 If the local sponsor organization has met the requirements of (a) - (d) of this section, the

*as ref in Act 10*  
~~with~~  
*Special Olymp Intl*

1 legislature may, after January 2, 2001, appropriate an amount not to exceed \$4,000,000 to be  
2 deposited by the authority in the reserve fund. Nothing in this subsection creates a debt or  
3 liability of the state.

4 \* Sec. 5. DEFINITIONS. In this Act,

5 (1) "authority" means the Alaska Industrial Development and Export Authority;

6 (2) "games" means the Special Olympics World Winter Games to be held in  
7 Anchorage in the year 2001;

8 (3) "local sponsor organization" means the 2001 Special Olympics World  
9 Games Organizing Committee or its successor organization;

10 (4) "reserve fund" means the 2001 Special Olympics World Winter Games  
11 reserve fund.

12 \* Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

0-LS1354F  
Cook  
3/19/98

adopted N/O 3/20/98

**HOUSE CS FOR CS FOR SENATE BILL NO. 261(FIN)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTIETH LEGISLATURE - SECOND SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): SENATORS MILLER, Taylor, Leman, Ellis, Pearce, Wilken, Lincoln, Hoffman, Green, Mackie, Kelly**

**REPRESENTATIVES Green, Williams**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the Special Olympics World Winter Games to be held in  
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4 economic development mission for the state by facilitating the 2001 Special Olympics World  
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6 (5) by the holding of the 2001 Special Olympics World Winter Games in  
7 Anchorage, the state will host the largest multisport event in the world in 2001, showcasing  
8 its world-class competition venues and unparalleled natural beauty to a global television  
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10 (6) the state and its people are proud to welcome athletes experiencing certain  
11 developmental disabilities from around the world who will demonstrate their extraordinary  
12 skills, dedication, courage, and joy during the 2001 Special Olympics World Winter Games.

13 \* **Sec. 2. RESERVE FUND ESTABLISHED.** There is created in the Alaska Industrial  
14 Development and Export Authority the 2001 Special Olympics World Winter Games reserve  
15 fund to carry out the purposes of this Act. All money for the 2001 Special Olympics World  
16 Winter Games granted to the authority by the United States government, all money  
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26 (4) use the reserve fund as the authority determines necessary to facilitate those  
27 games; and

28 (5) designate agents and delegate the authority's powers under this Act to them  
29 as necessary;

30 (b) The authority shall

31 (1) review the finance plan submitted to the authority by the local sponsor

1 organization under sec. 4 of this Act:

2 (2) annually

3 (A) determine whether there is sufficient money from all sources other  
4 than from state appropriations to cover the valid obligations of the local sponsor  
5 organization for the games;

6 (B) if there is insufficient money from those other sources, determine  
7 the amount necessary to capitalize the reserve fund to fulfill the purposes of the  
8 reserve fund, not to exceed a cumulative total of \$4,000,000 of the cost limitation of  
9 \$8,000,000 as referenced in art. X, sec. 10.01, of the Special Olympic International  
10 Charter; and

11 (C) report that amount to the governor and the legislature in the  
12 certificate required by sec. 4(e) of this Act.

13 \* **Sec. 4. FINANCING AND FINANCIAL GUARANTEE PLAN.** (a) If the local sponsor  
14 organization desires a state financial guarantee plan for the games, the organization shall  
15 prepare a finance plan for those games and submit that plan to the authority for approval no  
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25 (c) The local sponsor organization shall provide to the authority additional information  
26 reasonably requested by the authority.

27 (d) The finance plan and all updates are subject to approval by the authority following  
28 reasonable due diligence by the authority to ensure state costs are minimized.

29 (e) The chair of the authority shall, at least annually, no later than January 2, make  
30 and deliver to the governor and the legislature a certificate stating whether the local sponsor  
31 organization has met the requirements of (a) - (d) of this section and stating the amount, if

1 any, determined under sec. 3(b)(2) of this Act, not to exceed a cumulative total of \$4,000,000  
2 of the cost limitation of \$8,000,000 as referenced in art. X, sec. 10.01, of the Special Olympic  
3 International Charter. If the local sponsor organization has met the requirements of (a) - (d)  
4 of this section, the legislature may, after January 2, 2001, appropriate an amount not to exceed  
5 \$4,000,000 of the cost limitation of \$8,000,000 as referenced in art. X, sec. 10.01, of the  
6 Special Olympic International Charter. The amount appropriated shall be deposited by the  
7 authority in the reserve fund. Nothing in this subsection creates a debt or liability of the state.

8 \* Sec. 5. DEFINITIONS. In this Act,

9 (1) "authority" means the Alaska Industrial Development and Export Authority;

10 (2) "games" means the Special Olympics World Winter Games to be held in  
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12 (3) "local sponsor organization" means the 2001 Special Olympics World  
13 Games Organizing Committee or its successor organization;

14 (4) "reserve fund" means the 2001 Special Olympics World Winter Games  
15 reserve fund.

16 \* Sec. 6. This Act takes effect immediately under AS 01.10.070(c).

# FISCAL NOTE

No. 1  
 Bill Version: SB261  
 (S) Publish Date: 2/6/98

**STATE OF ALASKA  
 1998 LEGISLATIVE SESSION**

Revision Date: January 27, 1998  
 Title: Special Olympics World Winter Games 2001

Department: DCED  
 BRU: AIDEA  
 Component: AIDEA

Sponsor: Sen. MILLER, Taylor, Leman, Ellis, Pearce, Wilken, Lincoln, Hoffman, Green  
 Requester: Senate State Affairs      COMPONENT SERIAL NO. 1234

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						
<b>TOTAL OPERATING</b>						

<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
-----------------------------	-----	-----	-----	-----	-----	-----

<b>CHANGE IN REVENUES</b>	0.0	0.0	0.0	0.0	0.0	0.0
---------------------------	-----	-----	-----	-----	-----	-----

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other Corporate Receipts						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 98) cost: \$ 0.0

POSITIONS						
FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)  
 The bill creates a temporary reserve fund within the Alaska Industrial Development and Export Authority (AIDEA) specifically related to the Special Olympics World Games to be held in Anchorage in 2001. The bill provides AIDEA the authority to administer the reserve fund, to review and approve the local sponsor organization's finance plan and to report to the Governor and Legislature any amounts necessary to fund the reserve fund. No additional staff will be required to provide oversight of the Special Olympics 2001 fund.

Prepared by: D. Randy Simmons, Executive Director      Phone: 907.269.3000  
 Division: AIDEA      Date: January 27, 1998  
 Approved by Commissioner: Deborah B. Sedwick      Date: January 27, 1998  
 Agency: Commerce and Economic Development

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# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: March 4, 1998

FURTHER REFERRALS:

Date of Committee Action: 3/20/98

The FINANCE Committee considered:

CSSB 261(FIN)

CS FOR SENATE BILL NO. 261(FIN)

SPECIAL OLYMPICS 2001

"An Act relating to the Special Olympics World Winter Games to be held in Anchorage in the year 2001; establishing a reserve fund for the games; providing certain duties and authority for the Alaska Industrial Development and Export Authority regarding financing for those games; and providing for an effective date."

recommends it be replaced

with the following committee substitute

*HCS*

CSSB 261 (Fin)

the same title  
 a new title

additional referral to \_\_\_\_\_ Committee  
 attached amendment(s)

ADOPTS: \_\_\_\_\_ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note(s) \_\_\_\_\_

zero fiscal note(s) DCFD 2/6/98

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<i>Ben Therriault</i> Therriault			x	
<i>Alon Mulder</i> Mulder	x			
<i>Larry Martin</i> Martin	x			
<i>Vick Kohring</i> Kohring				x
<i>Al Davison</i> Davison	x			
<i>Ben Crussendorf</i> Crussendorf			x	
<i>Fernando Davis</i> DAVIS			x	
<i>Kelly Foster</i> Kelly Foster			x	
<i>[Signature]</i>	x			

CHAIR'S SIGNATURE

*Ben Therriault*



# House Finance Committee

SUBJECT OF MEETING:  
**HB 317**

DATE: **March 19, 98**

PLACE: **Cap 519**

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
<del>Byron A. Kelly</del> <b>Byron Kelly</b>	<b>APEC</b>				<b>2047</b>	<b>Y</b> N	<b>HB 317</b>
<b>Cliff Stanton</b>	<b>Rep. AUSTIN</b>					Y N	<b>411</b>
<b>R. Austerman</b>						Y N	
<b>Mary Gore</b>	<b>staff</b>	<b>miniMoku</b>				Y N	
<b>Doug Griffin (3194)</b>						Y N	
<b>277-8638</b>						Y N	
<b>3pm Alecku</b>						Y N	
<b>BW</b>						Y N	
<b>Can Bone</b>						Y N	

Director of Commerce

**SB**

**261**

SFIN

FILE

# FISCAL NOTE

2/24/98  
 No. 1  
 Bill Version: SB261  
 (S) Publish Date: 2/6/98

**STATE OF ALASKA  
 1998 LEGISLATIVE SESSION**

Revision Date: January 27, 1998  
 Title: Special Olympics World Winter Games 2001

Department: DCED  
 BRU: AIDEA  
 Component: AIDEA

Sponsor: Sen. MILLER, Taylor, Leman, Ellis, Pearce, Wilken, Lincoln, Hoffman, Green  
 Requester: Senate State Affairs COMPONENT SERIAL NO. 1234

Expenditures/Revenues	(Thousands of Dollars)					
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PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>						
<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CHANGE IN REVENUES</b>	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 General Fund						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other Corporate Receipts						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY 98) cost: \$ 0.0

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)  
 The bill creates a temporary reserve fund within the Alaska Industrial Development and Export Authority (AIDEA) specifically related to the Special Olympics World Games to be held in Anchorage in 2001. The bill provides AIDEA the authority to administer the reserve fund, to review and approve the local sponsor organization's finance plan and to report to the Governor and Legislature any amounts necessary to fund the reserve fund. No additional staff will be required to provide oversight of the Special Olympics 2001 fund.

Prepared by: D. Randy Simmons, Executive Director Phone: 907.269.3000  
 Division: AIDEA Date: January 27, 1998  
 Approved by Commissioner: Deborah B. Sedwick Date: January 27, 1998  
 Agency: Commerce and Economic Development

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# SENATE FINANCE COMMITTEE REPORT

DATE: 2/6/98

FURTHER: 2/24/98

DATE TURNED IN TO OFFICE: 2/25/98

Finance Committee considered SENATE BILL NO. 261

SPECIAL OLYMPICS WORLD WINTER GAMES 2001

and recommends:

be replaced with CS SB 261 (FIN)

adopt previous CS (        )

attached amendment(s)

adopt Letter of Intent by          Committee

further referral to the          Committee

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

SIGNING DO/PASS/	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>John L. ...</i>	✓	<i>Roll &amp; ...</i>	✓		
<i>Dave Donkey</i>	✓	<i>Jan ...</i>	✓		
Co-Chair:		Co-Chair:			
Co-Chair:		Co-Chair: <i>...</i>	✓		

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal
DCED/AIDEA	1/27/98	Ø	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

1 new schools and realize cost savings; and

2       **WHEREAS** the use of prototype school designs reduces future routine and major  
3 maintenance cost and improves a school district's maintenance program through the use of  
4 standardized building components, systems, and products; and

5       **WHEREAS** school districts experience substantially fewer problems during the first  
6 school year in a prototype school, thereby reducing the school district's costs and improving  
7 the teaching environment for teachers and learning environment for students; and

8       **WHEREAS** public facilities should be designed to accurately reflect the unique needs  
9 of our subarctic and arctic environments, and northern design principles can help minimize  
10 annual operating and maintenance costs;

11       **BE IT RESOLVED** that the Alaska State Legislature encourages school districts to  
12 use prototype school designs wherever feasible so future school classrooms can be constructed  
13 quicker and funds maximized; and be it

14       **FURTHER RESOLVED** that the Governor is requested to direct the Department of  
15 Education to develop prototype school designs for <sup>delete elementary</sup> schools in consultation with engineering  
16 and architecture design professionals, including their statewide and regional organizations, who  
17 are familiar with the unique climatic conditions in this state as well as other conditions that  
18 affect application of appropriate school designs; and be it

19       **FURTHER RESOLVED** that the Governor is requested to direct the Department of  
20 Education to consult with the bond reimbursement and grant review committee established  
21 under AS 14.11.014 in developing designs and incentives for school districts to use prototype  
22 school designs in school construction funded through the educational facilities maintenance  
23 and construction fund (AS 37.05.560); and be it

24       **FURTHER RESOLVED** that the Governor is requested to direct the Department of  
25 Education, in those instances where a prototype design may not be appropriate, to identify  
26 components within prototype building designs that can be standardized and can be  
27 incorporated into the school design; and be it

28       **FURTHER RESOLVED** that, if statutory changes are necessary to implement these  
29 incentives, the Department of Education is requested to report suggested statutory changes to  
30 the legislature by March 15, 1998, so the changes can be considered by the Second Regular  
31 Session of the Twentieth Alaska State Legislature.

AMENDED  
Sen. Adams

AMENDED #2  
Terpico

24 February 1998

TO: Peggy  
Legal Services

FM: Jerry Lee  
Senate Finance Committee Secretary

As per our telcon today the following is a typed version of Senator Donley's amendment #1 to SB 261 which was adopted by the committee without objection:

Page 3, line 19

after "state." add: "and ensures the local organizing committee uses it's best efforts to minimize costs to the state."

Page 3, line 24

after "plan" insert "and all updates"

delete "is" and insert "are"

after "authority" insert "following reasonable due diligence by the authority to ensure state costs are minimized."

I am also sending a copy of his original handwritten amendment to avoid any questions!

Thanks for your help! Jerry Lee

SENATE FINANCE  
COMMITTEE

Amendment Number: 1

Bill Number: SB 261

Sponsor: Donley Date: 2/24/98

Logged In By: J. Boltan

moved by Sen. Donley  
w/o objection, adopted

Line 19 after "state":

add:

and ensures the local ~~organization~~  
organizing committee uses its best  
efforts to minimize costs to the state.

Line 24 after "plan"

insert:

"and all updates"

delete "is" insert "are"

after "authority"

insert:

"following reasonable due  
diligence by the authority to  
ensure state costs are minimized."

**SB**

**263**

HFIN

FILE



# Alaska State Legislature

Please enter into the record my testimony to the Finance  
committee name  
committee on SB 263, dated 5/2/98  
bill/subject

SB 263 changed considerably during the legislative process. The bill serves its intent of providing defination to what is a unimproved road. However the bill appears to go too far in division of funds discription. In particular "Section 4" on page 4, line 2, line items funds for bridges. The current STIP process provides for prioritizing projects based on need. Projects are prioritized and placed on the STIP and are completed based on funds available. The system works and does not need to be fixed. Please Strike Section 4.

Thank you!  
Signed: [Signature]

Testifier

MAT-5a Local Road Service Area #1?

Representing (Optional)

HC 30 Box 200 Wasilla, AK 99654-9756

Address

(907) 373-6690

Phone No.

# FISCAL NOTE

Bill Version: HCSCSSB 263 (TRA)  
(H) Publish Date: 5/2/98

**STATE OF ALASKA  
1998 LEGISLATIVE SESSION**

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>	
Title <u>Secondary Roads</u>	BRU <u>Commissioners Office</u>	
	Component <u>Office of the Commissioner</u>	
Sponsor <u>Torgerson, Pearce, Sharp</u>		
Requester <u>H TRA</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	33.0	34.0	35.0	36.1	37.1	
Travel	10.0	10.0	10.0	10.0	10.0	
Contractual	100.0					
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>143.0</b>	<b>44.0</b>	<b>45.0</b>	<b>46.1</b>	<b>47.1</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	143.0	44.0	45.0	46.1	47.1	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type) (IARF)	0.0					
<b>TOTAL</b>	<b>143.0</b>	<b>44.0</b>	<b>45.0</b>	<b>46.1</b>	<b>47.1</b>	<b>0.0</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

**ANALYSIS:**  
 DOT&PF will have to adopt two sets of regulations to implement sections 1 and 2 of this bill. In addition, the department will incur staff costs for identifying unimproved secondary roads of approximately 8 person-weeks per year. The cost for ranking these unimproved secondary roads in the order that they should be upgraded by the department is approximately 1/2 of one person-year.

Prepared by	<u>Dennis Poshard, Special Assistant</u>	Phone <u>465-3900</u>
Division	<u>Commissioners Office</u>	Date <u>5/1/98</u>
Approved by	<u><i>K. P. ...</i> for Commissioner</u>	Date <u>5/1/98</u>
Agency	<u>Department of Transportation and Public Facilities</u>	

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**COMMITTEE COPY**

# Alaska State Legislature

## Committee Membership

Senate Finance  
Senate Resources  
Senate Rules  
Legislative Budget & Audit



*Senator John Torgerson*

District Address:  
145 Main St. Loop; Ste. 226  
Kenai, AK 99611  
(907) 283-2690  
fax 283-9267

Session Address:  
State Capitol: Room 514  
Juneau, AK 99801-1182  
(907) 465-2828  
fax 465-4779

## H CS for CSSB 263(TRA): Secondary Roads & STIP Sponsor Statement

SB 263 establishes a statutory system for the Statewide Transportation Improvement Program (STIP) and establishes a secondary roads program for upgrading Alaska's secondary graveled or cold asphaltic roads.

The current ranking system for the STIP is internalized within the Department of Transportation and the projects are often placed in various categories. This bill:

1. standardizes the STIP by identifying three STIP categories in statute;
2. identifies percentages of allocation for the categories;
2. defines subcategories for the Community Transportation Program (CTP) category;
3. prohibits placement of a project in the CTP category if it is eligible elsewhere;
4. requires evaluation and ranking of projects in each category according to processes established by the department and provides for additional priority for upgrading projects to be transferred to a municipality for maintenance; and
5. requires at least 60% of the allocation to the CTP be allocated for projects in the rural and urban streets and roads subcategory.

The premise of the secondary roads program is to upgrade and pave state maintained graveled or cold asphaltic roads by establishing a secondary road standard. Those roads will then be ranked project by project, against other secondary roads - not against the major highway system or other paved roads. Increased ranking will be given to a road when the local government accepts transfer of the road from the State.

The program may be funded annually at \$20 million from the new federal funds and will sunset in five years. There are problems with secondary graveled roads in many areas of Alaska. The problem is not poor maintenance by DOT; the problem is the poor condition of the road itself. Without an ongoing road improvement program specific to these types of roads, the problems only get worse.

The bill also establish that not less than one percent of the federal funds available for 1998-2003 shall be used for new bridge construction.

SS: H CS CSSB 263(TRA): 5/5/98: mj

*Representing the Kenai Peninsula*

**SB**

**263**

SFIN

FILE

# FISCAL NOTE

4/1/98

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

No. 1  
Bill Version: CSSB 263 (TRA)  
(S) Publish Date: 3-20-98

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Secondary Roads</u>	BRU <u>Commissioners Office</u>
Sponsor <u>Torgerson, Pearce, Sharp</u>	Component <u>Office of the Commissioner</u>
Requester <u>(S) TRA</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	33.0	34.0	35.0	36.1	37.1	
Travel	10.0	10.0	10.0	10.0	10.0	
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>43.0</b>	<b>44.0</b>	<b>45.0</b>	<b>46.1</b>	<b>47.1</b>	

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	43.0	44.0	45.0	46.1	47.1	
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>43.0</b>	<b>44.0</b>	<b>45.0</b>	<b>46.1</b>	<b>47.1</b>	

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

DOT&PF currently has regulations that address design and construction standards for secondary roads. The cost for identifying unimproved secondary roads is approximately 8 person-weeks per year. The cost for ranking these unimproved secondary roads in the order that they should be upgraded by the Department is approximately 1/2 of one person-year.

Prepared by Dennis Poshard, Special Assistant  
 Division Office of the Commissioner  
 Approved by *Dennis L. Poshard* Commissioner  
 Agency Department of Transportation and Public Facilities

Phone 465-3900  
 Date 2/10/98  
 Date 2/10/98

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# SENATE FINANCE COMMITTEE REPORT

DATE: 3/20/98

FURTHER: 4/1/98

DATE TURNED  
IN TO OFFICE: 2 April 98

Finance Committee considered

SENATE BILL NO. 263

"An Act relating to secondary roads; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS SB 263 ( FIN )
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ ( \_\_\_\_\_ )
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

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

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>John Sawyer</i>	✓	<i>Mark Hamill</i>	✓		
<i>Debra Buley</i>	✓	<i>Al Adams</i>	X		
Co-Chair: <i>Seance</i>	✓	Co-Chair: _____			
Co-Chair: <i>Debra Buley</i>	✓	Co-Chair: _____			

**NEW FISCAL NOTE(S):**

Department                      Date      Zero      Fiscal


**PREVIOUS FISCAL NOTE(S):\***

Department                      Date      Zero      Fiscal

<i>DOT&amp;PF, Comm. Office</i>	<i>2/19/98</i>		<i>43.0</i>

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

**SB**

**264**

HFIN

FILE

# Alaska State Legislature

## Committee Membership

Senate Finance  
Senate Resources  
Senate Rules  
Legislative Budget & Audit



*Senator John Torgerson*

District Address:  
145 Main St. Loop; Ste. 226  
Kenai, AK 99611  
(907) 283-2690  
fax 283-9267

Session Address:  
State Capitol; Room 514  
Juneau, AK 99801-1182  
(907) 465-2828  
fax 465-4779

## **SB 264: Aid for Municipal Road Maintenance Sponsor Statement**

SB 264 removes the current municipal road maintenance program from the revenue sharing statutes and establishes a stand-alone program for aid to municipalities for road maintenance. The funds appropriated to the existing program will be eliminated, except for funding for ice street maintenance. (This legislation does not affect the current statutes pertaining to maintenance of ice streets.)

The new program establishes the same requirements for eligibility of the roads as the current program. The bookmarked source of funds for the new program is established as the motor fuel tax. The current program cost is some \$3.2 million. The new program actually increases the funding by about 40 percent to \$1,000 per mile (the current appropriation amounts to some \$700.00 per mile) with an estimated total program cost of \$4.4 million, or a total of \$1.2 million additional funding.

Because the existing program is part of the Safe Communities Program, the minimum entitlement for municipalities is affected when this new program is enacted. This bill would reduce the minimum entitlement amount by the amount gained through the new road maintenance program.

In addition to the funding for maintenance of municipal roads, this bill provides for annual allocation of federal funds to the municipalities for road improvements. The method of allocation is based on the amount of road miles maintained by each municipality.

It is hoped that, by creating a stable funding source of revenue sharing for municipal road maintenance and a mechanism for upgrades for transfers to local governments, the amount of maintenance and appropriation by the state will be reduced.

# FISCAL NOTE

No. 3

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

Bill Version: CSSB 264 (TRA)  
(S) Publish Date: 3-23-98

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Municipal Road Maintenance</u>	BRU <u>Commissioners Office</u>
Sponsor <u>Torgerson, Pearce</u>	Component <u>Office of the Commissioner</u>
Requester <u>SEIN 5 TRA</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	38.5	39.7	40.8	42.1	43.3	44.6
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>38.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

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

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

**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF	38.5	39.7	40.8	42.1	43.3	44.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>38.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

The routine operating costs are based on the following assumptions:

50 requests received from municipalities for road, street, or highway transfers  
 4 person-days per request required for determination of need for upgrade  
 No travel will be required for remote sites; instead, DOT&PF maintenance staff will make the required determinations.

Prepared by Dennis Poshard, Special Assistant  
 Division Office of the Commissioner  
 Approved by [Signature] Commissioner  
 Agency Department of Transportation and Public Facilities

Phone 465-3900  
 Date 3/20/98  
 Date 3/20/98

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FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
Title: Aid for Municipal Road Maintenance BRU: Revenue Operations  
Component: Income and Excise Audit  
Sponsor: Senator Torgerson  
Requestor: (S) TRA COMPONENT SERIAL NO. 113

Expenditures/Revenues: (Thousands of Dollars)

	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
<b>OPERATING EXPENDITURES</b>						
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIFS						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1001 CBRF						
1048 University of AK receipts						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill provides that 37.5% of highway motor fuel tax collections, less costs of collection, be deposited into a special municipal road maintenance account. The legislature may appropriate funds from this account for grants to municipalities under AS 29.60.700 and for road improvements under AS 29.60.730(b). This bill takes effect July 1, 1998. The Department of Revenue projects that deposits into the special municipal road maintenance account will range from \$9.3 to \$9.7 million over FY 99 - 04 (see attached analysis). The department does not anticipate additional costs for depositing funds into the special account.

Prepared by: Paul E. Dick  
Division: Income and Excise Audit  
Approved by Commissioner: Wilson L. Condon  
Agency: Revenue

Phone: 465-3691  
Date: February 2, 1998  
Date: February 2, 1998

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**Alaska Department of Revenue**  
*Income and Excise Audit Division*

**SB 264 - Aid for Municipal Road Maintenance**  
**Analysis of Highway Revenue Allocation**

<b>Fiscal Year</b>	<b>FY 99</b>	<b>FY 00</b>	<b>FY 01</b>	<b>FY 02</b>	<b>FY 03</b>	<b>FY 04</b>
<b>Total Highway Tax Collections</b>	25,100.0	25,400.0	25,530.0	25,660.0	25,790.0	25,920.0
<b>Allocation %</b>	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%
<b>Gross Municipal Road Account</b>	9,412.5	9,525.0	9,573.8	9,622.5	9,671.3	9,720.0
<b>Cost of Collection</b>	(70.2)	(70.2)	(70.2)	(70.2)	(70.2)	(70.2)
<b>Net Municipal Road Account</b>	<b>9,342.3</b>	<b>9,454.8</b>	<b>9,503.6</b>	<b>9,552.3</b>	<b>9,601.1</b>	<b>9,649.8</b>

**Notes**

Revenue projections for FY 99 and FY 00 are based on state's Fall Revenue Forecast  
 Revenue projections for FY 01 - 04 assume a .5% growth in consumption  
 Cost of Collection are based on IEAD FY97 Annual Report Table 3 (with allocation to 37.5% of highway revenue)

2-2

SB 264  
#2

## SB 264: Construction Funds at \$10 million Annually

Municipality	Municipal Maintained Road Miles	Construction Funds at \$2020 / mile
City of Akhiok	3.10	\$6,262
City of Alakanuk	4.00	\$8,080
City of Allakaket	8.24	\$16,645
City of Ambler	8.36	\$16,887
Municipality of Anchorage	184.94	\$373,579
Municipality of Anchorage	13.96	\$28,199
Municipality of Anchorage	13.49	\$27,250
Municipality of Anchorage	81.62	\$164,872
Municipality of Anchorage	574.26	\$1,160,005
City of Anderson	9.80	\$19,796
City of Angoon	4.79	\$9,676
City of Aniak	17.76	\$35,875
City of Anvik	7.75	\$15,655
City of Atka	15.00	\$30,300
City of Bethel	15.98	\$32,280
City of Bettles	3.05	\$6,161
City of Brevig Mission	2.00	\$4,040
Bristol Bay Borough	26.01	\$52,540
City of Buckland	2.50	\$5,050
City of Chevak	3.12	\$6,302
City of Chignik	1.66	\$3,353
City of Chuathbaluk	4.00	\$8,080
City of Coffman Cove	71.00	\$143,420
City of Cold Bay	25.10	\$50,702
City of Cordova	12.90	\$26,058
City of Craig	17.60	\$35,552
City of Deering	4.65	\$9,393
City of Delta Junction	29.41	\$59,408
City of Dillingham	21.75	\$43,935
City of Eagle	5.10	\$10,302
City of Eek	1.83	\$3,697

Municipality	Municipal Maintained Road Miles	Construction Funds at \$2020 / mile
City of Egegik	14.00	\$28,280
City of Ekwok	19.00	\$38,380
City of Elim	11.80	\$23,836
City of Emmonak	5.08	\$10,262
City of Fairbanks	106.72	\$215,574
Fairbanks North Star Boro	411.76	\$831,755
City of False Pass	3.00	\$6,060
City of Fort Yukon	29.56	\$59,711
City of Galena	7.10	\$14,342
City of Gambell	8.50	\$17,170
City of Golovin	5.22	\$10,544
City of Grayling	7.00	\$14,140
City of Haines	11.90	\$24,038
Haines Borough	9.30	\$18,786
City of Holy Cross	15.30	\$30,906
City of Homer	23.83	\$48,137
City of Hoonah	75.00	\$151,500
City of Hooper Bay	1.74	\$3,515
City of Houston	41.33	\$83,487
City of Hughes	5.75	\$11,615
City of Huslia	18.18	\$36,724
City of Hydaburg	6.20	\$12,524
City and Borough of Juneau	89.83	\$181,457
City of Kake	12.99	\$26,240
City of Kaltag	8.17	\$16,503
City of Kasaan	8.32	\$16,806
City of Kenai	61.32	\$123,866
Kenai Peninsula Borough	620.68	\$1,253,774
City of Ketchikan	22.51	\$45,470
Ketchikan Gateway Borou	3.29	\$6,646
City of Kiana	7.82	\$15,796

## SB 264: Construction Funds at \$10 million Annually

Municipality	Municipal Maintained Road Miles	Construction Funds at \$2020 / mile
City of King Cove	7.82	\$15,796
City of Kivalina	1.09	\$2,202
City of Klawock	9.70	\$19,594
City of Kobuk	8.11	\$16,382
City of Kodiak	25.31	\$51,126
Kodiak Island Borough	0.95	\$1,919
Kodiak Island Borough	1.75	\$3,535
Kodiak Island Borough	9.10	\$18,382
Kodiak Island Borough	11.42	\$23,068
City of Kotzebue	27.96	\$56,479
City of Koyuk	4.26	\$8,605
City of Koyukuk	1.25	\$2,525
City of Kwethluk	1.93	\$3,899
Lake and Peninsula Borou	52.92	\$106,898
City of Lower Kalskag	3.67	\$7,413
City of Manokotak	7.93	\$16,019
Matanuska-Susitna Borou	19.22	\$38,824
Matanuska-Susitna Borou	101.41	\$204,848
Matanuska-Susitna Borou	70.35	\$142,107
Matanuska-Susitna Borou	87.18	\$176,104
Matanuska-Susitna Borou	39.55	\$79,891
Matanuska-Susitna Borou	83.41	\$168,488
Matanuska-Susitna Borou	43.20	\$87,264
Matanuska-Susitna Borou	73.60	\$148,672
Matanuska-Susitna Borou	71.13	\$143,683
Matanuska-Susitna Borou	141.55	\$285,931
Matanuska-Susitna Borou	15.03	\$30,361
Matanuska-Susitna Borou	91.11	\$184,042
Matanuska-Susitna Borou	41.36	\$83,547
Matanuska-Susitna Borou	14.71	\$29,714
Matanuska-Susitna Borou	7.01	\$14,160

Municipality	Municipal Maintained Road Miles	Construction Funds at \$2020 / mile
Matanuska-Susitna Borou	4.08	\$8,242
Matanuska-Susitna Borou	74.55	\$150,591
Matanuska-Susitna Borou	39.31	\$79,406
City of McGrath	21.85	\$44,137
City of Mekoryuk	3.30	\$6,666
City of Napakiak	4.83	\$9,757
City of Nenana	26.39	\$53,308
City of Nikolai	5.00	\$10,100
City of Nome	17.52	\$35,390
City of Nondalton	25.00	\$50,500
City of Noorvik	7.20	\$14,544
City of North Pole	15.23	\$30,765
North Slope Borough	95.23	\$192,365
Northwest Arctic Borough	64.09	\$129,462
City of Nulato	12.21	\$24,664
City of Old Harbor	5.02	\$10,140
City of Ouzinkie	3.60	\$7,272
City of Palmer	32.74	\$66,135
City of Pelican	0.90	\$1,818
City of Petersburg	13.33	\$26,927
City of Pilot Point	14.00	\$28,280
City of Pilot Station	2.11	\$4,262
City of Platinum	9.00	\$18,180
City of Port Heiden	27.40	\$55,348
City of Port Lions	4.29	\$8,666
City of Quinhagak	3.26	\$6,585
City of Ruby	6.00	\$12,120
City of Russian Mission	1.64	\$3,313
City of Sand Point	11.50	\$23,230
City of Savoonga	7.07	\$14,281
City of Saxman	4.27	\$8,625

## SB 264: Construction Funds at \$10 million Annually

Municipality	Municipal Maintained Road Miles	Construction Funds at \$2020 / mile
City of Scammon Bay	2.15	\$4,343
City of Selawik	3.53	\$7,131
City of Seldovia	6.30	\$12,726
City of Seward	27.27	\$55,085
City of Shaktoolik	3.50	\$7,070
City of Shishmaref	3.98	\$8,040
City of Shungnak	5.00	\$10,100
City and Borough of Sitka	25.07	\$50,641
City of Skagway	12.05	\$24,341
City of Soldotna	37.16	\$75,063
City of St. George	16.28	\$32,886
City of St. Mary's	8.68	\$17,534
City of St. Michael	4.82	\$9,736
City of St. Paul	42.82	\$86,496
City of Stebbins	8.17	\$16,503
City of Tanana	29.50	\$59,590
City of Teller	2.69	\$5,434
City of Thorne Bay	31.90	\$64,438
City of Togiak	10.21	\$20,624
City of Unalakleet	9.62	\$19,432
City of Unalaska	38.42	\$77,608
City of Valdez	23.88	\$48,238
City of Wasilla	59.71	\$120,614
City of White Mountain	2.75	\$5,555
City of Whittier	5.10	\$10,302
City of Wrangell	10.29	\$20,786
City and Borough of Yakut	16.54	\$33,411
<b>Total Municipal Miles</b>	<b>4951.23</b>	<b>\$10,001,485</b>

**Revenue per miles based on total  
miles maintained by  
municipalities (no ice roads  
included) divided by \$10 million  
annual funding**

SB 264: S(FIN): 3/25/98: mj

# SB 264: FY 98 Statistics - Projected New Fiscal Impact

(CURRENT)

Municipality	Service Area	Public Roads	Public Road \$\$	Funds @ 1,000	Ice Roads	Ice Road \$\$
City of Akhiok		3.10	\$2,193	\$3,100	0.00	\$0
City of Akiak		0.00	\$0	\$0	0.00	\$0
City of Akutan		0.00	\$0	\$0	0.00	\$0
City of Alakanuk		4.00	\$3,530	\$4,000	22.50	\$11,913
City of Aleknagik		0.00	\$0	\$0	0.00	\$0
Aleutians East Borough	Areawide	0.00	\$0	\$0	0.00	\$0
City of Allakaket		8.24	\$7,544	\$8,240	0.00	\$0
City of Ambler		8.36	\$7,653	\$8,360	30.00	\$16,479
City of Anaktuvuk Pass		0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Areawide	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Building Safety	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Chugiak	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Chugiak/Eagle River Recreation	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	City Service Area	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Eagle River/Chugiak Service Area	184.94	\$121,560	\$184,940	0.00	\$0
Municipality of Anchorage	Fire	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Girdwood	13.96	\$9,176	\$13,960	0.00	\$0
Municipality of Anchorage	Glen Alps	13.49	\$8,867	\$13,490	0.00	\$0
Municipality of Anchorage	Limited Road Service Area	81.62	\$53,649	\$81,620	0.00	\$0
Municipality of Anchorage	Parks and Recreation	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Police	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Roads and Drainage	574.26	\$377,459	\$574,260	0.00	\$0
Municipality of Anchorage	Service Area #35	0.00	\$0	\$0	0.00	\$0
Municipality of Anchorage	Streetlight Service Area	0.00	\$0	\$0	0.00	\$0
City of Anderson		9.80	\$8,972	\$9,300	0.00	\$0
City of Angoon		4.79	\$3,267	\$4,790	0.00	\$0
City of Aniak		17.76	\$16,259	\$17,760	45.00	\$24,718
City of Anvik		7.75	\$7,095	\$7,750	0.00	\$0
City of Atka		15.00	\$12,757	\$15,000	0.00	\$0
City of Atkasuk		0.00	\$0	\$0	0.00	\$0
City of Barrow		0.00	\$0	\$0	0.00	\$0
City of Bethel		15.98	\$14,101	\$15,980	82.30	\$43,574
City of Bettles		3.05	\$2,792	\$3,050	30.00	\$16,479
City of Brevig Mission		2.00	\$1,831	\$2,000	0.00	\$0
Bristol Bay Borough	Areawide	26.01	\$22,121	\$26,010	0.00	\$0
City of Buckland		2.50	\$2,289	\$2,500	44.50	\$24,443
City of Chefornak		0.00	\$0	\$0	0.00	\$0
City of Chevak		3.12	\$2,753	\$3,120	0.00	\$0
City of Chignik		1.66	\$1,412	\$1,660	0.00	\$0

## SB 264: FY 98 Statistics - Projected New Fiscal Impact

City of Chuathbaluk		4.00	\$3,662	\$4,000	0.00	\$0
City of Clark's Point		0.00	\$0	\$0	0.00	\$0
City of Coffman Cove		71.00	\$46,668	\$71,000	0.00	\$0
City of Cold Bay		25.10	\$21,347	\$25,100	0.00	\$0
City of Cordova		12.90	\$9,825	\$12,900	0.00	\$0
City of Craig		17.60	\$11,568	\$17,600	0.00	\$0
City of Deering		4.65	\$4,257	\$4,650	56.00	\$20,760
City of Delta Junction		29.41	\$22,399	\$29,410	0.00	\$0
Denali Borough	Areawide	0.00	\$0	\$0	0.00	\$0
City of Dillingham		21.75	\$18,498	\$21,750	0.00	\$0
City of Diomedea		0.00	\$0	\$0	0.00	\$0
City of Eagle		5.10	\$3,884	\$5,100	0.00	\$0
City of Eek		1.83	\$1,615	\$1,830	0.00	\$0
City of Egegik		14.00	\$11,907	\$14,000	20.00	\$10,206
City of Ekwok		19.00	\$16,159	\$19,000	0.00	\$0
City of Elim		11.80	\$10,803	\$11,800	0.00	\$0
City of Emmonak		5.08	\$4,483	\$5,080	7.00	\$3,706
City of Fairbanks		106.72	\$81,279	\$106,720	0.00	\$0
Fairbanks North Star Borough	Areawide	411.76	\$313,600	\$411,760	0.00	\$0
Fairbanks North Star Borough	Chena GS Fire Service Area	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	Ester Fire Department	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	Non-Areawide	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	North Star Fire Department	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	Roads	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	Sewer and Water	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	Solid Waste Collection District	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	Steese Volunteer Fire Department	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	Streets and Lights	0.00	\$0	\$0	0.00	\$0
Fairbanks North Star Borough	University Fire Department	0.00	\$0	\$0	0.00	\$0
City of False Pass		3.00	\$2,551	\$3,000	0.00	\$0
City of Fort Yukon		29.56	\$27,062	\$29,560	0.00	\$0
City of Galena		7.10	\$6,500	\$7,100	0.00	\$0
City of Gambell		8.50	\$7,782	\$8,500	0.00	\$0
City of Golovin		5.22	\$4,779	\$5,220	15.00	\$8,239
City of Goodnews Bay		0.00	\$0	\$0	0.00	\$0
City of Grayling		7.00	\$6,408	\$7,000	0.00	\$0
City of Haines		11.90	\$8,419	\$11,900	0.00	\$0
Haines Borough	Areawide	9.30	\$6,580	\$9,300	0.00	\$0
Haines Borough	Fire District #1	0.00	\$0	\$0	0.00	\$0
Haines Borough	Fire District #2	0.00	\$0	\$0	0.00	\$0

## SB 264: FY 98 Statistics - Projected New Fiscal Impact

Haines Borough	Fire District #3	0.00	\$0	\$0	0.00	\$0
Haines Borough	Medical Service Area	0.00	\$0	\$0	0.00	\$0
City of Holy Cross		15.30	\$14,007	\$15,300	0.00	\$0
City of Homer		23.83	\$16,860	\$23,830	0.00	\$0
City of Hoonah		75.00	\$53,064	\$75,000	0.00	\$0
City of Hooper Bay		1.74	\$1,535	\$1,740	0.00	\$0
City of Houston		41.33	\$28,185	\$41,330	0.00	\$0
City of Hughes		5.75	\$5,264	\$5,750	0.00	\$0
City of Huslia		18.18	\$16,643	\$18,180	0.00	\$0
City of Hydaburg		6.20	\$4,075	\$6,200	0.00	\$0
City and Borough of Juneau	Areawide	89.83	\$59,045	\$89,830	0.00	\$0
City and Borough of Juneau	Service Area #10 Consolidated Fire	0.00	\$0	\$0	0.00	\$0
City and Borough of Juneau	Service Area #9 Roaded	0.00	\$0	\$0	0.00	\$0
City of Kachemak		0.00	\$0	\$0	0.00	\$0
City of Kake		12.99	\$8,858	\$12,990	0.00	\$0
City of Kaktovik		0.00	\$0	\$0	0.00	\$0
City of Kaltag		8.17	\$7,479	\$8,170	0.00	\$0
City of Kasaan		8.32	\$5,469	\$8,320	0.00	\$0
City of Kenai		61.32	\$43,385	\$61,320	0.00	\$0
Kenai Peninsula Borough	Anchor Point Fire/Emergency	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Areawide	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Bear Creek Fire Department	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Central Emergency Service Area	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Central Peninsula Emergency Service	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Central Peninsula Hospital	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Nikiski Fire Department	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Nikiski Senior Service	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	North Peninsula Recreation Service	0.00	\$0	\$0	0.00	\$0
Kenai Peninsula Borough	Road Maintenance	620.68	\$439,140	\$620,680	0.00	\$0
Kenai Peninsula Borough	South Peninsula Hospital	0.00	\$0	\$0	0.00	\$0
City of Ketchikan		22.51	\$14,796	\$22,510	0.00	\$0
Ketchikan Gateway Borough	Areawide	3.29	\$2,163	\$3,290	0.00	\$0
Ketchikan Gateway Borough	Forest Park	0.00	\$0	\$0	0.00	\$0
Ketchikan Gateway Borough	Non-Areawide	0.00	\$0	\$0	0.00	\$0
Ketchikan Gateway Borough	Shoreline Service Area	0.00	\$0	\$0	0.00	\$0
Ketchikan Gateway Borough	Southend Fire Department	0.00	\$0	\$0	0.00	\$0
City of Kiana		7.82	\$7,159	\$7,820	25.00	\$13,732
City of King Cove		7.82	\$6,651	\$7,820	0.00	\$0
City of Kivalina		1.09	\$998	\$1,090	12.00	\$6,591
City of Klawock		9.70	\$6,376	\$9,700	0.00	\$0

## SB 264: FY 98 Statistics - Projected New Fiscal Impact

City of Kobuk		8.11	\$7,425	\$8,110	9.40	\$5,163
City of Kodiak		25.31	\$17,907	\$25,310	0.00	\$0
Kodiak Island Borough	Areawide	0.00	\$0	\$0	0.00	\$0
Kodiak Island Borough	Bayview Road Service Area	0.95	\$672	\$950	0.00	\$0
Kodiak Island Borough	Fire District 1	0.00	\$0	\$0	0.00	\$0
Kodiak Island Borough	Monashka Bay	1.75	\$1,238	\$1,750	0.00	\$0
Kodiak Island Borough	Road District	9.10	\$6,438	\$9,100	0.00	\$0
Kodiak Island Borough	Women's Bay Fire Service Area	0.00	\$0	\$0	0.00	\$0
Kodiak Island Borough	Women's Bay Road Service Area	11.42	\$8,080	\$11,420	0.00	\$0
Kodiak Island Borough	Woodland Acres Lighting Service Di	0.00	\$0	\$0	0.00	\$0
City of Kotlik		0.00	\$0	\$0	0.00	\$0
City of Kotzebue		27.96	\$25,597	\$27,960	73.00	\$40,098
City of Koyuk		4.26	\$3,900	\$4,260	0.00	\$0
City of Koyukuk		1.25	\$1,144	\$1,250	0.00	\$0
City of Kupreanof		0.00	\$0	\$0	0.00	\$0
City of Kwethluk		1.93	\$1,703	\$1,930	0.00	\$0
Lake and Peninsula Borough	Areawide	52.92	\$45,007	\$52,920	80.50	\$41,078
City of Larsen Bay		0.00	\$0	\$0	0.00	\$0
City of Lower Kalskag		3.67	\$3,360	\$3,670	40.00	\$21,972
City of Manokotak		7.93	\$6,744	\$7,930	0.00	\$0
City of Marshall		0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Alpine	19.22	\$13,107	\$19,220	0.00	\$0
Matanuska-Susitna Borough	Areawide	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Big Lake Fire Service Area	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Big Lake Road	101.41	\$69,156	\$101,410	0.00	\$0
Matanuska-Susitna Borough	Bogard Road	70.35	\$47,975	\$70,350	0.00	\$0
Matanuska-Susitna Borough	Butte Fire Department	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Caswell Road	87.18	\$59,452	\$87,180	0.00	\$0
Matanuska-Susitna Borough	Fairview Road Maintenance	39.55	\$26,971	\$39,550	0.00	\$0
Matanuska-Susitna Borough	Garden Terrace	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Gold Trails	83.41	\$56,881	\$83,410	0.00	\$0
Matanuska-Susitna Borough	Greater Butte	43.20	\$29,460	\$43,200	0.00	\$0
Matanuska-Susitna Borough	Greater Palmer Consolidated Fire S	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Greater Talkeetna	73.60	\$50,191	\$73,600	0.00	\$0
Matanuska-Susitna Borough	Greater Willow Road	71.13	\$48,507	\$71,130	0.00	\$0
Matanuska-Susitna Borough	Knik Road	141.55	\$96,529	\$141,550	0.00	\$0
Matanuska-Susitna Borough	Lazy Mountain Road	15.03	\$10,250	\$15,030	0.00	\$0
Matanuska-Susitna Borough	Meadow Lakes	91.11	\$62,132	\$91,110	0.00	\$0
Matanuska-Susitna Borough	Meadow Lakes Fire Service Area	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Midway Road	41.36	\$28,205	\$41,360	0.00	\$0

## SB 264: FY 98 Statistics - Projected New Fiscal Impact

Matanuska-Susitna Borough	Non-Areawide	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	North Colony Road	14.71	\$10,031	\$14,710	0.00	\$0
Matanuska-Susitna Borough	Outside Road Service Area	7.01	\$4,780	\$7,010	0.00	\$0
Matanuska-Susitna Borough	Point Mackenzie	4.08	\$2,782	\$4,080	0.00	\$0
Matanuska-Susitna Borough	South Colony Road	74.55	\$50,839	\$74,550	0.00	\$0
Matanuska-Susitna Borough	Sutton Fire Department	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Talkeetna Fire Department	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Talkeetna Flood Control	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Trapper Creek	39.31	\$26,807	\$39,310	0.00	\$0
Matanuska-Susitna Borough	Wasilla - Lakes Fire	0.00	\$0	\$0	0.00	\$0
Matanuska-Susitna Borough	Willow Fire Department	0.00	\$0	\$0	0.00	\$0
City of McGrath		21.85	\$20,003	\$21,850	0.00	\$0
City of Mekoryuk		3.30	\$2,912	\$3,300	0.00	\$0
City of Mountain Village		0.00	\$0	\$0	0.00	\$0
City of Napakiak		4.83	\$4,262	\$4,830	0.00	\$0
City of Napaskiak		0.00	\$0	\$0	0.00	\$0
City of Nenana		26.39	\$23,287	\$26,390	0.00	\$0
City of New Stuyahok		0.00	\$0	\$0	0.00	\$0
City of Newhalen		0.00	\$0	\$0	0.00	\$0
City of Nightmute		0.00	\$0	\$0	0.00	\$0
City of Nikolai		5.00	\$4,577	\$5,000	0.00	\$0
City of Nome		17.52	\$16,039	\$17,520	0.00	\$0
City of Nondalton		25.00	\$21,262	\$25,000	1.50	\$765
City of Noorvik		7.20	\$6,591	\$7,200	40.00	\$21,972
City of North Pole		15.23	\$11,599	\$15,230	0.00	\$0
North Slope Borough	Areawide	95.23	\$87,181	\$95,230	43.00	\$23,619
Northwest Arctic Borough	Areawide	64.09	\$58,673	\$64,090	142.38	\$78,208
City of Nuiqsut		0.00	\$0	\$0	0.00	\$0
City of Nulato		12.21	\$11,178	\$12,210	0.00	\$0
City of Nunapitchuk		0.00	\$0	\$0	67.75	\$35,870
City of Old Harbor		5.02	\$3,552	\$5,020	0.00	\$0
City of Ouzinkie		3.60	\$2,547	\$3,600	0.00	\$0
City of Palmer		32.74	\$22,327	\$32,740	0.00	\$0
City of Pelican		0.90	\$637	\$900	0.00	\$0
City of Petersburg		13.33	\$9,090	\$13,330	0.00	\$0
City of Pilot Point		14.00	\$11,907	\$14,000	0.00	\$0
City of Pilot Station		2.11	\$1,862	\$2,110	0.00	\$0
City of Platinum		9.00	\$7,942	\$9,000	0.00	\$0
City of Point Hope		0.00	\$0	\$0	0.00	\$0
City of Port Alexander		0.00	\$0	\$0	0.00	\$0

## SB 264: FY 98 Statistics - Projected New Fiscal Impact

City of Port Heiden		27.40	\$23,303	\$27,400	0.00	\$0
City of Port Lions		4.29	\$3,035	\$4,290	0.00	\$0
City of Quinhagak		3.26	\$2,877	\$3,260	0.00	\$0
City of Ruby		6.00	\$5,493	\$6,000	1.00	\$549
City of Russian Mission		1.64	\$1,447	\$1,640	0.00	\$0
City of Sand Point		11.50	\$9,780	\$11,500	0.00	\$0
City of Savoonga		7.07	\$6,472	\$7,070	0.00	\$0
City of Saxman		4.27	\$2,807	\$4,270	0.00	\$0
City of Scammon Bay		2.15	\$1,897	\$2,150	0.00	\$0
City of Selawik		3.53	\$3,232	\$3,530	54.00	\$29,662
City of Seldovia		6.30	\$4,457	\$6,300	0.00	\$0
City of Seward		27.27	\$19,294	\$27,270	0.00	\$0
City of Shageluk		0.00	\$0	\$0	0.00	\$0
City of Shaktoolik		3.50	\$3,204	\$3,500	0.00	\$0
City of Sheldon Point		0.00	\$0	\$0	0.00	\$0
City of Shishmaref		3.98	\$3,644	\$3,980	1.55	\$851
City of Shungnak		5.00	\$4,577	\$5,000	30.00	\$16,479
City and Borough of Sitka	Areawide	25.07	\$17,096	\$25,070	0.00	\$0
City of Skagway		12.05	\$8,526	\$12,050	0.00	\$0
City of Soldotna		37.16	\$26,291	\$37,160	0.00	\$0
City of St. George		16.28	\$13,846	\$16,280	0.00	\$0
City of St. Mary's		8.68	\$7,659	\$8,680	0.00	\$0
City of St. Michael		4.82	\$4,413	\$4,820	0.00	\$0
City of St. Paul		42.82	\$36,417	\$42,820	0.00	\$0
City of Stebbins		8.17	\$7,479	\$8,170	0.00	\$0
City of Tanana		29.50	\$27,007	\$29,500	0.00	\$0
City of Teller		2.69	\$2,463	\$2,690	0.00	\$0
City of Tenakee Springs		0.00	\$0	\$0	0.00	\$0
City of Thorne Bay		31.90	\$20,968	\$31,900	0.00	\$0
City of Togiak		10.21	\$8,683	\$10,210	0.00	\$0
City of Toksook Bay		0.00	\$0	\$0	0.00	\$0
City of Unalakleet		9.62	\$8,807	\$9,620	0.00	\$0
City of Unalaska		38.42	\$32,675	\$38,420	0.00	\$0
City of Upper Kalskag		0.00	\$0	\$0	0.00	\$0
City of Valdez		23.88	\$18,868	\$23,880	0.00	\$0
City of Wainwright		0.00	\$0	\$0	0.00	\$0
City of Wales		0.00	\$0	\$0	0.00	\$0
City of Wasilla		59.71	\$40,719	\$59,710	0.00	\$0
City of White Mountain		2.75	\$2,518	\$2,750	0.00	\$0
City of Whittier		5.10	\$3,884	\$5,100	0.00	\$0

## SB 264: FY 98 Statistics - Projected New Fiscal Impact

City of Wrangell		10.29	\$7,017	\$10,290	0.00	\$0
City and Borough of Yakutat	Areawide	16.54	\$11,702	\$16,540	0.00	\$0
		4951.23	\$3,633,722	<del>\$4,951,230</del>	973.38	\$527,126
Added Funding Rqrd:				\$1,317,508		

**SB**

**264**

SFIN

FILE

# SENATE FINANCE COMMITTEE REPORT

DATE: 3/20/98

FURTHER: REPORTED DATE  
3/27/98

DATE TURNED  
 IN TO OFFICE: 30 March 1998

Finance Committee considered

SENATE BILL NO. 264

"An Act relating to aid for municipal road maintenance; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS SB 264 (FIN)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

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

SIGNING/DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>[Signature]</i>	<input checked="" type="checkbox"/>	<i>all done</i>		<input checked="" type="checkbox"/>	
<i>[Signature]</i>	<input checked="" type="checkbox"/>				
<i>[Signature]</i>					
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair:			
Co-Chair: <i>[Signature]</i>	<input checked="" type="checkbox"/>	Co-Chair:			

**NEW FISCAL NOTE(S):**

Department                      Date              Zero              Fiscal

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date              Zero              Fiscal

Department	Date	Zero	Fiscal
Revenue	2/2/98	Ø	
DOT PF	3/20/98		38.5

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's Bill

# FISCAL NOTE

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

No. 1  
Bill Version: CSSB 264 (TRA)  
(S) Publish Date: 3-20-98

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Municipal Road Maintenance</u>	BRU <u>Commissioners Office</u>
Sponsor <u>Torgerson, Pearce</u>	Component <u>Office of the Commissioner</u>
Requester <u>(S) TRA</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	88.5	39.7	40.8	42.1	43.3	44.6
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>88.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
1002 Federal Receipts						
1003 GF Match						
1004 GF	88.5	39.7	40.8	42.1	43.3	44.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>88.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

The Department will require \$50.0 in FY99 for setting minimum road maintenance standards for the regulation adoption process. The routine operating costs are based on the following assumptions:

- 50 requests received from municipalities for road, street, or highway transfers
- 4 person-days per request required for determination of need for upgrade
- No travel will be required for remote sites; instead, DOT&PF maintenance staff will make the required determinations.

Prepared by	<u>Dennis Poshard, Special Assistant</u>	Phone <u>465-3900</u>
Division	<u>Office of the Commissioner</u>	Date <u>2/10/98</u>
Approved by	<u><i>Joseph L. Poshard</i></u> Commissioner	Date <u>2/10/98</u>
Agency	<u>Department of Transportation and Public Facilities</u>	

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FISCAL NOTE

No. 2  
Bill Version: CSSB 264(TRA)  
(S) Publish Date: 3-20-98

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
Title: Aid for Municipal Road Maintenance BRU: Revenue Operations  
Component: Income and Excise Audit  
Sponsor: Senator Torgerson  
Requestor: (S) TRA COMPONENT SERIAL NO. 113

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 ( )	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						
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 bill provides that 37.5% of highway motor fuel tax collections, less costs of collection, be deposited into a special municipal road maintenance account. The legislature may appropriate funds from this account for grants to municipalities under AS 29.60.700 and for road improvements under AS 29.60.730(b). This bill takes effect July 1, 1998. The Department of Revenue projects that deposits into the special municipal road maintenance account will range from \$9.3 to \$9.7 million over FY 99 - 04 (see attached analysis). The department does not anticipate additional costs for depositing funds into the special account.

Prepared by: Paul E. Dick  
Division: Income and Excise Audit  
Approved by Commissioner: Wilson L. Condon  
Agency: Revenue

Phone: 465-3691  
Date: February 2, 1998  
Date: February 2, 1998

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**Alaska Department of Revenue**  
*Income and Excise Audit Division*

**SB 264 - Aid for Municipal Road Maintenance**  
**Analysis of Highway Revenue Allocation**

<b>Fiscal Year</b>	<b>FY 99</b>	<b>FY 00</b>	<b>FY 01</b>	<b>FY 02</b>	<b>FY 03</b>	<b>FY 04</b>
<b>Total Highway Tax Collections</b>	25,100.0	25,400.0	25,530.0	25,660.0	25,790.0	25,920.0
<b>Allocation %</b>	37.5%	37.5%	37.5%	37.5%	37.5%	37.5%
<b>Gross Municipal Road Account</b>	9,412.5	9,525.0	9,573.8	9,622.5	9,671.3	9,720.0
<b>Cost of Collection</b>	(70.2)	(70.2)	(70.2)	(70.2)	(70.2)	(70.2)
<b>Net Municipal Road Account</b>	<u>9,342.3</u>	<u>9,454.8</u>	<u>9,503.6</u>	<u>9,552.3</u>	<u>9,601.1</u>	<u>9,649.8</u>

**Notes**

Revenue projections for FY 99 and FY 00 are based on state's Fall Revenue Forecast  
 Revenue projections for FY 01 - 04 assume a .5% growth in consumption  
 Cost of Collection are based on IEAD FY97 Annual Report Table 3 (with allocation to 37.5% of highway revenue)

2-2

SB 264  
 #2

# FISCAL NOTE

REPORTED OUT OF  
 No. 3 3/27/98  
 Bill Version: CSSB 264 (TRA)  
 (S) Publish Date: 3-23-98

STATE OF ALASKA  
1998 LEGISLATIVE SESSION

Revision Date _____	Dept. Affected <u>DOT&amp;PF</u>
Title <u>Municipal Road Maintenance</u>	BRU <u>Commissioners Office</u>
Sponsor <u>Torgerson, Pearce</u>	Component <u>Office of the Commissioner</u>
Requester <u>SEIN S TRA</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	38.5	39.7	40.8	42.1	43.3	44.6
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>38.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

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

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

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	38.5	39.7	40.8	42.1	43.3	44.6
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
<b>TOTAL</b>	<b>38.5</b>	<b>39.7</b>	<b>40.8</b>	<b>42.1</b>	<b>43.3</b>	<b>44.6</b>

Estimate of any current year (FY98) cost: 0.0

**POSITIONS**

Full-time						
Part-time						
Temporary						

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

The routine operating costs are based on the following assumptions:

- 50 requests received from municipalities for road, street, or highway transfers
- 4 person-days per request required for determination of need for upgrade
- No travel will be required for remote sites; instead, DOT&PF maintenance staff will make the required determinations.

Prepared by <u>Dennis Poshard, Special Assistant</u>	Phone <u>465-3900</u>
Division <u>Office of the Commissioner</u>	Date <u>3/20/98</u>
Approved by <u><i>Joseph L. ...</i></u> Commissioner	Date <u>3/20/98</u>
Agency <u>Department of Transportation and Public Facilities</u>	

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OFFICIAL BUSINESS

Alaska State Legislature  
Senate  
Office of the Secretary

**FOR YOUR IMMEDIATE ATTENTION**

STATE CAPITOL, ROOM 213  
JUNEAU, ALASKA 99801-1182  
(907) 465-3701  
FAX: 465-2832  
EMAIL: senate\_secretary@Legis.state.ak.us

DATE: March 23, 1998  
TO: Finance Committee  
(JerryLee/Mindy - Room 520)  
FROM: Office of the Senate Secretary

The attached fiscal note or notes relate to the following bill(s) pending in your Committee:

**SENATE BILL NO. 264**

"An Act relating to aid for municipal road maintenance; and providing for an effective date."

Please place the fiscal note(s) inside the front cover of the blue or yellow committee folder.

Thank you.

Attachment(s)



From The  
**SENATE**  
**FINANCE COMMITTEE**

---

2/22

Sen. Torgerson  
copy of CS 98-264(115) with  
outlined amendments for your approval.

Thanks,

Terry

OK



From The  
**SENATE  
FINANCE COMMITTEE**

3/28

Sen. Pearce:

copy of CS 51764(11M) with  
outlined amendments for your  
approval. Thanks

Terry

LARRY —

PLZ CHECK.

OK

THX

STEPHANIE

But see corrections to Am #15

SL

CS FOR SENATE BILL NO. 264(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATORS TORGERSON, Pearce, Sharp

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to <sup>Amend #2 (Torgerson)</sup> municipal highway construction grants, to <sup>Amend #1</sup> minimum payments  
 2 <sup>(Torgerson)</sup> under certain municipal aid programs, to aid for municipal road maintenance, and  
 3 to the transfer of roads to municipalities; and providing for an effective date."

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

5 \* Section 1. AS 19.20 is amended by adding a new section to read:

6           **Sec. 19.20.100. Municipal highway construction grants.** (a) Each fiscal  
 7 year, \$10,000,000 of federal funds    be appropriated to the department for  
 8 municipal road construction grants. The department shall make grants of the federal  
 9 funds to municipalities for construction projects for highways that are under municipal  
 10 jurisdiction. To qualify for a grant, a municipality must

- 11                   (1) apply for the grant in the manner prescribed by the department; and
- 12                   (2) meet all federal matching and other federal requirements for receipt
- 13 and expenditure of the funds.

14           (b) The amount of a municipal road construction grant is based on each mile

1 of highway maintained by the municipality, excluding (1) the official state highway  
2 system, (2) highways not dedicated to public use, (3) highways maintained under  
3 AS 19.30.111 - 19.30.251 (local service road program), (4) alleyways as defined in  
4 regulations adopted by the department, and (5) highways not used by automotive  
5 equipment. The grant for each municipality equals \$2,500 per mile of road maintained  
6 by the municipality. If amounts appropriated are insufficient to pay each  
7 municipality's grant in full, the amounts that are available shall be distributed pro rata  
8 among eligible municipalities.

9 (c) The department may adopt regulations under AS 44.62 (Administrative  
10 Procedure Act) to carry out the purposes of this section

11 \* Sec. 2. AS 29.45.020(a) is amended to read:

12 **Sec. 29.45.020. Taxpayer notice.** (a) If a municipality levies and collects  
13 property taxes, the governing body shall provide the following notice:

14 "NOTICE TO TAXPAYER

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

18	PUBLIC SCHOOL FOUNDATION PROGRAM	
19	ASSISTANCE (AS 14.17)	\$
20	STATE AID FOR RETIREMENT OF SCHOOL	
21	CONSTRUCTION DEBT (AS 14.11.100)	\$
22	MUNICIPAL TAX RESOURCE EQUALIZATION	
23	(AS 29.60.010 - 29.60.080)	\$
24	PRIORITY REVENUE SHARING FOR	
25	MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
26	REVENUE SHARING FOR SAFE COMMUNITIES	
27	(AS 29.60.350 - 29.60.375)	\$
28	<u>AID FOR MUNICIPAL ROAD MAINTENANCE</u>	
29	<u>(AS 29.60.700 - 29.60.730)</u>	\$
30	TOTAL AID	\$

31 The millage equivalent of this state aid, based on the dollar value of a mill in the

*Amended  
to increase*

1 municipality during the current assessment year and for the preceding assessment year,  
 2 is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
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15		
16		
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Notice shall be provided

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

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

\* Sec. 3. AS 29.60.290(c) is amended to read:

(c) The department shall pay to each municipality eligible to receive a minimum payment under this section an amount equal to the difference between the minimum payment determined under (a) and (b) of this section and the sum of the amounts payable for the same fiscal year under AS 29.60.010 - 29.60.080, [AND]

*Amended  
Torgerson*

1           29.60.100 - 29.60.180, and 29.60.700 - 29.60.720.

2       \* **Sec. 4.** AS 29.60.372(a) is amended to read:

3           (a) If a municipality qualifies for a payment during a fiscal year under  
4 AS 29.60.350 and also under AS 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, or  
5 29.60.290, and if the total amount payable to the municipality under those sections is  
6 less than a minimum entitlement of \$40,000, the department shall pay to the  
7 municipality an amount equal to the difference between \$40,000 and the total amount  
8 payable under AS 29.60.350, 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, 29.60.290,  
9 and 29.60.700 - 29.60.720 [THOSE SECTIONS AND \$40,000] as adjusted under  
10 AS 29.60.373.

11       \* **Sec. 5.** AS 29.60 is amended by adding new sections to read:

12                           **Article 9. Aid for Municipal Road Maintenance.**

13           **Sec. 29.60.700. Aid for municipal road maintenance.** (a) The department  
14 shall pay to a municipality that has the power to provide for road maintenance and  
15 exercises that power a grant based on each mile of road, street, or highway maintained  
16 by the municipality excluding

- 17                           (1) the official state highway system;  
18                           (2) roads, streets, or highways not dedicated to public use;  
19                           (3) roads, streets, or highways maintained under AS 19.30.111 -  
20 19.30.251 (local service road program);  
21                           (4) alleyways; and  
22                           (5) roads, streets, or highways not used by automotive equipment.

23           (b) The amount of a grant to a municipality under this section for a year  
24 equals \$1,000 for each mile of road, street, or highway maintained by the municipality  
25 during that year.

26           **Sec. 29.60.710. Municipal road maintenance account.** (a) The municipal  
27 road maintenance account is established in the department. Money to carry out the  
28 provisions of AS 29.60.700 - 29.60.730 may be annually appropriated by the  
29 legislature from proceeds of the revenue from the tax on motor fuel under  
30 AS 43.40.010(m) or from federal or other sources. If amounts in the account are  
31 insufficient to pay each municipality's grant authorized under AS 29.60.700, the

Amended by  
Terry...

1 amounts that are available shall be distributed pro rata among eligible municipalities.

2 (b) Unless otherwise provided in the appropriation, money appropriated to the  
3 municipal road maintenance account for a fiscal year that exceeds the amount required  
4 to fully fund grants authorized under AS 29.60.700 for that fiscal year shall be  
5 allocated by the Department of Community and Regional Affairs to the Department  
6 of Transportation and Public Facilities for road improvements under AS 29.60.730(b).

7 **Sec. 29.60.720. Regulations.** The department shall adopt regulations necessary  
8 to carry out the purposes of AS 29.60.700 - 29.60.730. The regulations must include  
9 minimum road maintenance standards required for eligibility for grant money. The  
10 department shall require a municipality to submit a performance report adequate to  
11 demonstrate to the department that maintenance was performed by the municipality and  
12 that the maintenance meets minimum standards prescribed by regulation.

13 **Sec. 29.60.730. Transfer of roads to municipalities.** (a) On application to  
14 the Department of Transportation and Public Facilities by a municipality, a road, street,  
15 or highway located within the boundaries of the municipality may be transferred to that  
16 municipality by the Department of Transportation and Public Facilities if, after the  
17 transfer, the municipality will qualify for a grant to maintain the road, street, or  
18 highway under AS 29.60.700.

19 (b) Within 60 days after receiving a request from a municipality for the  
20 transfer of a road, street, or highway, the Department of Transportation and Public  
21 Facilities shall determine, and notify the municipality, whether the road, street, or  
22 highway needs grading, surfacing, or other improvements before it is transferred to the  
23 municipality under this section. Within 60 days after receiving the notification, the  
24 municipality may withdraw its request for the transfer. If the Department of  
25 Transportation and Public Facilities determines that the road, street, or highway may  
26 be transferred after improvements are made to it and if the municipality does not  
27 withdraw its request for the transfer, the Department of Transportation and Public  
28 Facilities shall make those improvements, subject to appropriations for that purpose,  
29 and transfer the road, street, or highway after the improvements are made. Money to  
30 carry out this section shall be annually appropriated.

31 \* **Sec. 6.** AS 43.40.010(g) is amended to read:

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

19 \* Sec. 7. AS 43.40.010 is amended by adding a new subsection to read:

20 (m) Thirty-seven and one-half percent of the proceeds of the revenue from the  
21 taxes on motor fuel used in motor vehicles licensed to be operated on public ways,  
22 excluding the amount determined to have been spent by the state in its collection, shall  
23 be deposited in a special municipal road maintenance account in the state general fund.  
24 The legislature may appropriate funds from this account for grants to municipalities  
25 under AS 29.60.700 and for road improvements under AS 29.60.730(b).

26 \* Sec. 8. AS 29.60.110(a) is repealed.

27 \* Sec. 9. This Act takes effect July 1, 1998.

CS FOR SENATE BILL NO. 264(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS TORGERSON, Pearce, Sharp

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to <sup>Amend<sup>#</sup> 1 (Torgerson)</sup> municipal highway construction grants, to <sup>Amend<sup>#</sup> 2</sup> minimum payments  
 2 <sup>(Torgerson)</sup> under certain municipal aid programs, to aid for municipal road maintenance, and  
 3 to the transfer of roads to municipalities; and providing for an effective date."

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

5 \* Section 1. AS 19.20 is amended by adding a new section to read:

6           Sec. 19.20.100. Municipal highway construction grants. (a) Each fiscal  
 7 year, \$10,000,000 of federal funds may be appropriated to the department for  
 8 municipal road construction grants. The department shall make grants of the federal  
 9 funds to municipalities for construction projects for highways that are under municipal  
 10 jurisdiction. To qualify for a grant, a municipality must

11                           (1) apply for the grant in the manner prescribed by the department; and

12                           (2) meet all federal matching and other federal requirements for receipt  
 13 and expenditure of the funds.

14                           (b) The amount of a municipal road construction grant is based on each mile

*Amend<sup>#</sup> 1 (Torgerson)*

amendment  
Torgerson

1 of highway maintained by the municipality, excluding (1) the official state highway  
2 system, (2) highways not dedicated to public use, (3) highways maintained under  
3 AS 19.30.111 - 19.30.251 (local service road program), (4) alleyways as defined in  
4 regulations adopted by the department, and (5) highways not used by automotive  
5 equipment. The grant for each municipality equals \$2,500 per mile of road maintained  
6 by the municipality. If amounts appropriated are insufficient to pay each  
7 municipality's grant in full, the amounts that are available shall be distributed pro rata  
8 among eligible municipalities.

9 (c) The department may adopt regulations under AS 44.62 (Administrative  
10 Procedure Act) to carry out the purposes of this section.

11 \* Sec. 2. AS 29.45.020(a) is amended to read:

12 Sec. 29.45.020. Taxpayer notice. (a) If a municipality levies and collects  
13 property taxes, the governing body shall provide the following notice:

14 "NOTICE TO TAXPAYER

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

18	PUBLIC SCHOOL FOUNDATION PROGRAM	
19	ASSISTANCE (AS 14.17)	\$
20	STATE AID FOR RETIREMENT OF SCHOOL	
21	CONSTRUCTION DEBT (AS 14.11.100)	\$
22	MUNICIPAL TAX RESOURCE EQUALIZATION	
23	(AS 29.60.010 - 29.60.080)	\$
24	PRIORITY REVENUE SHARING FOR	
25	MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
26	REVENUE SHARING FOR SAFE COMMUNITIES	
27	(AS 29.60.350 - 29.60.375)	\$
28	<u>AID FOR MUNICIPAL ROAD MAINTENANCE</u>	
29	<u>(AS 29.60.700 - 29.60.730)</u>	\$
30	TOTAL AID	\$

31 The millage equivalent of this state aid, based on the dollar value of a mill in the

1 municipality during the current assessment year and for the preceding assessment year,  
 2 is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
3		
4		
5	PUBLIC SCHOOL FOUNDATION	
6	PROGRAM ASSISTANCE	.... MILLS
7	STATE AID FOR RETIREMENT	.... MILLS
8	OF SCHOOL CONSTRUCTION	
9	DEBT	... .MILLS
10	MUNICIPAL TAX RESOURCE	
11	EQUALIZATION	... .MILLS
12	PRIORITY REVENUE SHARING	
13	FOR MUNICIPAL SERVICES	... .MILLS
14	REVENUE SHARING FOR SAFE	
15	COMMUNITIES	... .MILLS
16	<u>AID FOR MUNICIPAL ROAD</u>	
17	<u>MAINTENANCE</u>	<u>... .MILLS</u>
18	TOTAL MILLAGE	
19	EQUIVALENT	... .MILLS

20 Notice shall be provided

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

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

27 \* Sec. 3. AS 29.60.290(c) is amended to read:

28 (c) The department shall pay to each municipality eligible to receive a  
 29 minimum payment under this section an amount equal to the difference between the  
 30 minimum payment determined under (a) and (b) of this section and the sum of the  
 31 amounts payable for the same fiscal year under AS 29.60.010 - 29.60.080, [AND]

*Amended by  
Torgerson*

1           29.60.100 - 29.60.180, and 29.60.700 - 29.60.720.

2 \* **Sec. 4.** AS 29.60.372(a) is amended to read:

3           (a) If a municipality qualifies for a payment during a fiscal year under  
4 AS 29.60.350 and also under AS 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, or  
5 29.60.290, and if the total amount payable to the municipality under those sections is  
6 less than a minimum entitlement of \$40,000, the department shall pay to the  
7 municipality an amount equal to the difference between \$40,000 and the total amount  
8 payable under AS 29.60.350, 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, 29.60.290,  
9 and 29.60.700 - 29.60.720 [THOSE SECTIONS AND \$40,000] as adjusted under  
10 AS 29.60.373.

11 \* **Sec. 5.** AS 29.60 is amended by adding new sections to read:

12                           **Article 9. Aid for Municipal Road Maintenance.**

13           **Sec. 29.60.700. Aid for municipal road maintenance.** (a) The department  
14 shall pay to a municipality that has the power to provide for road maintenance and  
15 exercises that power a grant based on each mile of road, street, or highway maintained  
16 by the municipality excluding

- 17                           (1) the official state highway system;  
18                           (2) roads, streets, or highways not dedicated to public use;  
19                           (3) roads, streets, or highways maintained under AS 19.30.111 -  
20 19.30.251 (local service road program);  
21                           (4) alleyways; and  
22                           (5) roads, streets, or highways not used by automotive equipment.

23           (b) The amount of a grant to a municipality under this section for a year  
24 equals \$1,000 for each mile of road, street, or highway maintained by the municipali-  
25 ty during that year.

26           **Sec. 29.60.710. Municipal road maintenance account.** (a) The municipal  
27 road maintenance account is established in the department. Money to carry out the  
28 provisions of AS 29.60.700 - 29.60.730 may be annually appropriated by the  
29 legislature from proceeds of the revenue from the tax on motor fuel under  
30 AS 43.40.010(m) or from federal or other sources. If amounts in the account are  
31 insufficient to pay each municipality's grant authorized under AS 29.60.700, the

Amended  
Torgersen

1 amounts that are available shall be distributed pro rata among eligible municipalities.

2 (b) Unless otherwise provided in the appropriation, money appropriated to the  
3 municipal road maintenance account for a fiscal year that exceeds the amount required  
4 to fully fund grants authorized under AS 29.60.700 for that fiscal year shall be  
5 allocated by the Department of Community and Regional Affairs to the Department  
6 of Transportation and Public Facilities for road improvements under AS 29.60.730(b).

7 **Sec. 29.60.720. Regulations.** The department shall adopt regulations necessary  
8 to carry out the purposes of AS 29.60.700 - 29.60.730. The regulations must include  
9 minimum road maintenance standards required for eligibility for grant money. The  
10 department shall require a municipality to submit a performance report adequate to  
11 demonstrate to the department that maintenance was performed by the municipality and  
12 that the maintenance meets minimum standards prescribed by regulation.

13 **Sec. 29.60.730. Transfer of roads to municipalities.** (a) On application to  
14 the Department of Transportation and Public Facilities by a municipality, a road, street,  
15 or highway located within the boundaries of the municipality may be transferred to that  
16 municipality by the Department of Transportation and Public Facilities if, after the  
17 transfer, the municipality will qualify for a grant to maintain the road, street, or  
18 highway under AS 29.60.700.

19 (b) Within 60 days after receiving a request from a municipality for the  
20 transfer of a road, street, or highway, the Department of Transportation and Public  
21 Facilities shall determine, and notify the municipality, whether the road, street, or  
22 highway needs grading, surfacing, or other improvements before it is transferred to the  
23 municipality under this section. Within 60 days after receiving the notification, the  
24 municipality may withdraw its request for the transfer. If the Department of  
25 Transportation and Public Facilities determines that the road, street, or highway may  
26 be transferred after improvements are made to it and if the municipality does not  
27 withdraw its request for the transfer, the Department of Transportation and Public  
28 Facilities shall make those improvements, subject to appropriations for that purpose,  
29 and transfer the road, street, or highway after the improvements are made. Money to  
30 carry out this section shall be annually appropriated.

31 \* **Sec. 6.** AS 43.40.010(g) is amended to read:

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

19 \* Sec. 7. AS 43.40.010 is amended by adding a new subsection to read:

20 (m) Thirty-seven and one-half percent of the proceeds of the revenue from the  
21 taxes on motor fuel used in motor vehicles licensed to be operated on public ways,  
22 excluding the amount determined to have been spent by the state in its collection, shall  
23 be deposited in a special municipal road maintenance account in the state general fund.  
24 The legislature may appropriate funds from this account for grants to municipalities  
25 under AS 29.60.700 and for road improvements under AS 29.60.730(b).

26 \* Sec. 8. AS 29.60.110(a) is repealed.

27 \* Sec. 9. This Act takes effect July 1, 1998.

SENATE FINANCE  
COMMITTEE

Amendment Number: # 2  
Bill Number: SB 264  
Sponsor:                      Date: 3/27/98  
Logged In By: Mindy

0-LS1232\F.1  
Cook  
3/26/98

AMENDMENT

OFFERED IN THE SENATE  
TO: CSSB 264(TRA)

BY SENATOR TORGERSON

*moved by Sen. Torgerson  
Sen. Adams objection  
5-1 (Adams)  
adopted*

1 Page 1, line 1, following "relating to":

2 Insert "municipal highway construction grants, to"

3 Page 1, following line 3:

4 Insert a new bill section to read:

5 **\*\* Section 1.** AS 19.20 is amended by adding a new section to read:

6 **Sec. 19.20.100. Municipal highway construction grants.** (a) Each fiscal  
7 year, \$10,000,000 of federal funds may be appropriated to the department for  
8 municipal road construction grants. The department shall make grants of the federal  
9 funds to municipalities for construction projects for highways that are under municipal  
10 jurisdiction. To qualify for a grant, a municipality must

11 (1) apply for the grant in the manner prescribed by the department;

12 and

13 (2) meet all federal matching and other federal requirements for receipt  
14 and expenditure of the funds.

15 (b) The amount of a municipal road construction grant is based on each mile  
16 of highway maintained by the municipality, excluding (1) the official state highway  
17 system, (2) highways not dedicated to public use, (3) highways maintained under  
18 AS 19.30.111 - 19.30.251 (local service road program), (4) alleyways as defined in  
19 regulations adopted by the department, and (5) highways not used by automotive  
20 equipment. The grant for each municipality equals \$2,500 per mile of road  
21 maintained by the municipality. If amounts appropriated are insufficient to pay each  
22 municipality's grant in full, the amounts that are available shall be distributed pro rata  
23 among eligible municipalities.

24 (c) The department may adopt regulations under AS 44.62 (Administrative

1 Procedure Act) to carry out the purposes of this section."

2 Page 1, line 4:

3 Delete "\* Section 1."

4 Insert "\* Sec. 2."

5 Renumber the following bill sections accordingly.

SENATE FINANCE  
COMMITTEE

Amendment Number: 1 0-LS1232E.2  
Bill Number: SB 264 Cook  
Sponsor: Torgerson Date: 3/26/98 2/4/98  
Logged In By: J. Soltau

A M E N D M E N T

OFFERED IN THE SENATE

TO: SB 264

BY SENATOR TORGERSON

*moved by Sen. Torgerson  
Sen. Adams's objection  
5-1 (Adams) adopted*

1 Page 1, line 1, following "to":

2 Insert "**minimum payments under certain municipal aid programs; relating to**"

3 Page 3, following line 5:

4 Insert new bill sections to read:

5 **\*Sec. 2.** AS 29.60.290(c) is amended to read:

6 (c) The department shall pay to each municipality eligible to receive a  
7 minimum payment under this section an amount equal to the difference between the  
8 minimum payment determined under (a) and (b) of this section and the sum of the  
9 amounts payable for the same fiscal year under AS 29.60.010 - 29.60.080, [AND]  
10 29.60.100 - 29.60.180, and 29.60.700 - 29.60.720.

11 **\*Sec. 3.** AS 29.60.372(a) is amended to read:

12 (a) If a municipality qualifies for a payment during a fiscal year under  
13 AS 29.60.350 and also under AS 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, or  
14 29.60.290, and if the total amount payable to the municipality under those sections is  
15 less than a minimum entitlement of \$40,000, the department shall pay to the  
16 municipality an amount equal to the difference between \$40,000 and the total amount  
17 payable under AS 29.60.350, 29.60.010 - 29.60.080, 29.60.100 - 29.60.180, 29.60.290,  
18 and 29.60.700 - 29.60.720 [THOSE SECTIONS AND \$40,000] as adjusted under  
19 AS 29.60.373."

20 Renumber the following bill sections accordingly.