

722

HCRA

HB

804

-

HB

932

722

Phone: (907) 424-3237
or 424-3238

CITY OF CORDOVA

Box 1210 602 Railroad Ave.

CORDOVA, ALASKA 99574

"The Friendly City"

*File
Cordova*

Reply to:

February 5, 1980

Mr. Jalmer Kerttula, Senator
Alaska Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Kerttula:

We have just received the Cordova water supply feasibility study prepared by Merrell & Associates/Black & Veatch. The study was commissioned to solve our ongoing water supply problem due to winter freeze-up, damaged pipeline and summer dry-up due to lack of snow pack.

To briefly summarize the report, the consultants recommend that the Murchison Falls Creek supply (near Pete Lovseth's home) be improved with an additional 18" supply line, treatment, 3-500,000 gallon storage tanks and supplement the 6" supply lines to the canneries with 10-12" lines plus some operational improvements to the existing system to provide a year-round reliable supply of 3.3 million gallons of water per day to the city. This will provide sufficient water supply to keep the canneries operating at full capacity (see letters from Marpac, Inc., North Pacific Processors and St. Elias) during both salmon and crab seasons. You might note Marpac's letter indicating firm plans for a bottomfish fishery which will require a great deal more water.

The proposed 3-500,000 gallon storage tanks will insure a constant pressure and will replace 1-35,000 gallon and 1-100,000 gallon tank. The improvements and storage will reduce the water flow deficiencies and aid in obtaining a lower fire rating combined with a lower fire insurance rate.

Page two - Mr. Kerttula

The first year, Phase I design and construction, cost is \$3,000,000 and a 1981, Phase II design and construction cost is \$1,600,000.

The Governor's supplemental budget, as I understand, is based on a "Construct Now" program; in other words those projects which can be constructed in 1980, thus giving an infusion into the sluggish Alaskan economy.

The project, Phase I, can be designed and bid by May 15, 1980. The project would, at a minimum, employ from 30-45 persons directly plus a great deal of material, shipping, and support labor. The gillnet season in Cordova was a disaster last year and the 1980 forecast is dim. These people will need work and this project would provide that work.

I request that you work to amend HB 558, the "Now" bill to include \$1,500,000 to implement Phase I of the Cordova water supply feasibility study which will provide needed jobs and combined with Phase II will provide the City of Cordova with a reliable water supply. A firm water supply will insure faster cannery development and assure the continued viability of the Cordova fish processing industry.

We strongly urge your support and effort in the funding of this vital project.

Very truly yours



Perry Lovett
City Manager

PL:mcrs

cc. Rep, Margaret Branson

ST. ELIAS Ocean Products, Inc.

P.O. Box 548

Cordova, Alaska 99574

Telephone 424-7171

The *FINEST* In SEAFOODS



SALMON

Kings
Reds
Chums
Pinks

January 26, 1980

Mr. Perry Lovett
City of Cordova
Box 1210
Cordova, AK 99574



CRAB

Dungeness
King

Dear Mr. Lovett,

We need three things to keep the seafood industry in business.



CLAMS

Razor

The first requirement is water. We need at least 900,000 gallons of water, per 24 hour day, when operating at full capacity. Last year, with the big season, this amounted to many days. Our water supply was short; so at times we had to limit production. This year a big catch is predicted for the Bristol Bay area. We're going to fly in plenty of fish and bring in tenders from that area. Water is our No.1 necessity and you just don't have it.



HALIBUT

Our second problem is dredging. This is essential if we are to get boats to our dock for unloading. We talked about this in Anchorage at the E.D.A. meeting of December 18, 1979.



SHRIMP

Our third necessity is electricity; which is a matter to be discussed with our co-op.

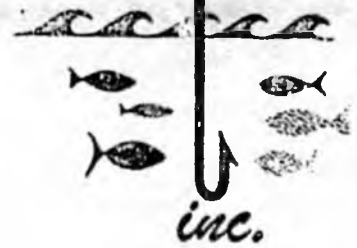
Please give these items careful consideration as they mean much to Cordova's livelihood.

Sincerely,

James A. Poof

Frozen
Fresh
Canned
1/4# or 4#
Sizes

morpac



February 1, 1980

Mr. Perry Lovett
City Manager
City of Cordova
Box 1210
Cordova, Alaska 99574

Dear Perry:

This is to inform you of Morpac, Inc. need for a substantial supply of water for this coming season and an increase for us in the near future for the expansion of our freezer plant and the future plans for a bottom fish operation.

In the past we have had to shut down operations or curtail them due to the lack of water which has been costly to us and the employees at Morpac, Inc. We also experienced low water pressure this last summer during the heavy canning season which effected the operation of the filler machine on the salmon line. This also causes great concern to us regarding fire protection.

At the present our peak period is 600,000 gals. per day. This would increase during the expansion to 1,000,000 gals. per day.

We feel there is a definite need for the City of Cordova to increase and improve the water system for the continuing growth of the industry and welfare of its citizens.

We are definitely behind you in your program to up-grade and expand this system. If you need any additional help or information please do not hesitate to call.

Yours truly,

Morpac, Inc.

A handwritten signature in cursive script, appearing to read "John C. Hewitt".

John C. Hewitt

Superintendent Freezer Operations

JCH/laj



Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

BILL NUMBER AND TITLE: HB 804 Appropriations/Cordova Water Supply System

ORIGINAL SPONSOR: Branson
RECEIVED FROM: _____

OTHER SPONSORS: _____
FURTHER REFERRALS: Finance

HEARING DATE: 3/12/80

MEMBERS PRESENT:

Bill Parker	X	Pat Carney	X
Margaret Branson	X	Charlie Parr	X
Pat O'Connell	X	Fred Zharoff	X
		Ray Metcalfe	

Branson - Reviews history of bill and general need for the improvements. Discussion included a review of per capita bonded indebtedness in Cordova and other areas statewide.

COMMITTEE ACTION: Bill passed out of committee.

TAPE # 4 SIDE 2 Footage 595-698



Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Official Business

Pouch V
State Capitol
Juneau, Alaska 99811

BILL WORK SHEET

BILL NUMBER HB 804 RE Cordova / \$1,500,000 water system

Received from _____
Referred to Finance

Fiscal Note 2631
LAA Legal Contact _____

CONTACTS: Louett, Mgr. Cordova

Sponsor: Benson
Keith Helton 2610
Reming Cole

"Cordova Water Supply
Feasibility Study"
Merull & Associates / Black & Veatch
Jan '80

Eligible from grant construction (50% paid by state)
Statute require.
* This money could be used as local match
total cost \$6 million - ?

GA '78 fund \$6 million - 50% of needs

Local GO Bonds & past - Cordova

Pring Louett - close to bond limit?
Ch. ↑

non-profit
Internal municipal
audit of some work required
Through Dept.?

Need
Local match
Bonded indebtedness.

\$4,290,800 outstanding
6,744,462 authorized

DBC - 50%
5 million

\$1.5 million locally raised
4% sales tax -
water bonds outstanding

Bond issue = \$1,500,000 May-Oct
Cordova

Timing Dept. ability
Budget Management
Guidelines
Project Outlines
Contract then plant out

CORDOVA WATER SUPPLY FEASIBILITY STUDY

for

CITY of CORDOVA, ALASKA



MERRELL & ASSOCIATES / BLACK & VEATCH

JANUARY 1980

Figure 5-5 ALTERNATIVE 4 AND 7 - MURCHESON FALLS - CRATER LAKE

5-20

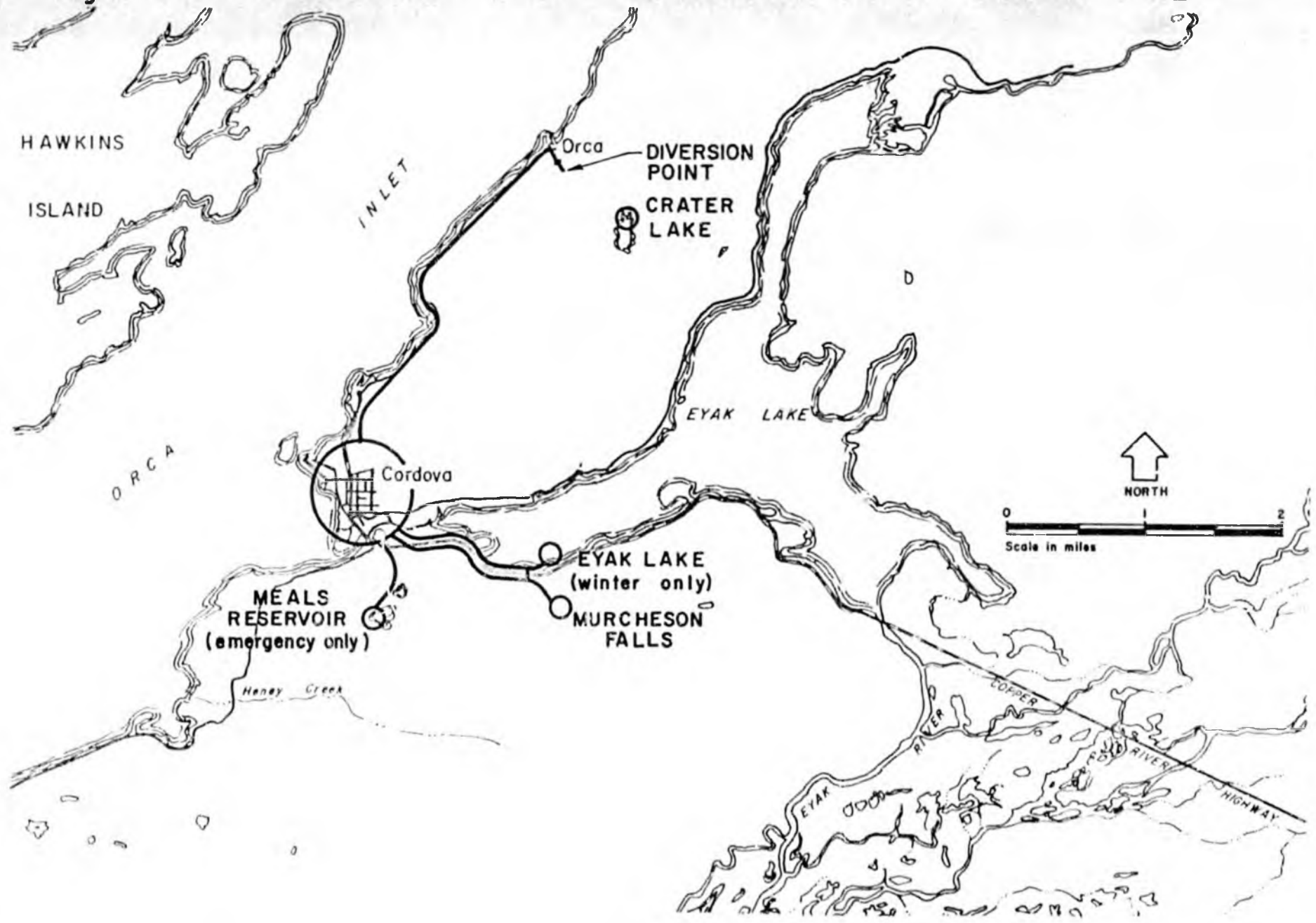


Table 5-6. COST SUMMARY - ALTERNATIVE 4
MURCHESON AND CRATER

Capital Costs

Murcheson Falls Creek

Catchment improvements	\$ 85,000
Transmission line, 18-inch	500,000

Crater Lake *Intake from Lake*

Catchment and intake facilities	182,000
Transmission line, 18-inch	1,340,000
Chlorination and metering	56,000

Evak Lake Treatment Plant *Eliminate*

833,000

<u>Meals Emergency Supply</u>	<u>220,000</u>
-------------------------------	----------------

Total capital cost	\$3,226,000
30% Contingency, Engineering, Legal, etc.	<u>968,000</u>

TOTAL ALTERNATIVE COST	<u><u>\$4,194,000</u></u>
------------------------	---------------------------

Annual Costs

Power	\$ 34,000
Personnel	30,000
Supplies, equipment, etc.	<u>22,000</u>

TOTAL ANNUAL O&M COST	<u><u>\$ 86,000</u></u>
-----------------------	-------------------------

Alternative 4 - Murcheson and Crater

Alternative 4 would utilize both Murcheson Falls Creek and Crater Lake as principal sources of supply. Rather than taking the water directly from Crater Lake, however, this alternative assumes a diversion facility on the downstream tributary from Crater Lake near Orca at elevation 195. The location of the diversion facility would permit the operation of the supply source without the use of automatic control valves.

This would be similar to the operation of Murcheson Falls supply. It should be noted that this alternative is the only one which presents some potential for the development of power associated with the water supply project. The development of a joint water supply and power project was considered and is presented as Alternative 7.

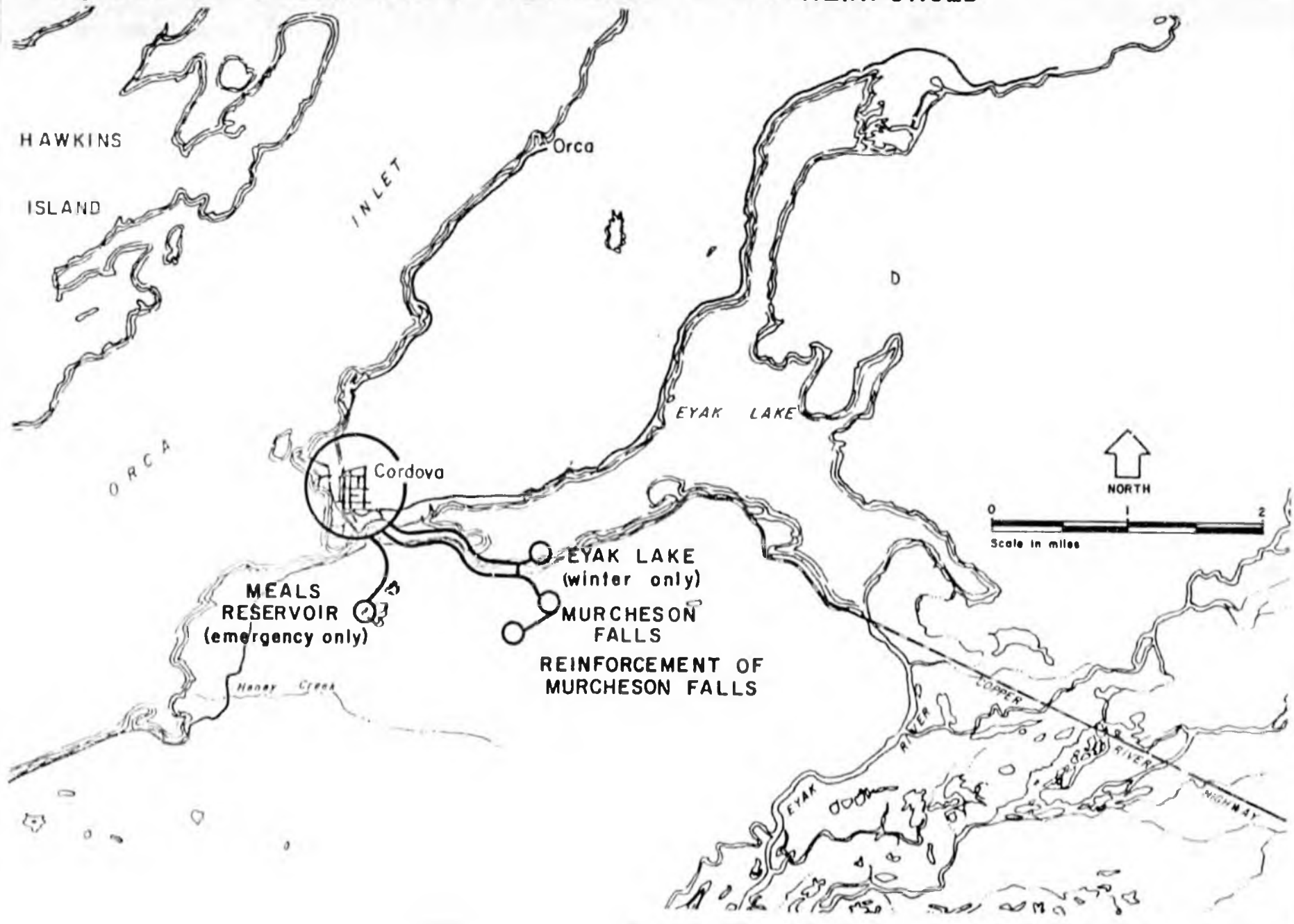
Alternative 4, utilizing the diversion near Orca, would require approximately 13,000 feet of 18-inch transmission main from the diversion facility to the distribution system in town. A disinfection system for this supply would also be required.

Improvements at Murcheson Falls and Eyak Lake would be similar to those identified for Alternative 1. Once again, the Eyak Lake treatment plant would be utilized as a winter-only supply when adequate quantities are not available from the principal sources.

This alternative is presented graphically in Figure 5-5, with associated costs presented in Table 5-6.

*Eyak lake not necessary
if water taken from the lake
rather than downstream tributary.*

Figure 5-6 ALTERNATIVE 5- MURCHESON FALLS REINFORCED



5-23

Table 5-7. COST SUMMARY - ALTERNATIVE 5
MURCHESON REINFORCED

Capital Costs

Murcheson Falls Creek

Catchment improvements	\$ 85,000
Transmission line, 18-inch	500,000
Reinforcement diversion and transmission	474,000

Eyak Lake Treatment Plant 833,000

Meal Emergency Supply 220,000

Total capital cost	2,112,000
30% Contingency, Engineering, Legal, etc.	634,000

TOTAL ALTERNATIVE COST \$2,746,000

Annual Costs

Power	\$ 34,000
Personnel	28,000
Supplies, equipment, etc.	21,000

TOTAL ANNUAL O&M COSTS \$ 83,000

Alternative 5 - Murcheson Reinforced

Alternative 5 would utilize Murcheson Falls Creek as the primary source of supply, with reinforcement from the watershed immediately to the west. Meals Lake will function as an emergency and a secondary supply source. The Heney Creek tributary will continue to be maintained with minimal capital improvements to the catchment facility and the transmission line. Specifically, these improvements will include replacement of approximately 200 feet of transmission line on the side of the canyon wall in Heney Creek Canyon and the modification of the catchment to allow easier maintenance. These improvements will, hopefully, be sufficient to keep the system operating as a secondary source to Murcheson Falls for a ten-year period. During the winter months, or during prolonged periods of dry weather, Meals Lake will be drained to its practical limit. When both Murcheson Falls and Meals Lake are depleted, Eyak Lake will serve as the emergency source. Beyond ten years, it is expected that hydroelectric power will be developed which will cause the pumping and treating of water from Eyak Lake to be more economical, thus removing the need to maintain the Heney Creek supply in case of a major failure.

The improvements necessary at Murcheson Falls would include the same improvements required for Alternative 1. Reinforcement of Murcheson Falls Creek would involve the construction of a diversion facility on the main tributary creek in the adjacent watershed and a transmission line from the new diversion facility to the Murcheson Falls Creek watershed. This additional supply into the Murcheson Falls drainage would not make the supply dependable year-round, but would minimize the length of time that treated water from Eyak Lake would be required. The water treatment plant for Eyak Lake would be similar to that described in Alternative 1, including the joint utilization of a disinfection system for both the Eyak Lake and Murcheson Falls Creek supplies.

This alternative is presented graphically in Figure 5-6, with associated costs presented in Table 5-7.

Table 6-1. CAPITAL COST SUMMARY -
RECOMMENDED SYSTEM IMPROVEMENTS

Project Element	1980	1981
Murcheson Falls Improvements	\$ 111,000	
Transmission Line	650,000	
Murcheson Reinforcement		\$ 616,000
Water Treatment Plant		1,083,000
Distribution Main	286,000	
Storage Reservoirs	1,019,000	510,000
Meals Emergency Supply Improvements	286,000	
Telemetry	59,000	
Totals	\$2,411,000	\$2,209,000
TOTAL PROJECT COSTS		<u>\$ 4,260,000</u>

O&M cost of \$112,000 to the annualized capital cost gives a total first year annual cost of \$247,000. Adding this cost to the City's 1979/80 budget for "Water Operation and Maintenance" of about \$230,000 would cause the costs for total water service to approximately double. If the existing water rate structure did not change but was updated to take into effect the increased costs, the monthly cost to a residence would be approximately \$25.00, and the metered production cost would be about \$0.73 per 1000 gallons.

There are several things which will have an impact on the ultimate charge to the customer that cannot be accurately estimated at this time. They include savings in annual cost now required to operate and maintain the existing system, actual

construction cost of improvements, amount of grant funds made available from other sources for construction, changes in the rate structure, and changes in water usage. Without a rate analysis, it is not possible to accurately reflect the increased costs back to a flat-rate charge or a metered water rate. It is recommended that such a rate analysis be performed.

For discussion purposes, based upon a 50 percent grant, there are three cost elements:

1. Annualized capital cost, including principal and interest,
2. Project operation and maintenance cost for the capital improvements, and
3. Existing operation and maintenance budget.

Based upon these elements, the monthly service charge for residential users would be between \$18 and \$25 per month.

An important factor in the net cost of water system improvements which should be considered is the effect on fire insurance rates. The proposed system improvements would easily permit the water system to qualify for the next higher rating. If the next higher rating were obtained following the implementation of the proposed project, it would result in an approximate ten percent (10%) reduction in fire insurance costs to both the industries and commercial establishments in Nevada.

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or 424-3238

CITY OF CORDOVA

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CORDOVA, ALASKA 99574

"The Friendly City"

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Cordova*

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Alaska Senate
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Page two - Mr. Kerttula

The first year, Phase I design and construction, cost is \$3,000,000 and a 1981, Phase II design and construction cost is \$1,600,000.

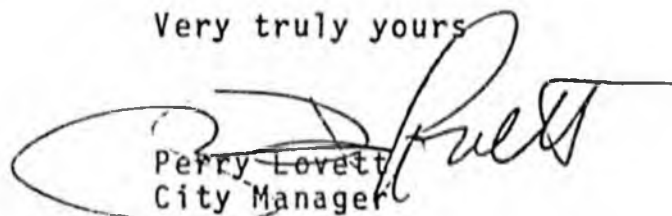
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Very truly yours



Perry Lovett
City Manager

PL:mcrs

cc. Rep, Margaret Branson

ST. ELIAS Ocean Products, Inc.

P.O. Box 548

Cordova, Alaska 99574

Telephone 424-7171

The *FINEST* In SEAFOODS



January 26, 1980

SALMON

Kings
Reds
Chums
Pinks

Mr. Perry Lovett
City of Cordova
Box 1210
Cordova, AK 99574



CRAB

Dungeness
King

Dear Mr. Lovett,

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CLAMS

Razor

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Frozen
Fresh
Canned
1/4# or 4#
Sizes



February 1, 1980

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City Manager
City of Cordova
Box 1210
Cordova, Alaska 99574

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We are definitely behind you in your program to up-grade and expand this system. If you need any additional help or information please do not hesitate to call.

Yours truly,

Morpac, Inc.

John C. Hewitt

Superintendent Freezer Operations

JCH/laj

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. B. 586 ans S. B. 352
 Title An Act Requiring Fiscal Notes for Bills Affecting a Municipality
 Requested by House Committee on Community & Regional Affairs Date _____

II. FISCAL DETAIL

Agency Affected Department of Community & Regional Affairs
 Program Category Affected Community Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance Division
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		54.8	59.2	63.9	64.0	74.5
200 TRAVEL		1.5	1.6	1.7	1.9	2.0
300 CONTRACTUAL		4.8	5.1	5.5	6.0	6.5
400 COMMODITIES		.5	.5	.6	.6	.7
500 EQUIPMENT		1.0	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		62.6	66.4	71.7	77.5	83.7

FUNDING (Thousands of Dollars)

GENERAL FUND		62.6	66.4	71.7	77.5	83.7
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	2	2	2	2	2	2
PART TIME						
TEMPORARY						

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

To prepare fiscal notes on all bills relating to municipalities would require an additional Local Government Specialist III (Range 17) and a Clerk/Typist III (Range 8) - Personal Services costs are based on these figures plus 28% for benefits.

Contractual costs are for an additional 300 sq. feet of office space (.5), base telephone rate and long distance tolls for 1 (1.0), and Mag Card rental (3.3). Travel is figured at 1.5 per year. In many instances the LGS will need to go to the municipalities to research fiscal impact of bills. The commodities cost is for the costs of printing forms. All the above costs are increased at 3% a year for inflation.

The one time equipment cost is for desks, office equipment, etc. for two.

IV. DATE _____ PREPARED BY McKie Campbell 

AGENCY Community & Regional Affairs

Original: Legislative Finance

PHONE 465-4735

cc: Budget and Management

Prime Sponsor (First Legislator Named)

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION

JAY S. HAMMOND, GOVERNOR

POUCH 0 - JUNEAU 99811

March 10, 1980

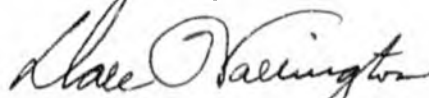
The Honorable Bill Parker
House of Representatives
Capital Bldg., Room 104
Pouch V
Juneau, Alaska 99811

Dear Representative Parker:

Please be advised that H.B. 804, providing for a special appropriation to the City of Cordova for water and sewer projects, will have no fiscal impact on this department.

However, should such appropriations proliferate into a significant number, additional staff will be requested in future budgets.

Sincerely,



Dale Wallington
Administrative Officer
Dept. of Environmental
Conservation

HB

846



Alaska State Legislature

House of Representatives

Committee on

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

Community & Regional Affairs

BILL NUMBER AND TITLE: HB846 Supplemental Appropriation/State Aid to

Local Governments

ORIGINAL SPONSOR: Carney
RECEIVED FROM: _____

OTHER SPONSORS: _____
FURTHER REFERRALS: Finance

HEARING DATE: 3/10/80

MEMBERS PRESENT:	Bill Parker	X	Pat Carney	X
	Margaret Branson	X	Charlie Parr	X
	Pat O'Connell	X	Fred Zharoff	X
			Ray Metcalfe	X

Ginny Chitwood Ak. Municipal League
League support legislation.

Palmer McCarter, Dept. C&RA

Reviews legislative history of the revenue sharing program and funding for the program. The Free Conference Committee in 1979 Session approved funding to the 83% level. 85% was paid out to municipalities. HB 905 is the governor's supplemental bill which would bring the funding level back up to 83%. The figure being suggested in this bill would fund revenue sharing 100%. The Governor has said that he has no objection to this full funding. SB437 redefines "total project costs". McCarter encourages the committee's support. Mentions that in Rep. Gardiner's HB192, the new revenue sharing method would separate hospital and road monies in different funds.

Parr - In Anchorage, Ak. Hospital might be taken over by the Indian Public Health service. Questions what will happen to the construction money paid for that hospital by the state if this happens?

McCarter - There would be no reimbursement to the state for these monies. Hospital must be municipally owned, privately owned or non-profit to get the revenue sharing funds.

Chitwood - Governor vetoes 100% funding in 1979 although the legislature made an attempt to fund it totally.

John Carlson, Mayor, Fairbanks
Supports.

COMMITTEE ACTION: Bill passed out of committee.

TAPE # 2 SIDE 1 Footage 47-597

PART 2.
MUNICIPAL SERVICES REVENUE
SHARING PROGRAM.

Chapter
30 State Aid to Local Governments

CHAPTER 30.
STATE AID TO LOCAL
GOVERNMENTS.

- Section
- 10. Scope of regulations
 - 20. Standards for payments of entitlements under AS 43.18 and this chapter
 - 30. Date of eligibility
 - 40. Application
 - 50. Appeal
 - 60. Population data
 - 70. Financial reports
 - 80. Prepayment and budgets
 - 90. Overpayment and adjustment
 - 100. Prorating the annual appropriation for the program
 - 110. Incorporation or dissolution of an applicant
 - 120. Unified municipalities
 - 130. Final determination for the program
 - 140. Definitions

19 AAC 30.010. SCOPE OF REGULATIONS. The regulations in this chapter are prescribed for implementing, interpreting, and making specific the act providing state aid to local governments, AS 43.18.010 - 43.18.045. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.020. STANDARDS FOR PAYMENTS OF ENTITLEMENTS UNDER AS 43.18 AND THIS CHAPTER. Applicants for payments under AS 43.18.010 - 43.18.045 will demonstrate to the department that they are qualified for payments in the following categories of service for which they have power and exercise the power with a minimum level of financial support:

(1) POLICE PROTECTION: An applicant is eligible for payment if the following minimum standards are met:

(A) the applicant must provide police protection with one or more police officers on duty or on call at all times;

(B) a police officer must be at least 19 years of age and must not have been convicted by a court of a crime which is classified as a felony in this state within the past 10 years;

(C) an applicant will not be eligible to receive revenue sharing funds unless a police officer within 12 months after his appointment has satisfactorily completed a basic course in police training approved by the Department of Public Safety. The commissioner may grant an extension of time for the completion of the basic program by a police officer upon presentation of evidence by the municipality that a police officer is unable to complete the basic program within 12 months of his appointment due to illness, injury, family emergency, military service or special duty assignment. An extension may also be made when the commissioner determines that it would be in the public interest.

(D) notwithstanding the provisions of (A) and (B) of this section, the commissioner may waive the requirements set forth in paragraph (C) on presentation of evidence by the municipality and acceptance of the evidence by the Police Standards Council that a police officer is otherwise qualified based on work experience, education, or training.

(E) recognition of the applicant by the Police Standards Council as a "participating police department" is evidence of eligibility under this section.

(2) FIRE PROTECTION:

(A) a municipal applicant is eligible for payment if it provides fire protection. Fire protection includes, but is not limited to, fire protection provided by a volunteer fire department which is currently registered with the State Fire Marshal and which has official recognition and financial support from the municipality in which it is located;

(B) a volunteer fire department located

outside a municipality is eligible if it meets the following criteria:

(i) it is currently registered with the State Fire Marshal; and

(ii) minimum financial support as defined in 19 AAC 30.020(10) is provided; and

(iii) unexpended funds are dedicated irrevocably for the operation and maintenance of fire protection services;

(C) organizational grants shall be made on the same basis to facilitate the organization of a volunteer fire department in an area not in a municipality upon application of the proposed fire protection group to the State Fire Marshal and approval of an application according to standards of organization and service prescribed by regulations promulgated by the State Fire Marshal, and upon submitting an application for state aid to the department.

(3) AIR OR WATER POLLUTION CONTROL An applicant is eligible for payment under this category if it meets either of the following minimum standards:

(A) the municipality is engaged in a comprehensive study of an air pollution control program or implementing an air pollution control program; or

(B) the municipality has a sanitary sewage treatment facility and sewage disposal system which is in compliance with state law or the sewage treatment facility is under construction and will meet state requirements.

(4) LAND USE PLANNING: An applicant is eligible for payment if the following minimum standards are met:

(A) the municipality shall be in the process of preparing or updating a comprehensive land use plan or be implementing a comprehensive land use plan through exercise of platting or zoning powers; and

(B) if a municipality has a population over 12,000 persons, the municipality, to qualify for aid under this paragraph, shall employ a staff planner charged with the primary responsibility for land use planning and plan implementation; or

(C) if the municipality has a population fewer than 12,000 persons, the municipality shall qualify for aid under this paragraph by availing itself of planning assistance through one of the following:

(i) a staff planner charged with the primary responsibility of land use planning and plan implementation or a planning commission engaged in the preparation or implementation of a comprehensive land use plan; or

(ii) an annual contract with a recognized planning firm to provide land use planning and plan implementation on a consulting basis with a work program outline approved by the Department of Community and Regional Affairs; or

(iii) participation in the state's continuing planning advisory service program of the Department of Community and Regional Affairs through assistance in the preparation or implementation of a comprehensive planning program.

(5) PARKS AND RECREATION: An applicant is eligible for payment if one or more of the following minimum standards are met:

(A) a municipality must provide a park or recreational facility available to the public; or

(B) the municipality provides a recreational program on a regular and continuing basis available to the public.

(6) TRANSPORTATION FACILITIES: An applicant is eligible for payment under this category if it operates one or more of the following facilities:

(A) a small boat harbor which provides deep water shelter, either natural or artificial, on the coast of a sea, lake, river or other body of water; or

(B) a port or dock which has the capability of receiving cargo from and discharging cargo to commercial vessels; or

(C) an airport for the convenience of private and commercial aircraft. Excluded are airports exclusively operated and maintained by a federal or state agency or by a private party, airports maintained on a seasonal basis, and natural landing strips; or

(D) a transit system for the transportation of people in accordance with established tariffs by rail and monorail, or buses specifically designed and constructed to accommodate the general public.

(7) ROAD MAINTENANCE: An applicant is eligible for payment under these categories if one or both of the following minimum standards are met:

(A) a public road, street or highway maintained by an applicant must be dedicated to public use by licensed automotive equipment; specifically excluded are roads, streets or highways maintained by a federal or state agency or maintained by the applicant pursuant to an agreement with a federal or state agency;

(B) an ice road maintained by an applicant must connect two or more inhabited areas and be used by licensed automotive equipment.

(8) HEALTH FACILITIES AND HOSPITALS: An applicant is eligible for payment under these categories if one or more of the following minimum standards are met:

(A) Municipal Health Services: an applicant shall have and exercise the health power and have within its boundaries a qualifying hospital under (B) or (C) of this section;

(B) Municipal Hospitals: an applicant must have and exercise the power to provide hospital facilities and services. Payment shall be based on the number of beds actually set up for patient care limited to the number of beds licensed as of July 1 of the entitlement year by the Department of Health and Social

Services and provided for in the current construction design of the hospital. Funds received under this subparagraph may be used only for hospitals and shall be apportioned among qualifying hospitals as the applicant determines;

(C) Nonprofit Hospitals: an applicant shall certify to the Department before June 30 of the entitlement year that the hospital is in compliance with all standards for hospitals which have been adopted by the applicant. Payments to the applicant shall be transferred immediately to the hospital in accord with the basis by which the entitlement was generated by the hospital and shall be applied to the annual cost of operation and maintenance of the hospital or for the provision of health care service at the hospital as the directors of the hospital determine;

(D) to be eligible under (B) or (C) of this section, the hospital must be licensed as a general hospital by the Department of Health and Social Services; hospitals wholly operated or wholly supported by a federal or state agency are ineligible under (B) and (C) of this section;

(E) Health Facilities: an applicant must have and exercise the power of health service. Payment shall be based on the number of beds set up for patient care, or payment shall be made per health facility as the applicant determines;

(F) to be eligible under (E) of this section, a health facility shall be a public health center, maternity home, community mental health center, facility for the mentally or physically handicapped, nursing home, or convalescent center which is licensed, when required, by the state under AS 18.20.010 -- 18.20.130 or if licensing is not required, approved by the department, and is owned or operated by an applicant or by a nonprofit corporation or other nonprofit sponsor. Facilities wholly operated or wholly supported by a federal or state agency are ineligible;

(G) financial eligibility for hospitals and health facilities and health services shall be based on the financial support provided by

the applicant and excludes those services that are actually provided or wholly funded by a federal or state agency. Any unexpended entitlement received shall be dedicated irrevocably for the service, operation, or maintenance of the health facility or health service;

(H) funds received by a municipality under (A) or (E) of this section shall be used for expenses of health services or operation and maintenance of facilities as the applicant determines.

(9) CONSTRUCTION AID: an applicant is eligible for payment if the following minimum standards are met:

(A) if construction of a hospital or health facility began after January 1, 1968, and state matching aid for construction approved for payment to the municipality or other facility sponsor constitutes less than 25 percent of the total project cost, the state shall pay to the municipality or other facility sponsor each fiscal year a sum equal to \$2,500 per bed for the maximum number of beds provided for in the construction design of the hospital or health facility. State aid provided for in this section shall continue until the municipality or other facility sponsor has received an amount which, combined with state matching money for construction of the hospital or health facility, equals 25 percent of the total project cost. No funds received for construction shall be used for any other purpose;

(B) state matching aid for construction means any construction aid program administered by the Department of Health and Social Services;

(C) project or construction costs shall be those contracted costs that are eligible for financial participation under the Hill-Burton Construction Program for construction of new buildings, including, but not limited to, the expansion, replacement and modernization of existing buildings and initial equipment of any such buildings; including architect and consultant fees, but not including the cost of land acquisition and offsite improvements;

✓ (D) other facility sponsor shall refer to a public or nonprofit corporation which owns or operates, or both, a hospital or health facility which is located outside the corporate limits of a municipality.

(10) FINANCIAL BASIS FOR ELIGIBILITY: (a) A determination that a service was provided or a power was exercised shall be based on the financial support provided during an applicant's fiscal year containing July 1, 1976. Subsequently, the financial support shall be determined from the applicant's previous fiscal year containing July 1 of the previous entitlement period.

(b) Financial support is defined as a minimum cash disbursement of not less than 20 percent of the amount received for a category of service funded during the previous fiscal year or, in the case of a newly acquired power, a budget appropriation not less than 20 percent of the amount to be received for the eligible category of service. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.010 AS 44.47.050(14)
AS 43.18.040 AS 44.47.160

19 AAC 30.030. DATE OF ELIGIBILITY. Eligibility for receipt of state aid provided by AS 43.18.010 - 43.18.045 is predicated upon the possession and exercise of a power or provision of a service by an applicant as of July 1 of the entitlement period. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.040. APPLICATION. (a) Application for state aid to local governments under AS 43.18.010 - 43.18.045 shall be made on forms prescribed by the commissioner.

(b) Not later than August 15 of the entitlement period, the department will forward application forms to each municipality incorporated before July 1 of the entitlement period and to every other potential applicant incorporated before July 1 of the entitlement period which the department is aware of and which it believes may be eligible for state aid.

(c) As a condition to participation in the program, application for state aid under AS

43.18.010 – 43.18.045 shall be returned to the department mailed no later than November 1 of the entitlement period. Based on information certified by the municipal officials and contained in the application submitted, the commissioner will prepare an initial determination of entitlement no later than December 15 and will mail notice of the amount of entitlement to each applicant determined eligible. However, if the commissioner determines that an applicant has failed to comply substantially with AS 43.18.010 – 43.18.045 and the regulations of this chapter or failed to provide the category of service or failed to exercise the power funded during a previous entitlement year, the commissioner will reduce the current entitlement of the applicant by the difference between the sum of the prior year payments and the proper entitlements, or demand the sum of payment and prepayment amount be repaid to the department if the current entitlement is insufficient. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.010
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.050. APPEAL. (a) Within 10 days after receipt of the notice of entitlement from the department, an applicant may appeal the determination of initial entitlement to the commissioner. The appeal shall be in writing and shall identify the particular category or categories to which the applicant takes exception, the determination of entitlement to which the applicant takes exception, and the reasons for its exception. The appeal shall include all relevant supporting evidence.

(b) The commissioner shall review the record of appeal and enter the final determination of entitlement. The commissioner may affirm or modify the determination of entitlement previously entered, and shall notify the applicant of the decision.

(c) If the applicant fails to appeal an initial determination within the time set forth in subsection (a) of this section, the determination of entitlement entered pursuant to sec. 40(c) of this chapter constitutes the final determination of the department.

(d) The manner of computation of population

may not be made the subject of an appeal. (Eff. 9/5/76, Reg. 59.)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.060. POPULATION DATA. (a) The date for determination of population of an applicant is July 1 of the entitlement year.

(b) The population data used in determination of allocations of state aid and adjustments to those allocations will be the official report of the United States Bureau of the Census. However, an applicant may substitute for the official report of the United States Bureau of the Census

(1) an enumeration, certified as true and correct by the governing body of the municipality or chief administrative officer of a volunteer fire department located outside a municipality, specifying the names of residents of the municipality, service area, or area served by a fire department, prepared according to the criteria established by the department; or

(2) an estimate of population based upon other reliable data such as public school enrollment figures, public utility connections, registered voters, and certified employment payrolls; or

(3) the latest military population supplied by the adjutant general for the military population residing on a military reserve; or

(4) the latest available population estimate prepared by the Division of Employment Security, Alaska Department of Labor.

(c) The commissioner may require each applicant which offers an estimate of its population to submit such evidence as may be necessary to verify computation of the population estimate. The commissioner may require the applicant to provide further information within 10 days of the date of receipt of notification, or the estimate will be rejected and allocations made on the basis of the best data available to the department. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.010(c) AS 44.47.050(14)
AS 43.18.040 AS 44.47.160

19 AAC 30.070. FINANCIAL REPORTS. (a) Each unified municipality, organized borough, home rule city, city of the first class, hospital, nonmunicipal health facility, or other facility sponsor shall submit one copy of its annual audit for the fiscal year preceding the entitlement period. Preparation of the audit shall be by a licensed accountant.

(b) Each city of the second class and each volunteer fire department located outside a municipality shall submit an audit or certified statement of income and expenditures of the accounts and financial transactions for the fiscal year preceding the entitlement period in a form approved by the commissioner.

(c) No payment of a final entitlement for the applicant will be made until an audit or statement of income and expenditures is filed by the applicant with the department. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.010(c)
AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.080. PREPAYMENT AND BUDGETS. (a) The commissioner may provide for prepayment to an applicant a sum not to exceed 50 percent of the previous year's entitlement computed without regard to any proration and not to exceed the current year's entitlement.

(b) Prepayments will be allowed to an applicant upon receipt by the department of a completed application and approved budget mailed no later than October 1 of the entitlement year.

(c) Prepayments shall be deducted from the entitlement prior to transmittal of the balance of the entitlement due. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.090. OVERPAYMENT AND ADJUSTMENT. (a) After mailing of prepayments, if the commissioner determines that the prepayment mailed to an applicant exceeds the entitlement payable to an applicant during the entitlement period, the commissioner shall

(1) request that the difference between the amount of prepayment and the proper entitlement be repaid to the department; or

(2) reduce, in the next entitlement period, the entitlement to an applicant by the difference between the sum of the payments and the proper entitlement.

(b) After mailing of the balance of the entitlement due to an applicant, if the commissioner determines that the sum of the prepayment and final payment exceeds the entitlement payable to the applicant during an entitlement period, the commissioner shall

(1) request that the difference between the sum of the payments and the proper entitlement be repaid to the department; or

(2) reduce, in the next entitlement period, the entitlement to an applicant by the difference between the sum of the payments and the proper entitlement. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.020
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.100. PRORATING THE ANNUAL APPROPRIATION FOR THE PROGRAM. If the amount appropriated is insufficient for the purpose of each applicant's share authorized under AS 43.18.010 - 43.18.045, such funds as are available shall be distributed pro rata among the applicants based upon the notices of final entitlement. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.110. INCORPORATION OR DISSOLUTION OF AN APPLICANT. (a) An applicant which is incorporated during the entitlement period is not eligible to receive state aid for the entitlement period during which it was incorporated.

(b) An applicant which is to be dissolved pursuant to AS 29.68.500 during the entitlement period will receive an entitlement payment prorated over the number of days in the entitlement period during which it has been in existence.

(c) Grants shall be made to facilitate the organization of volunteer fire departments located outside a municipality from the funds available. Requests may be made any time during the entitlement year on a proper application form. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.120. UNIFIED MUNICIPALITIES. For purposes of AS 43.18.010 - 43.18.045 and the regulations of this chapter, a unified municipality shall be treated as an organized borough. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.130. FINAL DETERMINATION FOR THE PROGRAM. The Department of Community and Regional Affairs will finally approve or disapprove entitlements based upon information provided by the applicant and other departments of the state. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

19 AAC 30.140. DEFINITIONS. Unless the context indicates otherwise, in this chapter

(1) "commissioner" means the Commissioner of the Department of Community and Regional Affairs;

(2) "department" means the Department of Community and Regional Affairs;

(3) "applicant" means any municipality, volunteer fire department located outside a municipality, or other facility sponsor;

(4) "facility" means a permanent improvement constructed, operated or maintained for the convenience of the public. (Eff. 9/5/76, Reg. 59)

Authority: AS 43.18.040
AS 44.47.050(14)
AS 44.47.160

payees. (§ 7-1-6 (c) ACLA 1949; am § 20 ch 186 SLA 1957; am § 1 ch 44 SLA 1969; am § 5 ch 149 SLA 1978)

Effect of amendment. — The 1978 amendment added the present second sentence.

Chapter 18. State Aid to Local Governments.

Article

2. Aid for School Construction (§§ 43.18.100 — 43.18.135)

Article 1. Aid for Miscellaneous Municipal Purposes.

Section

10. State aid to local governments

30. Local tax levy reduction

Sec. 43.18.010. State aid to local governments.

(j) If construction of a facility began after January 1, 1968 and state matching aid for construction approved for payment to the local government or other facility sponsor constitutes less than 25 per cent of the total project cost, the state shall pay to the local government or other facility sponsor each fiscal year a sum equal to \$2,500 a bed for the maximum number of beds provided for in the construction design of the facility or five per cent of the total project cost, whichever is greater. State aid provided for in this subsection shall continue until the local government or other facility sponsor has received an amount which, combined with state matching money for construction of the facility, equals 25 per cent of the total project cost. No funds received for construction shall be used for any other purpose.

(k) A city or borough may not receive state shared revenue based on the population residing on that portion of a military reservation annexed to a city or borough after January 1, 1973, except as provided in this subsection. If a military reservation is located within a city or borough, the city or borough is limited in its entitlement to state shared revenue, based on the population residing on the reservation, as follows: 50 per cent of the amount paid per capita for police protection under (a)(1) of this section; 25 per cent of the amount paid per capita for parks and recreation under (a)(5) of this section; and 50 per cent of the amount paid per capita for transportation facilities or services under (a)(6) of this section.

(l) For the purposes of (j) of this section, "total project cost" includes, in addition to costs directly related to the project, the sum total of all costs of financing and carrying out the project. These include, but are not limited to, the costs of all necessary studies, surveys, plans and specifications, architectural, engineering or other special services, acquisition of real property, site preparation and development, purchase, construction, reconstruction and improvement of real property and the acquisition of machinery and equipment as may be necessary in connection with the project; an allocable portion of the administrative

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REVENUE AND TAXATION

§ 43.18.030

and operating expenses of the grantee; the cost of financing the project, including interest on bonds issued to finance the project; and the cost of other items, including any indemnity and surety bonds and premiums on insurance, legal fees, fees and expenses of trustees, depositaries, financial advisors, and paying agents for the bonds issued as the issuer considers necessary.

(am § 24 ch 168 SLA 1978; am § 3 ch 173 SLA 1978)

Effect of amendments.

The first 1978 amendment added subsection (l).

The second 1978 amendment, effective July 1, 1978, added "or five per cent of the total project cost, whichever is greater" to the end of the first sentence of subsection (l).

As the rest of the section was not affected by the amendment, it is not set out.

Editor's note. — Subsection (k) is set out above to correct a typographical error in the main pamphlet.

Sec. 43.18.030. Local tax levy reduction. (a) The intent of §§ 10—100 of this chapter in authorizing state aid for educational purposes and municipal services is that municipalities which levy taxes reduce those levies in reasonable proportion to the amount of state aid received by the municipality for a given fiscal year.

(b) If the municipality levies and collects real or personal property taxes, the governing body shall furnish the following notice with tax statements mailed for the fiscal year for which aid is received under AS 14.17 and §§ 10—100 of this chapter:

"NOTICE TO TAXPAYER

For the current fiscal year the (city) (borough) has been allocated the following amount of state aid for school and municipal purposes under the public school foundation program (Alaska Statutes 14.17), the municipal services revenue sharing program of Alaska Statutes 43.18.010 — 43.18.050, and the program of state aid for retirement of school construction debt (Alaska Statute 43.18.100):

PUBLIC SCHOOL FOUNDATION PROGRAM	\$
ASSISTANCE	
STATE AID FOR RETIREMENT OF SCHOOL	\$
CONSTRUCTION DEBT	
AID BASED ON MUNICIPAL SERVICES	\$
FURNISHED (fire protection,	
police protection, air or water	
pollution control, land use	
planning, road maintenance, parks	
and recreation, transportation	
facilities and services, hospital	
operation)	
Total Aid	\$

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 846
 Title A supplemental appropriation for the program of state aid to local governments.
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs
 Program Category Affected Community Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance - Grants
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						

TOTAL -0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

No fiscal impact to the Department.

IV. DATE February 28, 1980 PREPARED BY Mary Foster
 AGENCY Community & Regional Affairs
 PHONE 465-4734
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

ALASKA STATUTES
TITLE 43, CHAPTER 18
STATE AID TO LOCAL GOVERNMENTS
AS 43.18.010 - AS 43.18.045

Section

- 10. State aid to local governments
- 12. Area cost-of-living differential
- 26. Construction and implementation of chapter
- 30. Local tax levy reduction
- 40. Regulations
- 45. Unification, merger, or consolidation of municipalities

Sec. 43.18.010. STATE AID TO LOCAL GOVERNMENTS. (a) During each fiscal year the state shall pay to a city or organized borough of any class which has power to provide the following services and exercises that power

(1) \$12 per capita to cities and boroughs providing police protection, subject to the conditions of this paragraph and (g) of this section;

(A) municipal police protection shall be available 24 hours a day;

(B) municipal police officers shall be U. S. citizens who are at least 19 years of age and who have not been convicted of a crime involving moral turpitude within the past 10 years;

(2) \$7.50 per capita to cities and boroughs providing fire protection;

(A) fire protection includes, but is not limited to, fire protection provided by a volunteer fire department registered with the state fire marshal which has official recognition and financial support from the city or borough in which it is located;

(B) in addition to the grants authorized under this section, the state shall pay to a volunteer fire department registered with the state fire marshal and serving an area not in an organized borough or a city a sum for protection purposes equal to \$7.50 per capita for the population served by the department, as determined by the state fire marshal using the latest figures of the United States Bureau of the Census or other reliable data; grants shall be made on the same basis to facilitate the organization of volunteer fire departments in an area not in an organized borough or a city, upon application of the proposed fire protection group to the state fire marshal and approval of applications according to standards of organization and service prescribed by regulations promulgated by the state fire marshal;

(3) \$2 per capita to cities and boroughs providing air or water pollution control or both;

(A) in order to qualify for air pollution control aid the municipalities shall be either engaged in comprehensive study of an air pollution control program or implementation of an air pollution control program;

(B) in order to qualify for water pollution control aid the municipalities shall either have primary or secondary sewage treatment facilities under construction or be providing primary or secondary sewage treatment;

(4) \$2 per capita to cities and boroughs providing land use planning, subject to the conditions of this paragraph;

(A) the municipalities shall be in the process of preparing or updating a comprehensive land use plan or be implementing a comprehensive land use plan through exercise of zoning powers; and

(B) if the municipality has a population of fewer than 12,000 persons, the municipality shall qualify for aid under this paragraph by availing itself of planning assistance through either:

(i) a staff planner charged with the primary responsibility of land use planning and plan implementation; or

(ii) an annual contract with a recognized planning firm to provide land use planning and plan implementation on a consulting basis with a work program outline approved by the Department of Community and Regional Affairs; or

(iii) the State's continuing planning advisory service program through the Department of Community and Regional Affairs;

(C) if a municipality has a population over 12,000 persons, the municipality, to qualify for aid under this paragraph, shall employ a staff planner charged with the primary responsibility for land use planning and plan implementation;

(5) \$5 per capita to cities and boroughs providing for parks and recreation;

(6) \$5 per capita to cities and boroughs providing transportation facilities or services limited to municipally-operated small boat harbors, ports, airports, or transit systems.

(b) During each fiscal year the state shall pay to a city or organized borough of any class which has power to provide for road maintenance and exercises the power a sum equal to \$1,500 a mile for each mile of road, street or highway maintained by the local government, excluding the official state highway system; roads, streets or highways not dedicated to public use, any roads, streets or highways maintained under the local service road program (AS 19.30.111 - 19.30.251), and alleyways, in accordance with regulations adopted by the Department of Highways. No payments may be made for maintenance of roads not used by automotive equipment. Frozen waterways and connections from inhabited areas to the waterways which may be safely used for public transportation by automotive equipment and are so used during a portion of a year are eligible for payments of \$900 per mile if the waterways and connections are maintained during the period of use by a municipality or combination of municipalities. The Department of Community and Regional Affairs after consultation with the Department of Highways, shall determine which waterways and connections qualify and, where the waterways or connections lie outside the corporate limits of a municipality, which municipality is eligible for the shared revenue unless the municipalities involved have agreed in writing to a particular distribution.

(c) For purposes of this section, population shall be determined by the latest figures of the United States Bureau of the Census or other reliable population data, including but not limited to public school enrollment figures, public utility connection, registered voters or certified employment payrolls.

(d) If a borough exercises the powers in (a) of this section in the borough area outside cities only, or in a service area only, the grants authorized under this section shall be based on the population of the borough area outside cities or the service area respectively.

(e) If the services in (a) and (b) of this section are provided by a service area, the borough shall give to the service area an amount equal to the funds provided by the state for the services provided by the service area.

(f) Funds received by a city, borough, or service area under this section may be expended for any public purpose for which it has power to expend public funds, except as provided in (h) of this section.

(g) If a city within an organized borough provides police protection services, the borough may not qualify for aid under (a) (1) of this section unless

(1) police protection services are provided in the borough area outside cities, or if limited to a service area, in the service area, through borough contract with a city or the state; or

(2) the borough assumes and exercises power to provide police protection services on an areawide basis in the manner provided by law.

(h) During each fiscal year the state shall make payments as follows

(1) \$2 per capita to a municipality which has the power to provide health facilities and services and in which a hospital is located;

(2) in addition to the payment made under (1) of this subsection

(A) the state shall make payments to a municipality which has the power to provide hospital facilities and services and which exercises the power on the basis of \$1,000 per bed for each bed actually used for patient care limited to the number of beds provided for in the construction design of the hospital, or \$75,000 a hospital for those hospitals with 10 or more beds, or \$25,000 a hospital for those hospitals with less than 10 beds, as the municipality may elect; funds received under this subparagraph may be used only for hospitals and shall be apportioned among qualifying hospitals as the municipality determines;

(B) the state shall make payments on the basis set out in (A) of this paragraph to a municipality for nonprofit hospitals not operated by a municipality if the municipality first certifies to the department that the hospital is in compliance with all standards for hospitals which have been adopted by the municipality; in the absence of this certification the funds which would have gone to the hospital lapse into the state general fund; payments to the municipality shall be transferred to the hospital in accord with the basis by which the entitlement was generated by the hospital and shall be applied to the annual cost of operation and maintenance of the hospital or for the provision of health care service at the hospital as the directors of the hospital determine;

(C) a hospital may not receive payment under both (A) and (B) of this paragraph;

(3) \$1,000 per bed to an organized borough or city outside an organized borough in which a health facility is operated for each bed actually used for patient care, limited to the number of beds provided for in the construction design of the health facility, or \$4,000 per health facility as the local government may determine;

(4) funds received by a municipality under (1) or (3) of this subsection shall be used for expenses of health services or operation and maintenance of facilities as the municipality determines;

(5) before funds may be distributed under this subsection, the commissioner of health and social services shall certify to the distributing agency that any accumulation of assets by non-profit corporations or other recipients under this subsection are dedicated irrevocably to a public purpose.

(i) In (h) and (j) of this section

(1) "hospital" means a licensed hospital determined by the Department of Health and Social Services to be a general hospital; the term excludes facilities operated or wholly supported by the state or the federal government;

(2) "health facility" means public health centers, maternity homes and community mental health centers, facilities for the mentally or physically handicapped, nursing homes and convalescent centers which are licensed, when required, by the state under AS 18.20.010 - 18.20.130 and are owned or operated or both by a local government or by a non-profit corporation or other non-profit sponsor; the term excludes facilities operated or wholly supported by the state or the federal government.

(j) If construction of a facility began after January 1, 1968 and state matching aid for construction approved for payment to the local government or other facility sponsor constitutes less than 25 percent of the total project cost, the state shall pay to the local government or other facility sponsor each fiscal year a sum equal to \$2,500 a bed for the maximum number of beds provided for in the construction design of the facility. State aid provided for in this subsection shall continue until the local government or other facility sponsor has received an amount which, combined with state matching money for construction of the facility, equals 25 percent of the total project cost. No funds received for construction shall be used for any other purpose.

(k) A city or borough may not receive state shared revenue based on the population residing on that portion of a military reservation annexed to a city or borough after January 1, 1973, except as provided in this subsection. If a military reservation is located within a city or borough, the city or borough is limited in its entitlement to state shared revenue, based on the population residing on the reservation, as follows: 50 percent of the amount paid per capita for police protection under (a) (1) of this section; 25 percent of the amount paid per capita for parks and recreation under (a) (5) of this section; and 50 percent of the amount paid per capita for transportation facilities or services under (a) (6) of this section.

Sec. 43.18.012. AREA COST-OF-LIVING DIFFERENTIAL. (a) State payments to a city or an organized borough or to an unorganized borough volunteer fire department under sec. 10 of this chapter shall reflect area cost-of-living differentials. Amounts distributed shall be based upon the sum of per capita, per mile and per bed or facility grants due each city or organized borough or volunteer fire department multiplied by the appropriate area cost-of-living differential. The area cost-of-living differential for each city and organized borough or volunteer fire department shall be determined annually by election district under the provisions of AS 39.27.030; however, the area cost-of-living differential to be applied shall not result in an amount to be distributed less than the base allocation.

(b) The election districts used in (a) of this section are those designated by the proclamation of reapportionment and redistricting of December 7, 1961, and retained for the house of representatives by proclamation of the governor, September 3, 1965.

Sec. 43.18.020. CONSTRUCTION AND IMPLEMENTATION OF CHAPTER. (a) This chapter may not be construed so as to create a debt of the state.

(b) The special municipal services account is established. Funds to carry out the provisions of sec. 10 of this chapter may be appropriated annually by the legislature to the account. If amounts in the account are insufficient for the purpose of each local government's or other recipient's share authorized under sec. 10 of this chapter, such funds as are available shall be distributed pro rata among eligible local governments and other recipients.

(c) Money in the special municipal services account which, at the end of the fiscal year for which the money is appropriated, exceeds the amount required for the allocations authorized in this chapter reverts to the general fund.

Sec. 43.18.030. LOCAL TAX LEVY REDUCTION. (a) The intent of this chapter in authorizing state aid for municipal purposes is that local governments which levy property taxes reduce those levies in reasonable proportion to the amount of state aid received by a local government for a given fiscal year.

(b) The governing body shall furnish the following notice with tax statements mailed for the fiscal year for which aid is received under this chapter:

"NOTICE TO TAXPAYER

For the current fiscal year the (city) (borough) has been allocated the following amount of state aid for school and municipal purposes under the Public School Foundation Program (Alaska Statutes 14.17) and the revenue-sharing provisions of Alaska Statutes 43.18:

SCHOOL AID	\$
AID BASED ON MUNICIPAL SERVICES FURNISHED (fire protection, police protection, air or water pollution control, land use planning, road main- tenance, parks and recreation, transportation facilities and services, hospital operation)	\$
TOTAL AID	\$

The millage equivalent of this state aid, based on the present dollar value of a mill in the municipality, is _____ mills."

Sec. 43.18.040. REGULATIONS. The Department of Community and Regional Affairs shall adopt regulations necessary to carry out the purposes of secs. 10 - 99 of this chapter. The regulations shall include minimum standards required to qualify a municipality for grants for each service and provisions for a performance report adequate to demonstrate to the department that each service for which credit

was allowed was actually performed by the municipality, at least at the prescribed minimum level.

Sec. 43.18.045. UNIFICATION, MERGER OR CONSOLIDATION OF MUNICIPALITIES. If a borough and the cities within the borough merge, consolidate or unify in accordance with AS 29.68, the amount of revenue sharing to which the successor municipality is entitled shall be computed for the first year and each year thereafter as if the merger, consolidation or unification had not occurred, and the successor municipality shall receive not less than the amount so computed.

F I N A L
A N N U A L R E P O R T

FISCAL YEAR 1979

STATE AID TO LOCAL GOVERNMENTS
MUNICIPAL SERVICES REVENUE SHARING PROGRAM

(AS 43.18.010 -045)

STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
DIVISION OF LOCAL GOVERNMENT ASSISTANCE
POUCH B
JUNEAU, ALASKA 99811
AUGUST 1979

Expenditures for the State Aid to Local Governments Municipal Services Revenue Sharing Program during the period July 1, 1978 to June 30, 1979 are as follows:

GRANT ENTITLEMENTS BY CLASSIFICATION
OF MUNICIPAL SERVICES

	<u>Applicants Participating</u>	<u>Approved Entitlements</u>	<u>Actual Entitlements @ 88.712%</u>
Police Protection	92	\$ 3,537,731	\$ 3,138,392
Fire Protection	140	2,789,642	2,474,747
Air/Water Pollution Control	57	768,746	681,970
Land Use Planning	29	758,664	673,026
Parks and Recreation	104	1,962,962	1,741,383
Transportation Facilities	40	2,206,753	1,957,655
Road Maintenance			
Public Roads	84	2,025,713	1,797,051
Ice Roads	11	150,156	133,207
Health Services	12	564,328	500,627
Hospitals	14	1,522,000	1,350,197
Health Facilities	76	1,090,000	966,961
Construction Aid	4	<u>\$ 2,501,769</u>	<u>\$ 2,219,370</u>
Entitlements		\$19,878,464	\$17,634,586
Cost-of-Living Allowance (COLA)		<u>1,346,292</u>	<u>1,194,323</u>
Total Entitlements		\$21,224,756	\$18,828,909
Less Prior Year Adjustments		<u>61,981</u>	<u>54,985</u>
Final Entitlements		\$21,162,775	\$18,773,924

GRANT ENTITLEMENTS BY CLASSIFICATION
OF RECIPIENT

	<u>Applicants Participating</u>	<u>Approved Entitlements</u>	<u>Actual Entitlements @ 88.712%</u>
Organized Boroughs	8	\$ 2,229,924	\$ 1,978,211
Unified Governments	3	11,240,334	9,971,526
Home Rule Cities	11	3,631,621	3,221,684
First Class Cities	21	1,126,158	999,038
Second Class Cities	87	1,589,485	1,410,064
Unorganized Borough Fire Protection Groups	<u>28</u>	<u>60,942</u>	<u>\$ 54,063</u>
Entitlements	158	\$19,878,464	\$17,634,586
Cost-of-Living Allowance (COLA)		<u>1,346,292</u>	<u>1,194,323</u>
Total Entitlements		\$21,224,756	\$18,828,909
Less Prior Year Adjustments		<u>61,981</u>	<u>54,985</u>
Final Entitlements		\$21,162,775	\$18,773,924

RATES USED TO COMPUTE GRANT ENTITLEMENTS
 UNDER THE STATE AID TO LOCAL GOVERNMENTS
MUNICIPAL SERVICES REVENUE SHARING PROGRAM

<u>Municipal Services</u>	<u>Rates</u>
Police Protection	\$12 per capita
Military	6 per capita
Fire Protection	\$7.50 per capita
Air(*)/Water(**) Pollution Control	\$2 per capita
Land Use Planning	\$2 per capita
Parks and Recreation	\$5 per capita
Military	1.25 per capita
Transportation Facilities	\$5 per capita
Military	2.50 per capita
Road Maintenance	
Public Roads	\$1,500 per mile*
Ice Roads	900 per mile**
Health Services	\$2 per capita
Hospitals	\$75,000 per hospital*
	25,000 per hospital**
	1,000 per bed***
Health Facilities	\$4,000 per facility*
	1,000 per bed**
Construction Aid	\$2,500 per bed*
	5% of construction cost**
	(whichever is greater)

DEFINITIONS

COLA - means cost-of-living allowance used in computing total grant entitlements.

FY 79 - means the fiscal year ending June 30, 1979.

	Total for Boroughs & Unified Govt's	Total for Cities	Total for Fire Protect- ion Groups	Total FY 1979 Approved Entitlements
Police	\$ 2,167,788	\$ 1,369,943		\$ 3,537,731
Fire	1,859,306	869,394	\$ 60,942	2,789,642
Air/Water	590,612	178,134		768,746
Land Use Planning	706,808	51,856		758,664
Parks & Recreation	1,546,252	416,710		1,962,962
Transportation	1,906,158	300,595		2,206,753
Roads	925,605	1,250,264		2,175,869
Health Services	449,186	115,142		564,328
Hospitals	779,000	743,000		1,522,000
Health Facilities	580,000	510,000		1,090,000
Construction Aid	1,959,543	542,226		2,501,769
Entitlements	13,470,258	6,347,264	60,942	19,878,464
COLA	308,783	1,026,068	11,441	1,346,292
Total Entitlements	\$13,779,041	\$7,373,332	\$72,383	\$21,224,756
Less Prior Year Adjustments				<u>61,981</u>
Final Approved Entitlements				\$21,162,775
TOTAL APPROPRIATED TO THE REVENUE SHARING ACCOUNT				\$18,688,000
PLUS SPECIAL APPROPRIATION FOR FIVE LATE APPLICANTS (Seward, Upper Kalskag, Lower Kalskag, Copper Center VFD, and Iliamna VFD)				\$ 106,327
Total FY 1979 Appropriation				\$18,794,327
ACTUAL DISBURSEMENT				<u>18,773,924</u>
BALANCE				\$ 20,403

NOTES

As the total entitlements exceeded the amount appropriated to the revenue sharing account, each recipient's share was prorated at 88.712%.

All FY 1979 grant funds were allocated when entitlements were prorated; however three cities failed to submit FY 1978 financial statements by June 30, 1979, a prerequisite to receipt of State shared revenues. This accounts for the balance.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Prorated 88.712% Entitlement
Anchorage, Municipality of	184,775	(1,855,140)	(1,381,620)	369,550**	369,550	(943,708)	(1,329,285)	(583,320)*	369,550	404,000***	36,000*	1,959,543**	9,980,666	-0-	9,980,666		8,854,048
City Service Area	63,756						318,780				380,000**						
Eagle River																	
Fire Service Area	7,921		59,408														
Chugiak Fire Service Area	6,481		48,607														
Girdwood Service Area	603		4,560			3,040		14,490									
Anchorage																	
Fire Service Area	169,206		1,269,045														
Anchorage Roads and Drainage Service	155,995							557,355									
Anchorage																	
Police Service Area	145,932	1,751,184															
Anchorage Parks and Recreation Service Area	169,206					846,030											
Eagle River/Chugiak Recreational Facilities Service Area	14,476					72,380											
Military (Not included in the Municipality's Population)	17,326	103,956				21,658	86,630										
Glen Alps Service Area	65							11,475									
Juneau, City and Borough of	22,105	(108,960)	(164,295)	42,738**	44,210	110,525	110,525	(76,725)*	44,210	75,000*	74,000**		851,188	-0-	851,188		755,106
Service Area #1	7,416	88,992	55,620					21,345									
Service Area #2	1,664	19,968	12,480					7,035									
Service Area #3	199							48,345									
Service Area #4	1,478		11,085														
Service Area #5	9,623		72,173														
Service Area #6	747		5,602														
Service Area #7	441		3,308														
Service Area #8	537		4,027														
Sitka, City and Borough of	8,787	105,444	65,903		17,574	43,935	43,935	23,115*	17,574	75,000*	4,000*		408,480	15,318	423,798		375,960
											12,000**						
Bristol Bay Borough	1,685	12,638			3,370	8,425		(6,630)*					31,063	8,154	39,217		34,790
So. Naknek Road District								6,630									
Fairbanks North Star Borough	60,227		(110,828)	120,454*	120,454	(308,629)	(316,123)	(91,860)*					1,068,348	160,252	1,228,600		1,089,916
Ester Fire Service Area	1,100		8,250														
North Star																	
Fire Service Area	6,500		48,750														
University																	
Fire Service Area	7,177		53,828														
Public Roads Service Areas								91,860									
Military (Not included in the Borough's Population)	5,995					7,494	14,988										
Haines Borough	1,924												2,723	204	2,927		2,597
Fire Service Area #1	363		2,723														
Kenai Peninsula Borough	25,281		(31,320)	50,562*	50,562	(19,000)				(150,000)*			301,444	22,608	324,052		287,473
Nikiski																	
Fire Service Area	3,489		26,168														
Bear Creek																	
Fire Service Area	687		5,152														
North Kenai																	
Recreation Service Area	3,800					19,000											
South Kenai																	
Peninsula Hospital Service Area										75,000*							
Central Kenai										75,000*							
Peninsula Hospital Service Area																	

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Prorated 88.712% Entitlement
Kechikan Gateway Borough Shoreline	13,071		(5,123)		26,142		65,355						96,620	-0-	96,620		85,714
Fire Service Area	683		5,123														
Kodiak Island Borough	8,926		(13,898)		17,852	(10,830)		(22,500)*	17,852	75,000*	16,000*		203,932	15,295	219,227		194,481
Fire District #1	1,759		13,193								30,000**						
Karluk Fire District	94		705														
Nonareawide Service	2,166					10,830		22,500									
Road Service Areas																	
Matanuska-Sitna Borough	20,360		(70,958)		40,720	101,800		(88,200)*					301,678	11,313	312,991		277,661
Wasilla																	
Fire Service Area	3,619		27,143														
Butte Fire Service Area	2,122		15,915														
Greater Palmer																	
Fire Service Area	3,027		22,703														
Sutton Fire Service Area	693		5,197														
Road Service Areas								88,200									
North Slope Borough	8,187	98,244		7,308**	16,374		40,935	33,255*			28,000*		224,116	75,639	299,755		265,919
TOTAL BOROUGHS		2,167,788	1,859,306	590,612	706,808	1,546,252	1,906,156	925,605*	449,186	779,000	84,000* 496,000**	1,959,543**	13,470,258	308,783	13,779,041		12,223,665

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Prorated 98.712% Entitlement
CITIES																	
Akiok	118		885			590							1,475	111	1,586	295	1,145
Akiachak	354	4,248	2,655			1,770		3,000* 8,100**			4,000*		23,773	7,132	30,905		27,416
Akiak	192	2,304				960					4,000*		7,264	2,179	9,443	1,343	7,186
Akolmut	608	7,296	4,560			3,040	3,040	40,275**			8,000*		66,211	19,863	86,074		76,358
Alakanuk	533	6,396	3,998	1,066**		2,665		6,000* 3,600**			4,000*		27,725	8,318	36,043	4,680	27,823
Aleknagik	227	DID NOT SUBMIT APPLICATION															
Allakaket	216		1,620			1,080		4,050*					6,750	2,278	9,028		8,009
Ambler	273	3,276	2,048	546**		1,365		7,000*			4,000*		18,435	6,227	24,657		21,874
Anaktuvuk Pass	173	DID NOT SUBMIT APPLICATION															
Anderson Military	470 114		3,525			2,350 285		7,500*					13,660	4,610	18,270		16,208
Angoon	527	6,324	3,953	1,054**	1,054	2,635	2,635	7,770*					25,425	953	26,378		23,401
Aniak	355	4,260	2,663			1,775		6,150*			4,000*		18,848	6,361	25,209		22,363
Anvik	102	DID NOT SUBMIT APPLICATION															
Atmaclluak	186	2,232	1,395			930		13,500**			4,000*		22,057	6,617	28,674		25,437
Barrow	2,715		20,363			13,575							33,938	11,454	45,392		40,268
Bethel	3,608	43,296	27,060	7,216**	7,216	18,040	18,040	11,175* 43,200**			4,000* 41,000**		220,243	66,073	286,316		253,997
Brevig Mission	194	DID NOT SUBMIT APPLICATION															
Buckland	176	2,112				880					4,000*		6,992	2,360	9,352	1,651	6,832
Chefornak	204		1,530								4,000*		5,530	1,659	7,189		6,378
Chevak	461	.532				2,305							7,837	2,351	10,188		9,038
Chauthbaluk	119	1,428	893	238**		595					4,000*		7,154	2,414	9,568		8,488

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Prorated 88.712% Entitlement
Clark's Point	98	DID NOT SUBMIT APPLICATION															
Cordova	2,780	33,360	20,850	5,560**	5,560	13,900	13,900	11,700*	5,560	75,000*	12,000*		197,390	29,609	226,999		201,375
Craig	587	7,044	4,403	1,174**	1,174	2,935	2,935	6,405*			4,000*		30,070	-0-	30,070		26,676
Deering	117	1,404	878								4,000*		6,282	2,120	8,402		7,454
Delta Junction	892		6,690		1,784	4,460		12,885*			4,000*		29,819	4,473	34,292		30,421
Dillingham	1,360	16,320	10,200	2,720**	2,720	6,800	6,800	5,700*					51,260	13,456	64,716		57,411
Diomedea	125		938								4,000*		4,938	1,481	6,419		5,694
Eagle	124					620		3,540*			4,000*		8,160	1,224	9,384		8,325
Eek	307	3,684	2,303			1,535							7,522	2,257	9,779		8,675
Ekwok	111	DID NOT SUBMIT APPLICATION															
Elim	288	DID NOT SUBMIT APPLICATION															
Emmonak	556	6,672	4,170			2,780		3,615*					17,237	5,171	22,408		19,879
Fairbanks Military Annex	30,462 5,995	365,544 35,970	228,465	60,924**				127,875*	60,924	126,000**	71,000** 12,000*	414,330*	1,503,032	225,455	1,728,487		1,533,375
Fort Yukon	637	7,644	4,778		1,274	3,185		23,070*			4,000*		43,951	14,833	58,784		52,149
Fortuna Ledge	210	2,520	1,575								4,000*		8,095	2,429	10,524		9,336
Galena	985	11,820	7,388	1,970**		4,925		8,370*			4,000*		38,473	12,985	51,458		45,649
Gambell	447	5,364	3,353			2,235		10,500*					21,452	6,436	27,888	12,360	13,775
Golovin	118	1,416	885			590					4,000*		6,891	2,067	8,958		7,947
Goodnews Bay	248	2,976	1,860	496**				1,125*					6,457	1,937	8,394	2,841	4,926
Grayling	181			362**									362	122	484		429
Haines	1,366	16,392	10,245	2,732**	2,732	6,830	6,830	15,660*					61,421	4,607	66,028		58,575

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Projected 88.712% Entitlement
Holy Cross	302		2,265	604**		1,510		6,000*			4,000*		14,379	4,853	19,232		17,061
Homer	2,055	24,660	15,413	4,110**		10,275	10,275	12,945*			4,000*		81,678	6,126	87,804		77,893
Hoonah	1,093	13,116	8,198	2,186**		5,465	5,465	6,000*			8,000*		48,430	3,632	52,062		46,185
Hooper Bay	648	7,776				3,240	3,240						14,256	4,277	18,533		16,441
Houston	440		3,300					38,325*					41,625	1,561	43,186		38,311
Hughes	98		735			490							1,225	413	1,638		1,453
Huslia	216		1,620	432**		1,080		23,355*			4,000*		30,487	10,289	40,776		36,173
Hydaburg	380		2,850	760**		1,900	1,900	3,540*			4,000*		14,950	-0-	14,950		13,262
Kachemak	151	DID NOT SUBMIT APPLICATION															
Kake	679	8,148	5,093	1,358**		3,395		1,530*					19,524	732	20,256		17,970
Kaktovik	192		1,440			960							2,400	810	3,210		2,848
Kaltag	257		1,928	514**		1,285		3,000*					6,727	2,270	8,997		7,981
Kasaan	46		345			230					4,000*		4,575	-0-	4,575		4,059
Kenai	5,364	64,368	40,230	10,728**		26,820	26,820	65,535*					234,501	17,588	252,089		223,633
Ketchikan	8,293	99,516	62,198			41,465	41,465	24,900*	16,586	92,000***	8,000* 20,000**		406,130	-0-	406,130		360,286
Kiana	331	3,972	2,483			1,655		4,530*			4,000*		16,640	5,616	22,256		19,744
King Cove	566	6,792	4,245	1,132**		2,830	2,830				4,000*		21,829	5,730	27,559		24,448
Kivalina	227	2,724	1,703			1,135					4,000*		9,562	3,227	12,789		11,345
Klawock	323	3,876	2,423	646**	646	1,615		2,535*			4,000*		15,741	-0-	15,741		13,964
Kobuk	176	DID NOT SUBMIT APPLICATION															
Kodiak	5,754	69,048	43,155	11,508**		28,770	28,770	22,020*					203,271	15,245	218,516		193,850
Kotlik	305	3,660				1,525					4,000*		9,185	2,756	11,941		10,553

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Prorated 88.712% Entitlement
Kotzebue	2,526	30,312	18,945	5,052**		12,630	12,630	23,280* 3,150**					105,999	35,775	141,774		125,771
Koyuk	160	1,920	1,200			800					4,000*		7,920	2,376	10,296		9,134
Koyukuk	124		930			620					4,000*		5,550	1,873	7,423		6,585
Kupreanof	42		315		84								399	15	414		367
Kwethluk	444	5,328	3,330			2,220					4,000*		14,878	4,463	19,341		17,158
Larsen Bay	137	DID NOT SUBMIT APPLICATION															
Lower Kalskag	218	DID NOT SUBMIT FINANCIAL STATEMENT ON TIME															
Manokotak	250	3,000	1,875	500**							4,000*		9,375	2,461	11,836		10,500
McGrath	382		2,865		764	1,910		11,115*					16,654	5,621	22,275		19,761
Mekoryuk	186	2,232	1,395	372**		930					4,000*		8,929	2,679	11,608		10,298
Mountain Village	573	6,876	4,298	1,146**		2,865		5,250* 16,200**			4,000*		40,635	12,191	52,826		46,863
Napaklak	307	3,684	2,303			1,535		3,720*			4,000*		15,242	4,573	19,815		17,578
Napaskiak	215	2,580	1,613	430**							4,000*	1,000**	9,623	2,887	12,510		11,098
Nenana	503	6,036	3,773			2,515	2,515	16,140*					30,979	9,294	40,273	3,387	32,722
New Stuyahok	297	DID NOT SUBMIT FINANCIAL STATEMENT															
Newhalen	105	DID NOT SUBMIT APPLICATION															
Newtok	154	1,848	1,155			770							3,773	1,132	4,905		4,351
Nightmute	135	1,620	1,013			675							3,308	992	4,300		3,815
Nikolai	152					760		1,380*			4,000*		6,140	2,072	8,212		7,285
Nome	2,892	34,704	21,690	5,784**		14,460		17,550* 117**	5,784	75,000*		126,896**	301,985	90,596	392,581		348,267
Nor. Jalton	226	DID NOT SUBMIT FINANCIAL STATEMENT															

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Prorated 88.712% Entitlement
Noorvik	524	6,288	3,930	1,048**		2,620		3,390*					17,186	5,800	22,986		20,391
North Pole	461	5,532	3,458	922**				16,080*					25,992	3,899	29,891		26,517
Nuiqsut	182	DID NOT SUBMIT APPLICATION															
Nulato	382		2,865			1,910		6,150*			4,000*		14,925	5,037	19,962	8,226	10,411
Old Harbor	342	4,104	2,565	684**		1,710	1,710	5,775*					16,548	1,241	17,789		15,781
Ouzinkie	177		1,328			885		1,050*					3,263	245	3,508		3,112
Palmer	2,141	25,692	16,058	4,282**			10,705	26,760*	4,282	75,000*			162,779	6,104	168,883		149,820
Pelican	221		1,658		442	1,105	1,105	1,650*			4,000*		9,960	747	10,707		9,498
Petersburg	3,197	38,364	23,978	6,394**	6,394	15,985	15,985	13,575*	6,394	75,000*	4,000*		206,069	7,728	213,797		189,664
Pilot Station	301	3,612	2,258	602**		1,505		1,500*					9,477	2,843	12,320		10,929
Platinum	58	696	435			290							1,421	426	1,847		1,639
Point Hope	464	DID NOT SUBMIT APPLICATION															
Port Alexander	101		758				505						1,263	47	1,310		1,162
Port Heiden	89		668			445		39,900*			4,000*		45,013	11,816	56,829		50,414
Port Lions	232	2,784	1,740	464**		1,160	1,160	3,660*					10,968	823	11,791		10,460
Quinhagak	451	5,412	3,383					750*			4,000*		13,545	4,064	17,609	3,852	12,204
Ruby	219		1,643			1,095							2,738	924	3,662		3,249
Russian Mission	167	2,004		334**				1,320*			4,000*		7,658	2,297	9,955		8,831
Saint Mary's	436	5,232	3,270	872**		2,180	2,180	8,145* 9,189**			4,000*		35,068	10,520	45,588		40,442
Saint Michael	283	3,396	2,123			1,415					4,000*		10,934	3,280	14,214		12,610
Saint Paul	550	6,600	4,125			2,750		54,450*					67,925	17,830	85,755		76,075

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	CDLA	Total Entitlement	Adjustments	Prorated 88.712% Entitlement
Sand Point	773	5,798		1,546**	1,546	3,865	3,865	18,000*			4,000*		38,620	10,138	48,758		43,254
Savoonga	409	4,908	3,068								4,000*		11,976	3,593	15,569		13,812
Saxman	272		2,040	544**		1,360		4,350*					8,294	-0-	8,294	2,040	5,548
Scammon Bay	193	2,316	1,448	386**		965		1,875*			4,000*		10,990	3,297	14,287	1,255	11,561
Selawik	554	6,648	4,155										10,803	3,646	14,449	3,484	9,727
Seldovia	612	7,344	4,590			3,060	3,060	9,720*			4,000*		31,774	2,383	34,157		30,301
Seward	2,130	25,560	15,975			10,650	10,650	27,518*		75,000*	64,000**		229,353	17,201	246,554		218,723
Shageluk	223		1,673			1,115		3,000* 2,025**			4,000*		11,813	3,987	15,800		14,017
Shaktolik	163	1,956	1,223	326**				5,250* 10,800**			4,000*		23,555	7,067	30,622	6,165	21,696
Sheldon Point	143	DID NOT SUBMIT APPLICATION															
Shishmaref	353	4,236	2,648		706	1,765		2,970*			4,000*		16,325	4,898	21,223		18,827
Shungnak	198										4,000*		4,000	1,350	5,350		4,746
Skagway	877	10,524	6,578	1,754**		4,385	4,385	14,250*			4,000*		45,876	3,441	49,317		43,750
Soldotna	2,365	28,380	17,738	4,730**		11,825	11,825	38,820*					113,318	8,499	121,817		108,066
Stebbins	326	3,912	2,445			1,630							7,987	2,396	10,383	4,843	4,915
Tanana	499	5,988				2,495		16,575*					25,058	8,457	33,515		29,732
Teller	258	3,096				1,290		4,035*			4,000*		12,421	3,726	16,147		14,324
Tenakee Springs	134	1,608	1,005			670	670	1,500*					5,453	204	5,657		5,018
Togiak	455	5,460		910**				7,500*					13,870	3,641	17,511	3,968	12,014
Toksook Bay	336	4,032	2,520	672**		1,680					4,000*		12,904	3,871	16,775		14,881
Tuluksak	231	2,772				1,155					4,000*		7,927	2,378	9,105		9,142
Tununak	299	3,588	2,243								4,000*		9,831	2,949	12,780		11,337

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

Municipality	Pop.	Police	Fire	Air/Water Pollution	Land Use Planning	Parks and Recreation	Transportation	Roads	Health Services	Hospital Facilities	Health Facilities	Constr. Aid	Entitlement	COLA	Total Entitlement	Adjustments	Prorated 88.712%
Unalakleet	632	7,584	4,740	1,264**	1,264	3,160		13,830*			4,000*		35,842	10,753	46,595	1,591	39,924
Unalaska	619	7,428	4,643			3,095		57,630*			4,000* 6,000**		82,796	21,734	104,530		92,731
Upper Kalskag	164	1,968	1,230			820							4,018	1,205	5,223		4,633
Valdez	4,481	53,772	33,608	8,962**	8,962	22,405	22,405	17,430*	8,962	75,000*	4,000*		255,506	47,907	303,413		269,164
Wainwright	429	APPLICATION DENIED															
Wales	130	DID NOT SUBMIT APPLICATION															
Wasilla	2,184							64,575*					64,575	2,422	66,997		59,434
White Mountain	115	DID NOT SUBMIT APPLICATION															
Whittier	292	3,504	2,190	584**		1,460	1,460	15,750*			4,000*		28,948	4,342	33,290		29,532
Wrangell	3,325	39,900	24,938	6,650**	6,650	16,625	16,625	10,560*	6,650	75,000*	4,000*		207,598	7,785	215,383		191,071
Yakutat	442	3,315		884**	884	2,210	2,210	4,965*			4,000*		18,468	1,385	19,853		17,612
TOTAL CITIES		1,369,943	869,394	178,134**	51,856	416,710	300,595	1,100,108* 150,156**	115,142	525,000* 218,000***	300,000* 210,000**	542,226**	6,347,264	1,026,068	7,373,332	61,981	6,486,046

See Page 3 for an explanation of the asterisked amounts under the categories of Air/Water Pollution Control, Roads, Hospitals, Health Facilities and Construction Aid.

<u>Volunteer Fire Departments</u>	<u>Pop.</u>	<u>Entitlement</u>	<u>COLA</u>	<u>Total Entitlement</u>	<u>Prorated Entitlement 88.712</u>	<u>Volunteer Fire Departments</u>	<u>Pop.</u>	<u>Entitlement</u>	<u>COLA</u>	<u>Total Entitlement</u>	<u>Prorated Entitlement 88.712</u>
Akutan	70	525	138	663	588	Mentasta Lake	80	DID NOT SUBMIT APPLICATION			
Arctic Village	128	960	324	1,284	1,139	Metlakatla	1,119	8,393	-0-	8,393	7,446
Atka	81	608	160	768	681	Minto	184	1,380	466	1,846	1,638
Beaver	82	DID NOT SUBMIT APPLICATION				Myers Chuck	39	293	-0-	293	260
Belkofski	58	DID NOT SUBMIT APPLICATION				Nelson Lagoon	43	DID NOT SUBMIT APPLICATION			
Birch Creek	40	300	45	345	306	Nenana	280	2,100	709	2,809	2,492
Chalkyitsik	92	APPLICATION DENIED				Noatak	261	DID NOT SUBMIT APPLICATION			
Chignik	52	DID NOT SUBMIT APPLICATION				Nome	252	1,890	567	2,457	2,180
Chignik Lake	134	APPLICATION DENIED				Northway Village	198	DID NOT SUBMIT APPLICATION			
Chitna	47	DID NOT SUBMIT APPLICATION ON TIME				Pelican	31	233	17	250	222
Circle	45	DID NOT SUBMIT APPLICATION				Perryville	101	DID NOT SUBMIT APPLICATION			
Copper Center	433	3,248	487	3,735	3,313	Pitka's Point	84	DID NOT SUBMIT APPLICATION			
Cordova	445	3,338	501	3,839	3,406	Rampart	64	480	162	642	570
Crooked Creek	107	803	271	1,074	953	Saint George Island	176	1,320	347	1,667	1,479
Delta Junction	725	5,438	816	6,254	5,548	Skagway	48	360	27	387	343
Dot Lake	83	DID NOT SUBMIT APPLICATION				Sleetmute	121	DID NOT SUBMIT APPLICATION			
Glennallen	1,152	8,640	1,296	9,936	8,814	Stevens Village	80	APPLICATION DENIED			
Gulkana	75	DID NOT SUBMIT APPLICATION				Telida	32	240	81	321	285
Iliamna	112	840	221	1,061	941	Toh	854	6,405	961	7,366	6,535
Kipnuk	356	2,670	801	3,471	3,079	Tri-Valley (Healy)	716	5,370	1,612	7,182	6,371
Klukwan	145	DID NOT SUBMIT APPLICATION				Tuntutuliak	240	1,800	540	2,340	2,076
Koliganek	144	1,080	284	1,364	1,210	Twin Hills	76	570	150	720	639
Kongiganak	200	APPLICATION DENIED				Yakutat	126	945	71	1,016	901
Kwigillingob	206	DID NOT SUBMIT APPLICATION ON TIME				TOTAL VFD's		60,942	11,441	72,383	64,213
Levelock	95	713	187	900	798						

HB

886

COMMITTEE REPORT

(7)

HOUSE

2/19/80

FURTHER: FINANCE

Date: 21 Feb 80

Mr. Speaker:

The Committee on COMMUNITY AND REGIONAL AFFAIRS has had HB 886

"An Act making a special appropriation to the Department of Community and Regional Affairs, unorganized borough planning account; and providing for an effective date."

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

- do pass do not pass
- do pass with attached amendments(s) same title
- replace with CS for AB Bids new title
- and recommends it do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

B. P. [Signature]
CHAIRMAN

WO 8002
Chenoweth

Original sponsor: Community and Regional
Affairs Committee

Funding Information

General Fund	\$300,000
Other Funds	- 0 -
	<u>\$300,000</u>

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 886

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Community and Regional Affairs, unorganized
8 borough regional planning account; and providing for an
9 effective date."

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

11 * Section 1. The sum of \$300,000 is appropriated from the general fund to
12 the Department of Community and Regional Affairs, unorganized borough
13 regional planning account, for allocations to unorganized boroughs for the
14 preparation of management programs.

15 * Sec. 2. The unexpended and unobligated portion of the appropriation
16 made by this Act lapses into the general fund June 30, 1982.

17 * Sec. 3. This Act takes effect on the effective date of a version of an
18 Act entitled, "An Act relating to unorganized boroughs, establishing un-
19 organized boroughs, establishing a program of planning assistance for un-
20 organized boroughs, authorizing adoption of home rule charters by unorganized
21 boroughs, and directing submission of recommendations concerning adjustment
22 of the boundaries of service areas of the unorganized borough; and providing
23 for an effective date."

24

25

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 492/HB 886
 Title Appropriation for planning account of the unorganized borough
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Community Assistance Grant
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		40.7	43.9	47.4		
200 TRAVEL		7.2	7.8	8.4		
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT		2.0	.5	.5		
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		49.9	52.2	56.3		

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		49.9	52.2	56.3		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME		1	1	1		
PART TIME						
TEMPORARY						

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

The Department anticipates that one full time position will be needed for administration and coordination of the appropriation within this bill. It is assumed the grant will serve 4 of the 21 areas in the unorganized borough. The position will have to travel to each of the 4 areas on three occasions. It is assumed that grant funds will continue to be appropriated.

Local Government Specialist IV Range 19 - Salary = \$31,824
 Fringes = 8,910
 Travel, 12 trips @ 600 = 7,200
 Equipment & Supplies = 2,000
 \$49,934

(\$500 after FY 81)

IV DATE _____ PREPARED BY Steve Van Sant
 AGENCY Community & Regional Affairs
 PHONE 465-4787
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

AMENDED TITLE:

AN ACT MAKING A SPECIAL APPROPRIATION TO THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS, UNORGANIZED BOROUGH PLANNING ACCOUNT; AND PROVIDING FOR AN EFFECTIVE DATE

\$300,000 (APPROP)

PRIME SPONSOR: HOUSE C&RA COMMITTEE.

CO-SPONSORS:

CURRENT STATUS: 3/26/80 IN (H) FINANCE

DATE	SEQ	PAGE	LEGISLATIVE ACTION
02/19/80	01	0394	FIRST READING -- COMMITTEE REPORTS
03/26/80	02	0772	CRA -- DNF01, CS04, NR02 FINANCE RULES

**** ** ** *** ** *

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS HB 886
 Title Special appropriation to the...unorganized borough regional planning account.
 Requested by Community & Regional Affairs Date 4-22-80

II. FISCAL DETAIL

Agency Affected Community and Regional Affairs
 Program Category Affected Development
 BRU, Program, or Subprogram(s) Affected Local Government Assistance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)
EXPENDITURES (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES		42.2	45.6	49.2	0	0
200 TRAVEL		7.2	6.5	6.0	0	0
300 CONTRACTUAL		2.7	2.9	3.1	0	0
400 COMMODITIES		.3	.3	0	0	0
500 EQUIPMENT		.7	0	0	0	0
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		53.1	55.3	58.3	0	0

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND		53.1	55.3	58.3		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME		1	1			
PART TIME						
TEMPORARY						

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

Starting in FY 81 a Local Government Specialist IV would be hired to administer the \$300,000 appropriation. It is assumed that the \$300,000 appropriation will not last more than 3 years without being replenished. The position will require extensive travel:

Local Government Specialist IV - Range 19 - Salary and Benefits	42.2
Travel 12 trips @ 600	7.2
Contractual (Communications, office space, printing, etc.)	2.7
Commodities and Equipment	1.0
	<u>53.1</u>

Inflation calculated at 8%.

IV. DATE 4-22-80 PREPARED BY Doug Griffin *Dh.*
 AGENCY Community & Regional Affairs
 PHONE 465-1736
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HB

897

COMMITTEE REPORT

(7)

HOUSE

2/21/80

FURTHER:

Date: 5 Nov 30 1980

Mr. Speaker:

The Committee on COMMUNITY AND REGIONAL AFFAIRS has had HB 897

"An Act repealing the limitation on the rate of sales tax which may be levied by a municipality."

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

- do pass do not pass
- do pass with attached amendments(s) same title
- replace with CS for _____ new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING DO PASS

MEMBERS HAVING OTHER RECOMMENDATIONS:

_____ CHAIRMAN



Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol

Juneau, Alaska 99811

Official Business

BILL WORK SHEET

BILL NUMBER 897 RE Repealing limitation of the rate of sales tax

Received from _____
Referred to _____
Fiscal Note _____
LAA Legal Contact _____

HB 921 - Introduced at request of P. Bay for Bethel

CONTACTS: State Affairs Committee (M. Miller)

Sponsor: For Harris -
Why limit to 3% as any sales tax has to
Boroughs can go up to 6%
Cities limited to 3%

Definition of "use tax" not clear.
Use tax could be levied along with sales tax.
1973 QH opinion - didn't Bristol Bay so had to impose sales "use tax". Can call that tax "use tax".

Boroughs & cities limited to 3%.

March 18 - advisory election
3% to 4% - eliminate hearing fees & deposition
Out of 4% - would amount to 1 1/2 % for
TV stations would be lowered
Cable would be saving \$30mm.
Bed tax would be separate

As long as it goes before the people it
is not a problem.

Letter to Bill Bay

United Fishermen Assn. - Sharon Macklin
Concerns re Communities / impose sales tax on
fish. If a left limit
Selective selling by fishermen
Bristol Bay - options don't meet - AB different

Get local note of Co. into re "home rule" (C & RA) } suggests limiting amendment to retail sales



CITY of BETHEL

P. O. Box 388 • Bethel, Alaska 99559

543-2297 — Area Code 907

March 6, 1980

Rep. Bill Parker, Chairman
Community & Regional Affairs
Pouch V
Juneau, Alaska 99811

Rep. Russ Meekins, Chairman
Finance Committee
Pouch V
Juneau, Alaska 99811

The Bethel City Council and Finance Committee have pondered the question of how the local government could receive additional tax dollars that would be fair and equitable. Property tax was ruled out because the City would end up foreclosing on a high percentage of citizens as many of them live off of subsistence or only have seasonal jobs. Fish tax was considered but our boundaries do not cover the point of sale of the fish. The other form of taxation which the Council considered to be fair is a local income tax, as this is the form of revenue that the State and Federal Governments use to fund their services, it should be considered by the legislature.

Since House Bills 897 and 921 have been introduced to increase sales tax from the existing ceiling of 3%, the City of Bethel would like to strongly support its passage by the legislature.

As sales tax is the only viable means of taxation, each community should not be restricted by the present 3% ceiling, it should be a local decision. Each community should have the opportunity to fund its own services through the form of taxation that they feel is the most fair and equitable means.

Your favorable consideration of these bills would be greatly appreciated.

Sincerely,

Lyman Hoffman
City Manager

cc: Rep. Pat Orney
Rep. Pat O'Connell
Sen. George Hohman

Rep. Charles Parr
Rep. Margaret Branson
Rep. Phillip Guy

Rep. Fred Zharoff
Rep. Ray Metcalf
Rep. Vern Hulburt

LH/dla

TELEGRAM

ALASCOM, INC.
PHONE: 586-6442
JUNEAU, AK 99802

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27025 BETHEL ALASKA 73 3-5 210P AST

PMS BILL PARKER

CHAIRMAN COMMUNITY AND REGIONAL AFFAIRS

POUCH V **349**

JUNEAU ALASKA"

THE CITY OF BETHEL WOULD LIKE TO GO ON RECORD IN SUPPORTING
THE INTENT OF HB 897 WHICH WOULD ALLOW EACH MUNICIPALITY TO
DECIDE HOW MUCH SALES TAX VERSUS PROPERTY TAX THEY WOULD LEVY
IN ORDER TO PROVIDE COMMUNITY SERVICES. AS MUCH FREEDOM
IN SELECTING THE LEVEL OF TAXATION AS WELL AS THE SOURCE
OF TAXATION IS WHAT SHOULD BE ALLOWED AS THERE ARE SO MANY
DIFFERENT CIRCUMSTANCES IN ALASKA. HB 897 CERTAINLY IS IN
THE RIGHT DIRECTION.

LYMAN HOFFMAN
CITY MANAGER

RECEIVED

MAR 06 1980

DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

HB

932

COMMITTEE REPORT

(7)

HOUSE

3/4/80

FURTHER: FINANCE

Date: III 4/1 80

Mr. Speaker:

The Committee on COMMUNITY AND REGIONAL AFFAIRS has had HB 932

"An Act creating the office of rural development, and the Rural Development Council; and providing for an effective date."

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

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]

[Signature]
CHAIRMAN



Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

BILL NUMBER AND TITLE: HB 932 Rural Development Council

ORIGINAL SPONSOR: Duncan
RECEIVED FROM: _____

OTHER SPONSORS: _____
FURTHER REFERRALS: Finance

HEARING DATE: 4/11/80

MEMBERS PRESENT:	Bill Parker	X	Pat Carney	X
	Margaret Branson	X	Charlie Parr	X
	Pat O'Connell		Fred Zharoff	
			Ray Metcalfe	X

Gordon Stockdale, Administrative Assistance, Rep. Duncan
Discusses changes in CS work draft with the committee.

Carney - Suggests word change on p. 4 line 14 which would convey the intent of "encourage in the cration and development of enterprises" rather than the use of "corporations".

Metcalfe - Suggests adding a 7-yr. sunset provision.

Branson - Expresses concern that this appears to be just another Council which has no power. What assurance is there that it will do anything?

Stockdale - Believes that having the Lt. Gov. as Chairman of the Council will assure that something is done.

Parr - Suggests that there be wording added on p. 4, a new #6 which would allow that the Council would be responsible for directing the state use of federal money for rural development purposes. This would address Rep. Branson's concern that the group may prove to be powerless.

Concurrence among committee members that these modifications would be made in the Committee Substitute.

COMMITTEE ACTION: CS to be drafted with amendments discussed.

TAPE # 8 SIDE 1 Footage 00-674



Alaska State Legislature

House of Representatives

COMMITTEE MINUTES

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Official Business

BILL NUMBER AND TITLE: HB932 Creating Rural Development Council

ORIGINAL SPONSOR: Duncan
RECEIVED FROM: _____

OTHER SPONSORS: _____
FURTHER REFERRALS: Finance

HEARING DATE: 4/7/80

MEMBERS PRESENT:	Bill Parker	X	Pat Carney	X
	Margaret Branson	X	Charlie Parr	X
	Pat O'Connell	X	Fred Zharoff	X
			Ray Metcalfe	

Gordon Stockdale, Administrative Assistant, Rep. Jim Duncan

Reviews changes in the committee substitute for the committee.

Parker - Questions if there is a need for a definition of "rural"? Stockdale responds that by defining one might create a vacuum for the urban areas and create a need to establish such a Council for the urban areas.

Carney - Believes that the Resource Development Council could do the job for the whole state. Stockdale stresses the need to get a cooperative effort for the rural areas.

Parr - Concerned that the office wouldn't be doing anything specific. Questions what the office can do to create industry. Stockdale says the office could access resource capabilities and facilitate use of such resources. Parr doesn't see that this Council is doing anything "different".

Carney - Doesn't like having just the rural areas addressed. Doesn't like policy statements on p. 1 lines 23-26. The renewable resources of the state should be developed and the Council should be composed of representatives of individual industries (fishing, timbering, etc)

Zharoff - Supports p.1 line 24 statement

Parr - On p. 1 line 24 "if there is an economic base" should be added. Doesn't believe in the statement as it stands.

Carney - Rural like style should be taken into consideration but he doesn't believe it should be given highest priority. Sees this as another bureaucratic office. If the thrust is for whole state concerns, then he questions the statements on p.1 lines 24-26 as a problem.

Bob Palmer, Special Projects Coordinator, Office of the Governor
Reviews President's initiative which led to the

COMMITTEE ACTION:

No action

TAPE # 7 SIDE 1 Footage 260-1505

The concept originated in the White House. It is being interpreted by the Governor's Office as involving wide-spread and broadbased representation. Would use "floating" membership in the group to deal with different problems affecting different areas of the state. Improved economic opportunities would be developed. Solutions would need to be prioritized. The designation of the lead agency has taken place with the Agricultural Council being used and there would be provision for private sector representatives as well. There would be a need for a full time staff. Currently two individuals are being considered for the job of Executive Director. An administrative order on the subject is being developed by the Governor. Core group would be established similar to HB932. Regional aquaculture association would be included. Agriculture Action Council reps would be included. The agricultural potential of various areas needs to be expanded and the bottomfish potential developed.

Parr - What would the office do specifically?

Palmer - Would make agricultural loans available.

Parr - Why is a separate Council needed? Why not use the Office of Commerce and Economic Development?

Palmer - The establishment of this separate group is being suggested because the federal government is requiring such a group and has indicated its interest in working with such a group.

Branson - Federal government hasn't done much to stimulate the economy and she believes it is silly to set up such an office to accommodate the federal government.

Palmer - There is a question of whether the monies which are coming into the state are being wisely spent and this group would establish priorities.

Carney - Development oriented people are not included in the proposed legislation. There would be no gain in the addition of this Council. The economic base of the whole state should be considered.

Palmer - The role of the existing Rural Development Council is different. Parr - That expertise should be used.

Palmer - The Governor is doing that and his Administrative Order should be ready shortly.

Carney - Legislative direction is needed. There should be specialists in different areas of expertise to advise this group.



Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol

Juneau, Alaska 99811

Official Business

BILL NUMBER AND TITLE: HB 932 Creating Office of Rural Development and Rural Development Council

ORIGINAL SPONSOR: Rules/Request of OTHER SPONSORS: _____
RECEIVED FROM: Budget & Audit (Duncan) FURTHER REFERRALS: Finance

HEARING DATE: 3/19/80 Joint Meeting with Senate C&RA
Present: Sturgulewski, Kelly, Mulcahy, Stimson

MEMBERS PRESENT: Bill Parker X Pat Carney X
Margaret Branson X Charlie Parr X
Pat O'Connell X Fred Zharoff X
Ray Metcalfe X

Rep. Jim Duncan and Gordon Stockdale, Aide to Rep. Duncan testify on the internet of HB 932, the history and development of the bill. Addressed their concerns relating to the narrow agency lines which are presently used for developing economic policy for rural Alaska. Want to build a role for the state in rural policy formation and want to bring federal and state resources together.

The specifics of the bill were reviewed and outlined for the Committee by Rep. Duncan.

Sen. Sturgulewski asked if it wasn't the role of the Rural Development Council to develop the policy statements and questioned those on p. 1.

Stockdale - Pointed out the dependency of the rural areas on CETA funding and the instability of such funding and the need to develop self sustaining entities in rural Alaska.

Carney - The Council should be broadened to relate to the whole state. The Council should include representatives from private industry.

Stimson - Questions why the office is in the Office of the Governor rather than C&RA.

Parr - Questions the role of the state in the existence of a village and the policy statements on p.1. Doesn't believe that the state has a role. Asks why the Dept. of Commerce and Economic Development can't handle the functions being proposed for the Council in this bill.

Duncan - The prime role of the Office and Council would be coordinative.

Parr - Suggests addition on p. 1 line 24 of "where there is or can be developed an economic base."

COMMITTEE ACTION:

No action.

TAPE # 4 SIDE 2 Footage 19-1636

Metcalf - Efforts should be coordinated with groups such as the Fairbanks Town and Viallage Association. But there should not be a policy to develop economic support where it can't be developed.

Duncan - This office would cross agency lines.

Parr - Asks relationship with the cooperative Extension Sedrvce and the Rural Development Council.

Stockdale - There are no executive branch members on the Rural Development Council.

Zharoff - Questions the large size of the board (16 members) and asks why Dept. of Commerce and Economic Development isn't included.

Bob Palmer, Special Projects Coordinator, Office of the Governor White House initiated suggestion for a Rural Policy Group. Thrust was to improve living conditions in rural America. Dept. of Agriculture is the lead agency. The Director of Agriculture is the lead person in Region X. Since the Governor's Office is already pursuing development of such a group and the reorientation of the Agricultural group, duplication of effort would result from the passage of this bill. Committee developed in Governor's Office would be an adjunct of the Agricultural Council.

Parr - Asks if Governor is planning to issue an executive order on the subject?

Palmer - Action Council has been given directive and that will be formalized

Stimson - Sees it as inconsistent that Agricultural Council would head up use of rural development money in Alaska. Focus would not necessarily be strictly agriculture.

Zharoff - Asks how Governor is defininf "rural".

Palmer - This has not been defined.

Mike DeMann

Discussed history of Dept. of C&RA and its origin in the Rural Development Office. Concern that there was no operational program to go along with the policy group. Ak. needs to get its own rural policy act together. We can make a stronger case with the federal government if we have our act together. Membership in the Council needs to be broad. Commerce and Ec. Developemtn is a resource as is DPDP. Sees Office as an opportunity to get the State's act together and to maximize initiative of the Federal Government.

Spud Williams, Tanana Chiefs Conference

Concerned that this is another "social club". Statewide organization needs to be decentralized. In the Interior an economic development district has been formed. Why create another organization? We are creating layers and layers of government on the central level. This can't work. Decentralize through the native non-profits. Local control is necessary.

Carney - Shares some of Williams' concerns but not his negative approach.

Williams - Make the existing Departments work. Step on tail of Dept. of C&RA and make it work as an advocacy group. It could in fact be economically oriented. It has a rural perspective or "had" such a perspective.

Jeff Smith, Director of Planning, Maneeluk

Regional Strategies are a broad planning effort currently underway in his region. Economic development needs to be specifically addressed. HB932 is excellent. Past policy is to do things "to" rather than "with" people. People want to have a say.

Parr-If initiative is coming from the people, then State and federal governments should be responded to the requests.

Sturgulewski - Problem is lack of coordination. There is no relationship with operating agencies in the direction of rural policy.



Official Business

Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

TO: Billy Berrier
FROM: Marjorie Gorsuch
DATE: 4/11/80
RE: CS HB932

Billy,

Attached is the latest version of HB 932 which has been passed out of committee with the following modifications to be included in a new CS:

p. 4 Lines 14-15 Rewrite as follows:

- (5) encourage and assist in the creation and use of regional development enterprises.
- (6) subject to the approval of the Governor, an appropriation by the legislature to this council will direct the state use of federal monies for rural development.

Sunset Provision

The Committee also wants provision for a sunset review of this piece of legislation after a seven year period of time.