

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 8672

1247 HCRA SB 329 - SB 612 147

As far as practicable, the hull and machinery has apparently been kept in good order by the operators, but the propulsion engines are reported to be due for overhaul.

The bottom is reported to be in deteriorated condition from vibration and cavitation.

The interior accommodations are worn and need refurbishing of such things as deck ladders, floor coverings, furniture, etc. The heating system is also antiquated.

A sister ship, the YUKON, was recently burned, totally gutting the machinery and accommodation spaces. The ability to control the fire was apparently hampered by the chimney effect of interior passageways, and accessibility and arrangement of firefighting (pumping) equipment. With an engine room fire, the firefighting capability (on the sister ship) was apparently made ineffective by involvement of the pumping equipment. It is apparent, then, that a survey of the firefighting arrangements and equipment should be made to the end that the above conditions will be corrected, and a fire in any area can be isolated and firefighting equipment brought to bear on the fire. The closing off of fuel piping to prevent feeding a fire should be provided for. Closures, such as passage and ladderway doors, with automatic closing to confine spread of fire should be installed.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel (including hull, machinery, equipment, fittings and gear) to the best of the surveyor's ability, without the removal of bulkheads, panelings, ceiling or other portions of her structure, and without the opening up of her machinery and auxiliaries for internal examination. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

It is understood that all outfitting materials, such as tools, fittings, bedding, lube oil equipment, are the property of Yukon Barge Lines with an estimated value at today's prices of about \$50,000.

Also, Yutana Barge Lines has done the following large scale repairs:

About 1958, new propellers/shafts/outboard bearings,
new knuckles estimated cost \$50,000.00

Estimated Replacement Cost: \$1,250,000.00

Estimated Present Value: \$450,000.00
+ 100,000.00

\$ 550,000.00

Without prejudice.

EDWIN E. LINDBECK, SURVEYOR

Enclosures:

13 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD OIL BARGE "FRANK TURNER NO. 1"

Kenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dana, Yutana Barge Lines, Kenana, Alaska, I, the undersigned surveyor, did, on 10 April 1980 and subsequent dates, attend the Alaska Railroad Oil Barge "FRANK TURNER NO. 1" for a Condition and Valuation Survey. I was accompanied on this survey, made with the barge on blocks ashore at Yutana Barge Lines Yard, Kenana, Alaska, by Mr. Jerry Peters of Alaska Railroad, and Mr. Sherwood Clouse of Yutana Barge Lines.

DESCRIPTION:

Alaska Railroad Barge FRANK TURNER NO. 1. Official Number 273,812, is a light steel fuel barge built in Bellingham, Washington in 1952.

The barge is about 100' length, 26' breadth, 4.6' depth, and 105 gross/net tons. The ends are raked all across. The deck is covered with light planks.

There is a small deckhouse (about 8' x 12') aft with a CATERPILLER 30 KW generator.

CONDITIONS NOTED:

Barge was not opened and gas freed for inspection of interior.

Vacool is out of certificate. CERTIFICATE EXPIRES 5-19-82.

The bow has a severe indent to starboard of the centerline, about 3' x 5' to 8' depth, and extending down on the rake.

Port and starboard bow corners are workworn and set-in.

The starboard guard is damaged forward of the #1 bitt, at 6' aft of the bitt, and at two places at midlength. Port guard has similar damage.

Hull sides seem fair and undamaged.

The aft starboard bits are torn off.

Exterior is rusty, but wastage of plate is not apparently severe.

Internal piping reported to need replacing or repair.

Old generator needs removal as unneeded.

Two bunker tanks below aft need removal.

proper pump reported below deck.

CONDITIONS NOTED:

This survey sets forth the condition of the vessel to the best of the surveyor's ability, without the removal of portions of her structure, and without the opening up of her machinery for internal examination. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost:

\$225,000.00

Estimated Present Value:

\$50,000.00

Without prejudice.

EDWIN E. LINDBECK, SURVEYOR

Enclosures:

4 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD OIL BARGE "POLARIS NO. 6"

Kenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dana, Yutana Barge Lines, Kenana, Alaska, I, the undersigned surveyor, did, on 10 April 1980 and subsequent dates, attend the Alaska Railroad Oil Barge "POLARIS NO. 6" for a Condition and Valuation Survey. I was accompanied on this survey, made with the barge ashore on blocks at Yutana Barge Lines Yard, Kenana, Alaska, by Mr. Jerry Peters of Alaska Railroad, and Mr. Sherwood Clouse of Yutana Barge Lines.

DESCRIPTION:

Alaska Railroad Oil Barge POLARIS NO. 6, Official Number 175,265, is a steel barge built in Olympia, Washington in 1941. Formerly under U.S. Department of Defense, Aeronautical Administration.

The barge is about 85.5' length, 21.5' breadth, 4.1' depth; of 62 gross tons.

The deck edge guard is formed by a welded on 3" pipe.

There is no internal piping in this barge.

CONDITIONS NOTED:

Barge was not gas freed and opened for inspection. No reported severe hull damage except as noted below:

Starboard deck edge and pipe guard damaged and workworn all along.

Damage at bow and port bow corner.

Damage to chine on port side.

2 mooring bits need repair. Aft port bitt off.

Oil discharge containment needed around manifold.

Estimate of above repairs needed is \$3,000.00

Exterior hull is rusty but not apparently significantly wasted.

VESSEL IS OUT OF CERTIFICATE. MUST BE RE-INSPECTED.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel to the best of the surveyor's ability. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost:

\$195,000.00

Estimated Present Value:

\$38,000.00

Without prejudice.

Edwin E. Lindbeck, Surveyor

Enclosures:

5 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD OIL BARGE NO. 1

Kenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dana, Yutana Barge Lines, Kenana, Alaska, I, the undersigned surveyor, did, on 10 April 1980 and subsequent dates, attend the Alaska Railroad Oil Barge "NO. 1" for a Condition and Valuation Survey. I was accompanied on this survey, made with the barge on blocks ashore at Yutana Barge Lines Yard, Kenana, Alaska, by Mr. Jerry Peters of Alaska Railroad, and Mr. Sherwood Clouse of Yutana Barge Lines.

DESCRIPTION:

Alaska Railroad Oil Barge No. 1, Official Number . is a lightly built oil barge built about 1945 in Alaska.

The barge is about 120' length, 29' breadth, 6.5' depth; of 207 gross/net tons, and about 3291 bbls. capacity.

The barge is compartmented into 6 cargo compartments with raked bow and stern compartments.

The deck edge is formed by a curved deck plate.

There are flush covers to compartments. These have not been fitted with securing devices.

CONDITIONS NOTED:

This barge was not opened and gas-freed for internal inspection.

It is reported that there is a large residue of hardened top heavy fuel oil in the cargo tanks. This has defied all efforts to remove, and the barge has been out of service for some time. There is no cargo oil handling equipment.

There are reported to be bulkhead cracks and cracks in chime welds incipient in this lightly built hull.

C&V Survey Alaska Railroad Oil Barge No. 1

10 April 1980

There are two small holes in starboard side at about 10' aft of bow, 2-1/2" down from the deck and about 2' x 1' in area.

The guards on deck edge are damaged all along both sides. Sides and deck are work-worn and indented.

Exterior hull is rusted but not apparently severely wasted.

VESSEL IS OUT OF CERTIFICATE.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel to the best of the surveyor's ability. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost: \$250,000.00

Estimated Present Value \$30,000.00

Without prejudice.

Edwin E. Lindbeck, Surveyor

Enclosed:

6 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD OIL BARGE "NO. 2"

Kenai, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dora, Yutana Barge Lines, Kenai, Alaska, I, the undersigned surveyor, did, on 10 April 1980 and subsequent dates, attend the Alaska Railroad Oil Barge "NO. 2" for a Condition and Valuation Survey. I was accompanied on this survey, made with the barge on blocks ashore at Yutana Barge Lines Yard, Kenai, Alaska, by Mr. Jerry Peters of Alaska Railroad and Mr. Sherwood Clouse of Yutana Barge Lines.

DESCRIPTION:

Alaska Railroad Oil Barge NO. 2, Official No. 009399, is a lightly built oil barge built about 1945 in Alaska. The barge is about 120' length, 29' breadth, 6.5' depth; and 260 gross/net tons and about 3291 bbls. capacity.

The barge is compartmented into six cargo compartments with raked bow and stern compartments. At the stern are two skegs and a center push knee.

There is a manifold and diesel engine driven pumping equipment with gages and hoses for cargo transfer.

Along the sides are ullage trunks with VAC-REL vent valves and screened openings.

CONDITIONS NOTED:

Barge had not been gas-freed and opened for inspection.

Skegs are work-worn and damaged at corner.

The hull sides and bottom are work-worn and indented, notably sides at ends in way of rakes, where contacted by tug.

Interrails in forward and aft rakes are noted to be in need of repair.

CERTIFICATE EXPIRES 5-21-81. SCHEDULED FOR RE-INSPECTION.

Cracking of chines has been an incipient problem and there are reported to be internal cracks in the bulkheads.

Estimated cost to make hull repairs is \$20,000.

It is understood the hatches, piping, pumping equipment, was installed in the past by Yutana Barge Lines. Estimated Cost \$35,000.

Due to the lightness of original construction, age, and extensive repairs needed, the barge is believed to be of marginal further usability.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel (including hull, machinery, equipment, fittings and gear) to the best of the surveyor's ability, without the removal of bulkheads, panelings, ceiling or other portions of her structure, and without the opening up of her machinery and auxiliaries for internal examination. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost:	\$300,000.00
Estimated Present Value:	\$40,000.00 (Not including Yutana improvements)
	+ 35,000.00
Without prejudice.	\$ 75,000.00

Edwin E. Lindbeck, Surveyor

Enclosures:

7 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD OIL BARGE "NO. 3"

Kenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Lana, Yutana Barge Lines, Kenana, Alaska, I, the undersigned surveyor, did, on 10 April 1980 and subsequent dates, attend the Alaska Railroad Oil Barge "NO. 3" for a Condition and Valuation Survey. I was accompanied on this survey, made with the barge afloat (iced in) at Yutana Barge Lines, Kenana, Alaska, by Mr. Jerry Peters of Alaska Railroad, and Mr. Sherwood Clouse of Yutana Barge Lines.

DESCRIPTION:

Alaska Railroad Barge NO. 3, Official No. 009,449, is a steel oil barge built at Portland, Oregon in 1953. The barge is about 175' length, 44' breadth, _____ depth, and of 473 gross and net tons.

The barge is compartmented into _____ cargo compartments with raked bow and stern compartments. At the stern are push points, and at the bow are push knees.

There is a manifold and pumping equipment with gages and hoses at the aft deck.

Along the sides are ullage trunks with VAC-RFL vent valves and screened openings.

CONDITIONS NOTED:

At the time of the survey, the upper parts of sides and ends were visible. The interior compartments had not been gas-freed and opened for inspection.

The hull is reported to be in good order except as noted hereafter:

The vessel was in a fire about ten years ago, resulting in the after half of the deck being severely warped and rippled. Associated framing is also damaged. The remainder of the deck forward is workworn and indented, and severely indented in two locations about 5' x 10'.

The sides are workworn and lightly indented.

The guard on the starboard side has a deep indent and crack by the #2 cleat and a deep notch about 4' aft of the #2 cleat.

The aft starboard push point is set-in and hull adjacent set-in.

The estimated cost for repairs to deck, aft push point, and guard is \$70,000.

The vessel is not suitable for its intended use as a cargo fuel barge in its present condition; i.e., damaged deck.

Except as noted above, the vessel is in satisfactory condition and, while due for represervation, is not apparently significantly wasted.

VESSEL IS OUT OF CERTIFICATE, SINCE 5-4-79.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel (including hull, machinery, equipment, fittings and gear) to the best of the surveyor's ability, without the removal of bulkheads, panelings, ceiling or other portions of her structure, and without the opening up of her machinery and auxiliaries for internal examination. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost: \$525,000.00

Estimated Present Value: \$95,000.00

Without prejudice.

Edwin E. Lindbeck, Surveyor

Enclosures:

4 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD OIL BARGE "NO. 4"

Kenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dana, Yutana Barge Lines, Kenana, Alaska, I, the undersigned surveyor, did, on 10 April 1980 and subsequent dates, attend the Alaska Railroad Oil Barge "NO. 4" for a Condition and Valuation Survey. I was accompanied on this survey, made with the barge afloat (iced-in) at Yutana Barge Lines, Kenana, Alaska; by Mr. Jerry Peters of Alaska Railroad, and Mr. Sherwood Clouse of Yutana Barge Lines.

DESCRIPTION:

Alaska Railroad Oil Barge NO. 4, Official No. 009,498, is a steel oil barge built at Portland, Oregon in 1953.

The barge is about 175' length, 44' breadth, 4' depth; and of 473 gross and net tons.

The barge is compartmented into six cargo compartments with raked bow and stern compartments. At the stern are push points and at the bow are push knees.

There is a manifold and pumping equipment with gages and hoses at the aft deck.

Forward is a SKAGIT winch with double drum driven by GM 4-71 diesel engine.

Along the sides are ullage trunks with VAC-REL vent valves and screened openings.

CONDITIONS NOTED:

At the time of the survey the upper parts of sides were visible, and the interior compartments had not been gas-freed and opened for inspection.

Full reported to be in good order except as noted hereafter:

Starboard bow side plating in area of the draft marks is rippled.

C&Y Survey Alaska Railroad Oil Barge NO. 4

10 April 1980

CERTIFICATE EXPIRES 5-3-81. WILL REQUIRE RE-INSPECTION

Sternlog is set-in at the push points in two areas about 6' x 2' x 3'. The sternlog otherwise is workworn.

Hull sides and decks are workworn slightly.

The following is reported to be equipment belonging to Yutana Barge Lines:

SKAGIT double drum winch - \$10,000.00

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel (including hull, machinery, equipment, fittings and gear) to the best of the surveyor's ability, without the removal of bulkheads, panelings, ceiling or other portions of her structure, and without the opening up of her machinery and auxiliaries for internal examination. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost	\$525,000.00
Estimated Present Value	\$165,000.00
	+ 10,000.00
	\$175,000.00

Without prejudice.

Edwin E. Lindbeck, Surveyor

Enclosures:

5 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD OIL BARGE "NO. 5"

Nenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dana, Inzana Barge Lines, Nenana, Alaska, I, the undersigned surveyor, did, on 10 April 1980 and subsequent dates, attend the Alaska Railroad Oil Barge "NO. 5" for a Condition and Valuation Survey.

As it was not possible to view the barge at its wintering over location of Kotlik, Alaska, this survey report is based on the reported conditions and characteristics.

DESCRIPTION:

Alaska Railroad Oil Barge NO. 5, Official No. 295,687, is a steel hull oil barge built at Seattle, Washington in 1964.

The barge is about 175.3' length, 44' breadth, 4.1' depth; and of 495 gross and net tons.

CONDITIONS NOTED:

This survey is based on the reported conditions and characteristics as it was not possible to view the barge at its wintering over location of Kotlik, Alaska.

The barge is reported to be in good order with no notable defects.

CERTIFICATE EXPIRES 5-3-81. WILL REQUIRE RE-INSPECTION.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel as reported and without examination. In submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

The pushknives are workworn but intact, and appear fully effective.

Piping and tank vents are in apparent good order.

Preservation of exterior hull is by black paint on above-water portion. Hull is due for represervation. Underwater hull has little or no paint, and surfaces are rusty but not loose rust. The bottom is lightly workworn and indented.

The interior of the cargo tanks is bare steel — not noted to be rusting. The preservation of interior of forward and aft compartments is good.

It was reported that the cost of hull repairs currently in progress is \$10,000.

It is this surveyor's opinion that, on completion of repairs in progress, the vessel will be in suitable condition to carry out its intended purpose.

CERTIFICATE EXPIRES 4-30-82.

GENERAL CONDITIONS: This survey sets forth the condition of the vessel to the best of the surveyor's ability without the removal of bulkheads or other portions of her structure, and without the opening up of her machinery for internal examination. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

It is reported that the following costs were paid by Yutana Barge Lines in placing into service and operating the barge:

Tow to Honana from Seattle	\$75,000.00
Installation of fuel handling equipment	\$25,000.00

Estimated Replacement Cost: \$625,000.00

Estimated Present Value: \$200,000.00 + ~~\$100,000.00~~ = \$300,000.00

• Value less costs paid by Yutana Barge Lines

Without prejudice.

Edwin E. Lindbeck, Surveyor

Enclosures:
6 Photographs

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD BARGE "WOOB-11"

Kenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dana, Yutana Barge Lines, Kenana, Alaska, I, the undersigned surveyor, did, on 10 April 1979 and subsequent dates, attend the WOOB-11 for a Condition and Valuation Survey. I was accompanied on this survey, made with the barge ashore at Yutana Barge Lines Yard, Kenana, Alaska, by Mr. Sherwood Clouse of Yutana Barge Lines.

DESCRIPTION:

WOOB-11 is a World War II steel ordnance barge, assembled in the field type. The barge is of square corner construction with raked ends and bolted assembly. There is a double bottom over the floor beams. There are heavy mooring bitts. The barge is about 100' length, 30' breadth, 6' depth.

CONDITIONS NOTED:

Barge was not opened up for inspection internally. The external preservation is satisfactory, though due for represervation. No severe hull damages were noted.

It is reported that the barge does not tow well and is heavy, making for an inefficiently handled barge. Also, the metal in the barge is not weldable with materials available to Yutana workmen.

Except as noted above, the barge is apparently suitable for use as a deck cargo barge or incidental use such as a crane platform.

VESSEL IS OUT OF CERTIFICATE.

GENERAL CONDITIONS: This survey sets forth the condition of the vessel to the best of the surveyor's ability. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost: \$250,000.00

Estimated Present Value: \$40,000.00

Without prejudice.

Edwin E. Lindbeck, Surveyor

Enclosure: 1 Photograph

CONDITION AND VALUATION SURVEY

ALASKA RAILROAD BARGE "WOOB-12"

Nenana, Alaska - 10 April 1980

ACTING AT THE REQUEST OF Mr. Jerry Dana, Yutana Barge Lines, Nenana, Alaska, I, the undersigned surveyor, did, on 10 April 1979 and subsequent dates, attend the WOOB-12 for a Condition and Valuation Survey.

As it was not possible to view the barge at its wintering over location of Calena, Alaska, this survey report is based on the reported conditions and characteristics.

DESCRIPTION:

WOOB-12 is a World War II steel ordnance barge, assembled in the field type. The barge is of square corner construction with raked ends and bolted assembly. There is a double bottom over the floor beams. There are heavy mooring bitts.

The barge is about 100' length, 30' breadth, 6' depth.

CONDITIONS NOTED:

This survey is based on the reported conditions and characteristics as it was not possible to view the barge at its wintering over location of Calena, Alaska.

The barge is reported to be in good order with no notable defects. It is reported the barge was sunk and later pumped out. Presumably there may be more internal corrosion therefrom.

It is reported that the barge does not tow well and is heavy, making for an inefficiently handled barge. Also, the metal in the barge is not weldable with materials available to Yutana workmen.

Except as noted above, the barge is apparently suitable for use as a deck cargo barge or incidental use such as a crane platform.

VESSEL IS OUT OF CERTIFICATE.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel as reported and without examination. In submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

Estimated Replacement Cost: \$250,000.00

Estimated Present Value: \$35,000.00

Without prejudice.

Edwin E. Lindbeck, Surveyor

CERTIFICATE EXPIRES 5-3-51. WILL REQUIRE RE-INSPECTION.

The deck is lightly set down between frames.

It is reported the barge has a tendency to develop transverse hull cracks in the mid body.

GENERAL CONDITIONS:

This survey sets forth the condition of the vessel (including hull, machinery, equipment, fittings and gear) to the best of the surveyor's ability, without the removal of bulkheads, panelings, ceiling or other portions of her structure, and without the opening up of her machinery and auxiliaries for internal examination. It represents the honest and unbiased opinion of the surveyor, but, in submitting this survey, it is understood by all parties concerned that such survey is not to be considered a guarantee of its accuracy, nor does it create any liability on the part of the surveyor arising out of the reliance on information contained in such survey.

It is reported that the barge is of foreign manufacture and on an exception from the Jones Act. Conditions of this exception are not known, but a purchaser should have clarification.

Estimated Replacement Cost: \$325,000.00

Estimated Present Value: \$75,000.00

Without prejudice:

Edwin E. Lindbeck, Surveyor

Enclosures:

3 Photographs

Standard Form 128
February 1965
Prescribed by General
Services Administration
FPMR (41 CFR) 101-45.303

REPORT OF PERSONAL PROPERTY FOR SALE

PAGE 1 OF 2 PAGES

1. FROM (Name and address of owning agency. Please include ZIP code)
The Alaska Railroad, FRA/DOT
Pouch 7-2111
Anchorage, AK 99510

2. REPORT NO.
SUP 81-001
4. FSC GROUP
See below

3. DATE
5. TOTAL ACQUISITION COST

6. PUBLIC MAY INSPECT PROPERTY BY CONTACTING (Name, address, telephone number. Please include ZIP code)
Pouch 7-2111
Anchorage, AK 99510

7. PROPERTY LOCATED AT
Yutana Barge Lines
City of Nerana
Nerana, AK 99760

8. TO
General Services Administration, Region
Property Management and Disposal Service
CSX Center
Auburn, WA 98002
Attention: Chief, Sales Branch

9. LOAD-ING BY SOFT
(a) ACTIVITY WILL LOAD FOR FREIGHT
 (1) YES (2) NO
(b) EXIST (if checked "Yes")
10. PROPERTY IS EXCHANGEABLE
 (a) YES (b) NO
11. PROPERTY IS SURVEILLANCE
 (a) YES (b) NO

12. SEND EXECUTED SALES DOCUMENTS TO (Name and address. Please include ZIP code)
The Alaska Railroad, FRA/DOT
Pouch 7-2111
Anchorage, AK 99510

13. REPORT FORWARDED TO (Appropriation, fund, symbol and title)
69X4400
14. STATION REPORT SYMBOL OR STATION ACCOUNT NUMBER
69-25-0003

15. UTILIZATION AND DONATION SCREENING REQUIREMENTS COMPLETED. PROPERTY IS AVAILABLE FOR SALE. BY (Signature and title)

16. PROPERTY LIST (Use continuation sheet, if necessary)

ITEM NO. (a)	ITEM NO. ASSIGNED BY GSA (b)	COMMERCIAL DESCRIPTION AND CONDITION (c)	UNIT (d)	NUMBER OF UNITS (e)	ACQUISITION COST	
					PER UNIT (f)	TOTAL (g)
1		Grinder, electric, hand ARR P/N 11094 Condition Code 4	ea.	1	80.00	80.0
2		Grinder, electric, pad, 8" ARR P/N 11044 Condition Code 4	ea.	1	285.00	285.0
3		Grinder, electric, too post ARR P/N 11045 Condition Code 4	ea.	1	260.00	260.0
4		Grinder, electric, pad, 3 H.P. ARR P/N 11127 Condition Code 4	ea.	1	275.00	275.0
5		Press bench, hand, 5 ton ARR P/N 11080 Condition Code 4	ea.	1	200.00	200.0

17. RECEIPT OF PROPERTY AT GSA SALES SITE OR CENTER ACKNOWLEDGED
SIGNATURE AND TITLE
DATE

18. RECEIPT OF REPORT IS HEREBY ACKNOWLEDGED
SIGNATURE AND TITLE
DATE

FOR GSA INTERNAL USE ONLY

19. DATE OF... 20. TYPE OF SALE... 21. INSPECTION DATED... 22. BID OFFERING DATE AND TIME

REPORT OF PERSONAL PROPERTY FOR SALE
(CONTINUATION SHEET)

FROM (Name and address of owning agency. Please include ZIP Code)
The Alaska Railroad, FRA/DOT
Pouch 7-2111, Anchorage, AK 99510

FSC GROUP

See below SUP 81-001

REPORT NO.

PROPERTY LIST

ITEM NO. (a)	ITEM NO. ASSIGNED BY GSA (b)	COMMERCIAL DESCRIPTION AND CONDITION (c)	UNIT (d)	NUMBER OF UNITS (e)	ACQUISITION COST	
					PER UNIT IN	TOTAL IN
6		Safe, metal, combination, 24" X 26" X 42" ARR P/N 11147 Condition Code 4	ea.	1	200.00	200.00
7		Saw, table, DeWalt, Size 4 ARR P/N 11100 Condition Code 4	ea.	1	400.00	400.00
8		Saw, hack, electric ARR P/n 11139 Condition Code 4	ea.	1	150.00	150.00
9		Saw, power, electric, DeWalt, 5 H.P. ARR P/N 13207 Condition Code 4	ea.	1	350.00	350.00
10		Shaper, electric, Atlas Model 78 ARR P/N 13079 Condition Code 4	ea.	1	400.00	400.00
11		Drill press ARR P/N 13080 Condition Code 5	ea.	1	100.00	100.00
12		Crawler D7 Cat, (no blade or boom) Model 548 ARR P/N 13215 Condition Code 9	ea.	1	3000.00	3000.00
13		Crawler Crane, Bucyrus Erie, 45 Ton ARR P/N C0047 Condition Code 8 (Located at Galena, Alaska)	ea.	1	9150.00	9150.00
14		Lathe, metal ARR P/N 13078 Condition Code 4	ea.	1	600.00	600.00
					TOTAL	15,450.00

RESOLUTION NO. 80-10

WHEREAS; The City of Nenana is the major river port entry for all the communities on the Yukon River Drainage and;

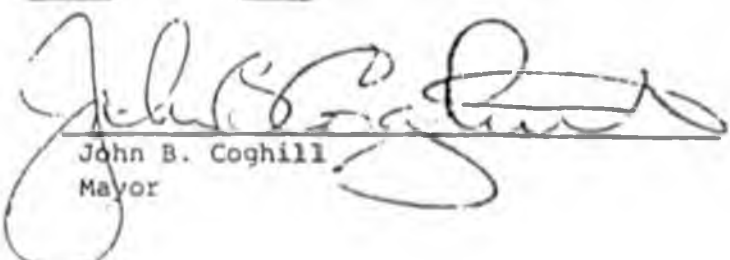
WHEREAS; The Rail, Highway connections to this trade area has been located at Nenana since 1920 and;

Whereas; The U.S. Government has expressed its intent to dispose of its interest in the Barges and Tugs operating on this drainage by a Public Sale regardless as to where they may be used and;

Whereas; The City of Nenana feels that the interest of all the communities on the Yukon River system as well as the economy of Nenana would suffer irreparable harm if such action is allowed to happen by the G.S.A. of the U.S. Government.

Now therefor be it resolved that the Common Council of the City of Nenana hereby authorize the Mayor, or his designated representative, to negotiate the purchase and transfer of all its floating stock, docks, and adjoining land, and related equipment from the Alaska Railroad to the City of Nenana.

ADOPTED by the City Council of the City of Nenana, Alaska this 30 day of AUGUST, 1980 by a vote of 4 for and 0 against.


John B. Coghill
Mayor

Introduced: 8/30/80

Adopted: 8/30/80

Attest: Kathie Show
City Clerk

ORDINANCE NO. 81-2

AN ORDINANCE AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS IN THE AMOUNT OF \$2,500,000.00 TO FUND PURCHASE FROM THE ALASKA RAILROAD, DEPARTMENT OF TRANSPORTATION, UNITED STATES OF AMERICA, OF THE PORT FACILITIES AND RIVER STOCK OF THE ALASKA RAILROAD LOCATED AND BASED AT NENANA, AND PROVIDING FOR A SPECIAL ELECTION.

BE IT ENACTED BY THE CITY OF NENANA, ALASKA:

1. The City Council of the City of Nenana, Alaska finds that the existence and continued operation of the port facilities of Nenana are essential to the economic health and growth of the City.

2. The City Council finds that the Alaska Railroad plans or has been directed to dispose of the port facilities and river stock at Nenana, creating a serious and substantial risk that the port will cease to exist.

3. The City Council finds that it has authority under Alaska law to create, own, operate and manage a port facility, and that ownership and operation of the port facility by the City will be in the best interests of the citizens of the City and the public at large.

4. The City Council finds that the City has the resources and capability to operate and manage the port facilities.

5. The City Council finds that the purchase price negotiated between the City and the Alaska Railroad for the port facilities and river stock, Two Million Five Hundred Thousand Dollars, is a fair and reasonable price for the facilities and river stock to be purchased.

6. The City Council finds that lessees exist who are willing to lease portions of the port facilities and river stock to provide common carrier services from the port facilities, and that rent paid under such leases will be adequate to meet the obligations the City will incur in financing the purchase of the port facilities and river stock.

7. The City Council therefore authorizes and approves the issuance of general obligation bonds in the total amount of \$2,500,000.00, payable from lease revenues and upon the full faith and credit of the City, to bear interest at a maximum rate of ten percent per annum or such lower rate as may be acceptable to the purchaser, with interest accruing from such date as the City Council may provide.

8. The question of whether the general obligation bonds will issue shall be put to the city voters at a special election on Tuesday, February 24, 1981, as the following ballot question:

Shall general obligation bonds in the amount of \$2,500,000.00 be issued by the City of Nenana, Alaska, for the purpose of purchasing the port facilities, barges and tugs of the Alaska Railroad?

9. The City Clerk of the City of Nenana, Alaska shall cause notice of the special election to be given in the manner required by Alaska Statutes and the Nenana Code of Ordinances, and shall cause notice of the total existing bonded indebtedness of the City of Nenana, Alaska to be published at least once a week for three consecutive weeks, with the date of first publication at least twenty days prior to the special election.

CITY OF NENANA, ALASKA

JOHN B. COGHILL, MAYOR

INTRODUCED: January 23, 1981

ADOPTED: _____

ATTEST: _____
City Clerk

(Seal)

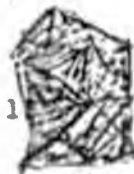
This "Letter of Intent" was taken that afternoon to Dave Rose of the Alaska Municipal Bond Bank, where a sequence of events was arrived at which would provide for the securing of 2.5 million dollars financed by primary source (general obligation) bonds. Revenue bonds had been considered, but with the prevailing high interest rates, revenue issues were expected to approximate the 30 Utility Index (10.84%), while general obligation bond interest rates would approximate the 20 Bond Index (9.90%). A one percent interest differential applied to 2.5 million dollars could mean the difference between an economically feasible project and one that wouldn't show a positive cash flow.

So structured, the City of Nenana began the procedures necessary to obtain local voter approval of the issuance of 2.5 million dollars in general obligation bonds. The ordinance authorizing this issuance of general obligation bonds was introduced on January 23, 1981. A public hearing and adoption of the ordinance was held on February 2, 1981, with the public election on the bond issuance scheduled for February 24, 1981.

To strengthen its position with potential investors in the bonds to be issued, the City of Nenana pursued a "Letter of Intent" with the current operator of the commercial tug and barge service on the Tanana and Yukon Rivers. Such a "Letter of Intent" to establish a "Net" or "Dry" Lease was signed by Mayor Jack Coghill and Larry Shelver (President of Yutana Barge Lines and WATCO, Inc.) on February 2, 1981.

The main goal of the City of Nenana's efforts to obtain control of the Railroad's interest in the river tug operation is to continue the existing river transportation services. The Nenana port facilities and river transportation system provide significant employment in Nenana and its vicinity. They are vital to the continued growth and development of Nenana, and to the general well being of the many remote communities located along the Yukon River and its tributaries, which depend upon the Nenana port facilities and river transportation system for delivery of freight and petroleum products.

Prepared by Steve Bainbridge February 12, 1981



arguably a ten year contract - not a good contract
Contract Expired w/ Yutana
Barge Line - same as last year
Sale of Barges - use the money for port facility →
Proposal in formal form
Apr 6-10 - Share in construction and hold equity in project →

THE PRECEDING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

S

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CSSB 368 (Finance)

RE: LOCAL SERVICES ROADS AND TRAILS

BILL ANALYSIS

Section 1. Allows acquisition of right of ways for secondary roads and local service roads. Places the secondary highway system under the local service roads and trails program (LSR&T).

Section 2. Allows LSR&T funds to go directly to first class cities which are eligible under the program. Under current law only home rule cities within boroughs are covered.

Section 3. Requires that five-year plans for acquisition and construction of local service roads and trails be submitted annually by eligible local governments for approval by the Commissioner. The Commissioner must submit a state five-year plan, which includes approved local five-year plans, to the Governor before December 1 of the fiscal year.

Section 4. Allows local governments to participate financially in the acquisition and construction of local service roads and trails.

Section 5. Provides that the costs of right of ways acquisition shall be charged to the project allocation.

Section 6. Allows local governments which have assumed road powers to enter into project agreements with the Commissioner for the acquisition and construction of a specific project.

Section 7. Allows the Commissioner to delegate power to approve contracts to local governments which have assumed road powers.

Section 8. Each project shall be administered by the department in accordance with established state guidelines except where there is a delegation of the power to approve contracts (See Sec. 7 above).

Section 9. Clarifies existing statutory language stating that local governments which have assumed road powers and supervise LSR&T projects may establish design standards. LSR&T projects under the supervision of the state are constructed to state design standards.

Section 10. Defines "local government" to include unified municipalities and first class cities.

Section 11. Defines "secondary road" as any road which is not included on the approved Federal-aid primary highway system and is being maintained by the state or local government.

Section 12. Gives second class boroughs the power to participate jointly with the state in the construction of local service roads and trails. This power may be exercised by ordinance and does not require election to adopt the power.

SENATE BILL 368

Reported back on April 8 by Transportation with the committee recommending as follows: Senator Ray - no recommendation. Dankworth, Kerttula and Gilman signed - do pass. To finance

May 14 - Finance Committee considered SB 368 and recommended it be replaced with CS for SB 368 (FIN) and it do pass. Report was signed by Bennett, and concurred in by Sackett, Stimson, Sturgulewski, Eliason and Ferguson. Attached a new zero fiscal note

Referred to Rules Committee/

S

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COMMITTEE REPORT

HOUSE

FURTHER: TTW 5

Date: 5/27/81

Mr. Speaker:

The Committee on COMMERCE AND CONSUMER AFFAIRS has had TTW 5

[Faint text: The committee has had the opportunity to review the bill and has concluded that it is in the best interests of the State of Tennessee to pass it for a five...]

under consideration and reports it back as follows:

- 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:

CHAIRMAN

Article 4. Rural Development.

Section

- 130. Powers and duties
- 140. Limitations
- 145. Bulk fuel storage facilities grant fund

Section

- 150. Village land conveyed in trust
- 155. Loan information officers

Sec. 44.47.130. Powers and duties. To promote development of rural areas of the state, the department is authorized to

(1) investigate social and economic conditions of rural areas to determine the need to expand economic opportunities and improve living conditions;

(2) formulate a coordinated program to broaden and diversify the economic base of rural areas;

(3) coordinate administration of emergency relief, surplus food distribution, or other public assistance programs, except the regular relief and assistance programs of the federal government in rural areas;

(4) formulate and conduct a program of construction of bulk facilities to improve health, welfare and economic security and provide employment and income in the rural areas;

(5) promote training and educational programs designed to expand employment opportunities for residents of rural areas;

(6) enter into agreements with other state agencies and departments to provide for the distribution in rural communities of surplus electrical power from state-owned power sources located in those communities and to expend funds for this purpose.

(7) make grants to communities for bulk fuel storage facilities;

(8) cooperate with the Department of Environmental Conservation and other agencies to provide technical assistance to communities in the installation, operation and management of bulk fuel storage facilities. (§ 2 ch 200 SLA 1972; am § 1 ch 183 SLA 1972; am § 38 ch 83 SLA 1980)

Reviser's note. — In ch. 183, SLA 1972, AS 44.47.130(8) appeared as AS 44.19.610(12). Chapter 200, SLA 1972, repealed the sections on the Rural Development Agency, including AS 44.19.610, and replaced them with provisions in AS 44.47. The history of the

183 and 200 SLA 1972 suggest that the legislative intent of ch. 200 was to repeal the amendments made in ch. 183, and AS 44.19.610(12) has been appropriately renumbered. Effect of amendment. — The amendment added paragraphs (7) and (8).

Sec. 44.47.140. Limitations. A program of the department under AS 44.47.130 in a rural area may not exceed \$40,000 in a cost a year, except that a grant of not more than \$60,000 may be made under AS 44.47.145 for a bulk fuel storage facility. (§ 1 ch 165 SLA 1972; am § 3 ch 200 SLA 1972; am § 1 ch 114 SLA 1978; am § 39 ch 83 SLA 1980)

Reviser's note. — In ch. 165, SLA 1972, Chapter 200, SLA 1972, repealed the sections on the Rural Development Agency. AS 44.47.140 appeared as AS 44.19.620

Title 43
Revenue and Taxation

Title 44
State Government

Title 45
Public Utilities
and Commerce

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Development
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 The history of chs. 165 and 200, SLA 1972,
 suggests that the legislative intent of ch.
 200 was not to repeal the amendments
 made in ch. 165, and AS 44.19.620 has
 been appropriately renumbered.

Effect of amendments. — The 1978
 amendment substituted "\$40,000" for
 "\$20,000" in paragraph (1).
 The 1980 amendment rewrote the sec-
 tion.

Sec. 44.47.145. Bulk fuel storage facilities grant fund. (a) There
 is established in the Department of Community and Regional Affairs
 the bulk fuel storage facilities grant fund. Grants may be made by the
 department from this fund to a community to acquire and install
 community bulk storage facilities.

(b) Grants made under this section for the acquisition and
 installation of a bulk fuel storage facility may not exceed \$60,000 per
 community.

(c) If the governing body of two or more communities determine that
 their fuel requirements may be served by a single bulk fuel storage
 facility, the communities may jointly apply for grants to acquire and
 install a single bulk fuel storage facility. When communities apply
 jointly under this subsection, the limitation in (b) of this section is
 multiplied by the number of communities which submit the joint appli-
 cation.

(d) Before a grant is made under this section, the city council or, if
 the community is not incorporated, a responsible representative body
 in the community shall agree in writing to maintain and operate the
 bulk storage facility to be constructed with the proceeds of the grant.
 (§ 40 ch 83 SLA 1980)

Sec. 44.47.150. Village land conveyed in trust. (a) The commis-
 sioner of the Department of Community and Regional Affairs is
 designated to accept, administer, and dispose of land conveyed to the
 state in trust by village corporations under § 14(c)(3) of the Alaska
 Native Claims Settlement Act (P.L. 92-203, 85 Stat. 703) for the
 purposes specified in that section.

(b) Transfer of land by sale, lease, right-of-way, easement, or permit,
 including transfer of surface resources, may be made by the commis-
 sioner only after approval of an appropriate village entity such as the
 traditional council, a village meeting, or a village referendum. Such
 approval shall be by resolution filed with the department.

(c) Within one complete state fiscal year after the incorporation of a
 municipality in the village or of a municipality which includes all or
 part of the village, land acquired under this section shall be conveyed
 without cost to the municipality, and the municipality shall succeed to
 all the entrusted interest in the land.

(d) Separate accounts shall be maintained in the name of each
 village for the land, including the revenues from the land, acquired
 under each village corporation under this section, and within 90 days of
 the close of each state fiscal year a statement of the account for each

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 422

Title An Act amending grant limits for certain programs of the Department of Community

Requested by Senator Sackett

Date April 23, 1981

II. FISCAL DETAIL

Agency Affected Department of 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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		0	0	0		

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		0	0	0		
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		0	0	0		
PART TIME						
TEMPORARY						

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

This bill would raise the maximum amount for grants that are made under the Rural Development Assistance (RDA) and Bulk Fuel Storage (BFS) grant programs. It should be noted that the Governor's FY 1982 budget requests \$3 million for RDA grants, a threefold increase in funding for this program. If the Governor's request is enacted, along with this bill, the number of grants to rural communities will still increase even though each grant could be substantially more than the present \$40,000 maximum. Irrespective of the number of grants available, this bill would make the RDA and BFS programs

more meaningful and useful to rural communities. To accomplish anything in rural Alaska for \$40,000 the community must either provide a very large local match, phase the project over more than one building season, or settle for a renovation project versus new construction.

(continue)

IV. DATE April 23, 1981

PREPARED BY Doug Griffin

AGENCY Community & Regional Affairs

PHONE 465-4736

Original: Legislative Finance

cc: Budget and Management

With the anticipated reductions in CETA and other federal funding, the resources available to a community are reduced. Phasing projects generally makes the project more expensive and more difficult to manage. Renovation is often simply a "patch-up" job and is less desirable in many cases because of additional costs associated with maintaining and operating an older facility.

The Governor is not proposing the same massive increases in BFS funding, but some of the same problems mentioned earlier apply to this new program. The reduction in Federal grant funds to match State money, the probable loss of CETA labor, and the rising costs of labor and material make construction of safe bulk fuel storage facilities for under \$60,000 a questionable proposition. Raising the ceiling should improve the quality of bulk fuel storage projects and will address the inflating costs of these projects.

OVERVIEW OF RURAL DEVELOPMENT
GRANT AWARDS IN THE STATE OF
ALASKA, F. Y. 1977 TO PRESENT.

PREPARED BY:

Department of Community and
Regional Affairs

Division of Local Government
Assistance

FEBRUARY 1981
JUNEAU, ALASKA

FISCAL YEAR 1981

RDA GRANT AWARDS FY '81

(July, 1980 Review)

<u>Community</u>	<u>Description</u>	<u>RDA Grant Award</u>	<u>Total Proj. Cost</u>
Angoon	Renovation of Town Hall	\$38,900	N/A
Rampart	Teen Center	11,400	
Stebbins	Build Headstart/Day Care Facility	40,000	
Chuathbaluk	Electrical Generators	40,000	
Aniak	Fire Station	40,000	
Bethel	Library Expansion	26,000	
Dillingham	Water Improvement/Dock Area	40,000	
Akhiok	Renovate Community Bldg.	32,100	
Kachemak	City Hall	40,000	
Houston	City Hall	15,000	
Tok	Fire Truck	40,000	
Mentasta	Community Hall	31,000	
Copper Center	Community Hall	40,000	
King Cove	Diesel Fuel Service Line	33,700	

(January, 1981 Review)

Hoonah	Renovate City Hall/Jail	\$40,000	N/A
Metlakatla	Senior Citizen's Center	40,000	
Minto	Fire Hall	40,000	
Chalkyitsik	Generator Purchase	40,000	
Kivalina	Rehab. Community Center	21,000	
Nulato	City/Fire Hall	40,000	
Kwigillingok	Electrification	40,000	
Atka	Boat Repair Shop	31,100	
Levelock	Public Dock Repair	40,000	
Kachemak	Municipal Bldg.	40,000	
Chickaloon	Community Center	25,000	

FISCAL YEAR 1980

Addendum to RDA Grant Awards FY '80

(January, 1980 update)

<u>Community</u>	<u>Description</u>	<u>RDA Grant Award</u>	<u>Total Project Cost</u>
Pelican	Rewire Small Boat Harbor	\$40,000	\$84,755
Chalkyitsik	Health Clinic	25,500	35,315
Circle	Health Clinic	24,000	35,315
Evansville	Health Clinic	27,500	35,815
Russian Mission	Comprehensive Electrification Study	13,000	18,030
Saint Mary's	Health Clinic Repair	7,000	9,330
Newtok	City Office Building	22,300	23,304
Chefornak	Electrical Distribution System	17,250	40,169
Akutan	Hydroelectric Power	5,000	494,950
Ekwok	Construct a Powerhouse	10,250	19,703
Nelson Lagoon	(Diesel) Electric Generator	40,000	38,996
Twin Hills	Electrical Distribution System	31,850	40,973
Seldovia	Repair City Dock/Expand City Offices	40,000	41,190
Kenny Lake	Community Well	22,000	29,910

RDA GRANT AWARDS FY '80 (through October, 1979)

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>RDA GRANT AWARD</u>	<u>TOTAL PROJECT COST</u>
Angoon	Rehabilitate Community Building: Joint Venture CETA	\$ 18,990.00	\$ 52,152.00
Atka	Health Clinic	40,000.00	78,723.00
Chevak	Youth and Senior Citizen Facility	29,350.00	53,964.00
Craig	Phase II: Public Works Building	40,000.00	60,825.00
Haines	Rehabilitate Building for Preschool Programs: Joint Venture HUD/CDBG	10,000.00	58,250.00
Kaltag	Health Clinic	29,700.00	36,285.00
Kasilof	Rehabilitate for Day Care/Community Center	40,000.00	67,744.00
Koliganek	Health Clinic	29,200.00	44,092.00
Kotzebue	Rehabilitate Building for Day Care: Joint Venture CETA & IRA Council	35,610.00	42,137.00
Ninilchik	Ambulance/Training Building	22,000.00	38,613.00
Saint Michaels	Rehabilitation for City Office/Jail	9,650.00	15,938.00
Senior Citizens of Interior Alaska (Spruce Grove)	Arts and Crafts Learning Center and Workshop: Joint Venture Fairbanks North Star Borough	40,000.00	127,803.00
Sutton	Rehabilitate old Fire Hall for Community Building	25,600.00	33,796.00
Tatitlek	Phase II: Bulk Fuel Storage	22,500.00	50,000.00
Teller	Purchase land and building for City Office/Library	40,000.00	45,000.00
Unalakleet	Phase II: Municipal Building	38,650.00	82,586.00
Yakutat	Dock Repair	40,000.00	88,750.00

FISCAL YEAR 1979

RDA GRANT AWARDS FY '79

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>RDA GRANT AWARD</u>	<u>TOTAL PROJECT COST (\$)</u>
Akolmiut	City office and jail	\$23,200.00	\$27,000.00
Andreafski	Community Hall	40,000.00	55,400.00
Atka	Reindeer station and fencing	40,000.00	134,000.00
Cantwell	Joint venture with CETA: Community Hall	37,600.00	108,900.00
False Pass	Upgrade airfield for commercial use: Joint venture with DOT/PF & APIA.	6,000.00	55,200.00
Haines	Harbor water extension: joint venture with Dept. of Environmental Conservation	11,200.00	34,000.00
Kasaan	To purchase sanitary facilities equipment in coordination with USPHS, IHS	40,000.00	362,200.00
Kimuk	Community building with offices	20,000.00	26,400.00
Kwigillingok	Joint venture with CETA: Phase II, Electrification	38,000.00	52,900.00
Manokotak	Electrification, Phase IV	20,000.00	24,800.00
Mountain Village	Joint venture: City, Traditional Council, Azachorak Village Corporation, and LPW/EDA for a fish processing plant.	39,500.00	275,700.00
Nenana	Nenana Meeting Hall (city the applicant on behalf of Nenana Native Council) Joint venture with CETA	24,250.00	79,500.00
Newhalen	Health Clinic	21,150.00	23,600.00
Nightmute	Health Clinic	34,000.00	49,700.00
Ouzinkie	Health Clinic, joint venture with CETA & KANA	38,000.00	69,700.00
Port Graham	Rehab building for fire hall. Joint venture HUD (\$70,000 for fire engine).	17,000.00	39,200.00

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>RDA GRANT AWARD</u>	<u>TOTAL PROJECT COST (\$)</u>
Port Lions	Heavy equipment garage and fire hall	40,000.00	59,400.00
Sand Point	Emergency Vehicle/Fire Truck	38,000.00	<i>54,930.00</i>
Savoonga	Municipal office building	25,377.00	42,700.00
Saxman	Phase II of water project, joint venture with US PHS	27,000.00	467,410.00
Scammon Bay	Joint venture with the City, HUD/CDBG, CETA and Traditional Council: Recreation Facility	40,000.00	244,100.00
Shishmaref	Community machine shop: joint venture with CETA	29,000.00	48,000.00
Thor e Bay	To complete Phase II of the food cooperative store	38,000.00	61,600.00
Tok Voluntary Fire Department	Fire equipment, Phase I; joint venture U.S. Forest Service	40,000.00	65,000.00
Tuluksak	Joint venture with CETA Health Clinic	23,800.00	40,900.00
Tyonek	Air field upgrading, Phase II	20,000.00	40,000.00
Twin Hills	Electrical feasibility & design study	11,000.00	11,100.00
Unalakleet	Municipal office building, Phase I	20,000.00	20,500.00
Unalaska	Electrical feasibility & design study	40,000.00	50,000.00

FISCAL YEAR 1978

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>AWARD AMOUNTS</u>
Akiachak	City office and mini jail facility.	\$15,951.54
Akiak	Upgrade health clinic.	\$ 4,000.00
Allakaket	Health Clinic	\$20,000.00
Anderson	Phase I: Community Center	\$20,000.00
Angoon	Water Project	\$19,826.00
Atmoutluak	City offices and mini jail	\$15,952.00
Bethel	Day Care Nursery facility	\$20,000.00
Cooper Landing	Joint venture with U. S. Forest Service: renovation of community center and recreation facility.	\$18,700.00
Craig	Municipal vehicle storage and repair yard.	\$20,000.00
Deering	Front end loader	\$ 9,200.00
Dillingham	Remodeling of firehall and addition of training center	\$20,000.00
English Bay	Community Building with tribal office	\$20,000.00
Fortuna Ledge/ Marshall	Joint venture with CETA: Headstart Building	\$20,000.00
Goodnews Bay	Health Clinic	\$19,954.00
Haines	Joint venture with EDA: Municipal Building	\$20,000.00
Homer	Joint venture with City and Homer Museum: Marine room and research library.	\$19,770.00
Hughes	Joint venture with HUD: Washateria and health clinic	\$20,000.00
Kasaan	Community Building: Health clinic, city offices, IRA office, and meeting room.	\$20,000.00

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>AWARD AMOUNTS</u>
King Cove	Harbor Master House	\$20,000.00
Kipnuk	Public Casualty: Supercharger to keep community electricity until the EDA project is finished.	\$ 2,000.00
	Supplement	\$ 277.06
Kivalina	Renovation of Health clinic.	\$18,504.89
Klawock	Phase II, Camper Park	\$20,000.00
Koliganek	Electrification	\$20,000.00
Koyukuk	Electrification Study	\$ 3,500.00
Manokotak	Phase II: Electrification	\$20,000.00
Mat-Su Borough (for Butte)	Joint venture with EDA: Fire Station for Butte.	\$20,000.00
Nikolai	Phase III: Electrification	\$20,000.00
Ninilchik	Health Clinic	\$20,000.00
Old Harbor	Renovation of old school building into Head Start Center	\$20,000.00
Ouzinkie	Powerhouse and generator	\$16,755.00
Palmer	Sidewalk/curb projects for City Hall and Transportation Museum	\$20,000.00
Pedro Bay	Health Clinic	\$11,568.75
Perryville	Generator Housing	\$11,521.00
Portage Creek	Clinic/Post Office	\$13,647.91
Rampart	Health Clinic	\$15,471.83
Savoonga	Renovation of Head Start Center	\$ 2,086.00
Saxman	Phase I: Water project	\$20,000.00

COMMUNITYDESCRIPTIONAWARD AMOUNTS

St. George	Supplement to RDA #1: Pay employers share of FICA	\$ 265.79
Seldovia	Phase I: Water system: Joint venture with EDA, HUD, EC	\$20,000.00
Shungnak	Health Clinic (remodel)	\$19,008.00
Talkeetna	Volunteer Fire Department: Finish firehall.	\$20,000.00
Tanacross	Joint venture with CETA and PL 94-638: Community complex with health clinic, city office, and space for rent.	\$20,000.00
Tatitlek	Phase I: Bulk storage (fuel)	\$19,100.00
Thorne Bay	Coop Store	\$20,000.00
Togiak	Health Clinic	\$18,953.77
Toksook Bay	Joint venture with CETA: Head Start Building	\$20,000.00
Tyonek	Airfield expansion	\$17,500.00
Wasilla	Phase II, Library: Joint venture with State Library?	\$20,000.00

FISCAL YEAR 1977

RDA GRANT AWARDS FY '77

<u>COMMUNITY</u>	<u>DESCRIPTION</u>	<u>AWARD AMOUNT</u>
New Stuyahok	Health Clinic	\$20,000.00
Iloatak	Joint venture with E.D.A.: machine repair shop	\$18,000.00
Palmer	Joint venture with Alaska State Fair: Foundation and reassembling Transportation museum	\$20,000.00
Pelican	Joint venture with Division of Waters and Harbors: dock warehouse	\$20,000.00
Port Lions	Joint venture with Divison of Waters and Harbors: dock renovation and repairs	\$20,000.00
Ruby	Phase 3 - electrification	\$20,000.00
Saint Paul	Renovation of city complex for office rentals	\$20,000.00
Sand Point	Harbor master house	\$20,000.00
Selawik	Joint venture with E. D. A.: machine repair shop	\$18,000.00
Tenakee Springs	Joint venture with Divison of Waters and Harbors: dock warehouse	\$20,000.00
Wainwright	Joint venture with HUD Block Grant and North Slope Borough: community complex, including mini-hotel	\$20,000.00
Wasilla	Joint venture with State Libraries: Phase I foundation for public library and offices	\$20,000.00
Yakutat	Demolition of cold storage facility damaged by fire	\$20,000.00

USFB
5519

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

Date: _____

Mr. Speaker:

The Committee on SECURITY & NATIONAL AFFAIRS has had 36 days

NA - Act relating to public orders; and providing for effective date.

under consideration and reports it back as follows:

- do pass do not pass
- do pas 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

(C) the minority leaders of each house of the legislature.

(d) Votes required to be conducted under (c) of this section may be conducted by teleconference. (§ 1 ch 170 SLA 1980)

Cross reference. — For the 1980 special appropriation to the reserve for emergency operating expenses account, see Chapter 171, SLA 1980, in the

Temporary and Special Acts binder.

Effective date. — Section 2, ch. 170, SLA 1980, makes this section effective July 1, 1980.

Article 4. Uniform Purchasing.

Section

230. Competitive bids

Sec. 37.05.230. Competitive bids. In the manner provided in this chapter and rules and regulations established under it

(4) the provisions of this section relative to competitive bids do not apply to contracts for the operation of transportation systems for students to and from the schools within the state, as are authorized under AS 14.09.010; and these contracts may be awarded by bid or negotiation and, at the discretion of the Board of Education, may be awarded for periods of three years or less;

Revisor's note. — The reference to AS 14.09.010 in paragraph (4) was originally a reference to AS 14.10.070. Chapter 98,

SLA 1966 revised Title 14 and the substance of AS 14.10.070 became AS 14.09.010.

Article 5. General Provisions.

Section

315. State grants

Sec. 37.05.300. Interpretation of chapter.

Chapter applicable to University of Alaska. — See note under this catchline following chapter analysis.

Sec. 37.05.315. State grants. (a) When an appropriation is made as a grant to a municipality, the Department of Administration shall promptly notify the municipality of the availability of the grant. When the Department of Administration receives an agreement executed by the municipality which provides that the municipality (1) will spend the grant for the purposes specified in the appropriation; (2) will allow, on request, an audit by the state of the uses made of the grant; and (3) assures that, to the extent consistent with the purpose of the appropriation, the facilities and services provided with the grant will be available for the use of the general public, the Department of Administration shall pay the grant directly to the municipality. The agreement executed by a municipality under this section shall be on a form furnished by the Department of Administration.

Not less than 20 percent of the grant shall be paid to the municipality within 10 days of the effective date of the agreement. The remainder of the grant shall be paid either in monthly installments equal to the amount of grant money the municipality expended in the previous month or in a lump sum as determined by the Department of Administration.

(b) An appropriation for a grant to a municipality for construction of a public facility lapses if substantial, ongoing work on the project has not begun within five years after the effective date of the appropriation.

(c) In accepting a grant of money for construction of a public facility, each municipality covenants with the state that it will operate and maintain the facility for its practical life and that it will not look to the state to operate or maintain the facility or pay for its operation or maintenance.

(d) When an appropriation is made to a department as a grant for a named recipient which is not a municipality, the department to which the appropriation is made shall promptly notify the named recipient of the availability of the grant and request the named recipient to submit a proposal to provide the goods or services, or both, for which the appropriation is made. At the same time, the department shall issue a request for proposals from other qualified persons to provide the same goods or services, or both, in the same area. The department shall contract with the named recipient unless the Office of the Governor, with due regard for any local expertise or experience among those making proposals, determines that an award of the contract to a different party would better serve the public interest. If the contract is awarded to another party than that named by the legislature, the basis of that action shall be stated in writing at the time the grant is issued. The purchase of the goods or services, or both, shall be in accordance with AS 37.05.230(1)(C).

(e) A grant to a municipality must be made within 60 days after the effective date of the appropriation. A contract under (d) of this section must be executed within 60 days after the effective date of the appropriation.

(f) A grant to an unincorporated community made under this section shall be disbursed as follows:

(1) Within 45 days after the effective date of the appropriation, the Department of Community and Regional Affairs shall notify the governing body of the unincorporated community, if any, that a grant is available.

(2) The Department of Community and Regional Affairs shall determine whether there is a qualified incorporated entity in the community area which will agree to receive the grant and administer it, subject to terms generally applicable to private grantees. If there is more than one such entity, the Department of Community and

Regional Affairs shall select the entity to be awarded to that incorporated entity. The Department of Community and Regional Affairs shall give preference to an incorporated community for receipt of the grant.

(3) If there is no incorporated entity, the Department of Community and Regional Affairs shall award the program directly or through a contractor. The department may contract in the community area.

(g) Notwithstanding the provisions of the Fiscal Procedures Act (AS 37.07), a department may impose additional requirements on a grantee, specific or otherwise, that are required by the federal programs. (§ 1 ch 156 SLA 1980)

Effective date. — Section 2 of SLA 1980, makes this section effective.

Chapter 0

Section

- 20. Responsibilities of the governor
- 60. Governor's recommendations
- 80. Program execution

The University of Alaska is exempt from the provisions of this section. February 28, 1977. Op. Atty Gen. There is no constitutional issue.

Sec. 37.07.020. Res

(d) The governor shall report to the legislature, report to the Senate and Audit Committee the results of the study.

- (1) alternate levels of state; and
 - (2) alternative investment programs.
- (am § 4 ch 18 SLA 1980)

Effect of amendment. — The 1980 amendment, effective 1980, added subsection (d).

Regional Affairs shall select the most qualified and the grant shall be awarded to that incorporated entity for the purposes of the appropriation; however, the Department of Community and Regional Affairs shall give preference to a nonprofit corporation organized by a community for receipt of the grant.

(3) If there is no incorporated entity qualified to receive the grant, the Department of Community and Regional Affairs shall administer the program directly or through agents or contractors with whom it may contract in the community area.

(g) Notwithstanding the Administrative Procedure Act (AS 44.62), the Fiscal Procedures Act (AS 37.05), and the Executive Budget Act (AS 37.07), a department may not adopt regulations or impose additional requirements or procedures to implement, interpret, make specific or otherwise carry out the provisions of this section unless required by the federal government for participation in federal programs (§ 1 ch 156 SLA 1980)

Effective date. — Section 2, ch. 156, July 2, 1980, in accordance with AS SLA 1980, makes this section effective 01.10.070(c).

Chapter 07. Executive Budget Act.

Section

- 20. Responsibilities of the governor
- 60. Governor's recommendation
- 80. Program execution

The University of Alaska is subject to the provisions of this chapter. February 28, 1977, Op. Att'y Gen.
There is no constitutional obstacle to

making the University of Alaska subject to the provisions contained in this title. February 28, 1977, Op. Att'y Gen.

Sec. 37.07.020. Responsibilities of the governor.

(d) The governor shall annually, before the convening of the legislature, report to the legislature through the Legislative Budget and Audit Committee the long-range fiscal and economic consequences of

- (1) alternate levels of capitalization of the investment funds of the state; and
 - (2) alternative investment policy for the general fund surplus.
- (am § 4 ch 18 SLA 1980)

Effect of amendment.
The 1980 amendment, effective April 9, 1980, added subsection (d).

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

STATE OF ALASKA

THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

Rep. J. J. J. J. J.
Rm 604
FINANCE DIVISION
POUCH WF-STATE CAPITOL
JUNEAU, ALASKA 9981.
PHONE: (907) 465-3795

MEMORANDUM

TO: Senator Ed Dankworth, Co-chairman,
Senate Finance Committee

FROM: *J. H. Hogan*
JAY H. HOGAN, Director
Legislative Finance Division

DATE: May 7, 1981

The attached draft relating to grants has been drafted in consultation with the attorneys from Ely, Guess and Rudd, who are handling the Legislature's suit against the Governor over numerous vetoes of grants contained in last year's General Appropriations Act. This is essentially a housekeeping measure and makes no changes in the provisions of the three types of grants provided for in chapter 156 passed last year.

The proposed changes to the existing law can easily be seen on the attached draft.

1. Page 1 - lines 4, 5, 12, and 19
Page 2 - lines 5 and 6
Page 3 - lines 11 and 12

The three types of grant provisions are changed to provide that grants may be either "appropriations" or "allocations". In the lawsuit, the Attorney General argues that since the existing grants law does not mention allocations, grants that are written as allocations are not grants subject to the new law.

2. Page 2 - line 11
Page 3 - lines 25 and 26
Page 4 - line 3

In several instances the phrase "as specified in the Appropriations Act" is added to make it clear that whatever the Appropriations Act sets out as the purpose of the appropriation is the purpose of the appropriation. Again, in legal argument on the current case, the Attorney General argues some appropriations made last year are for no purpose and therefore cannot be for a "public purpose".

3. Page 2 - line 13

Departments are authorized to issue requests for proposals rather than directed to. If a state agency has no problem with a named recipient it would appear to be a waste of everyone's time to require an RFP in those circumstances where the department feels comfortable about making the grant to the named recipient.

4. Page 2 - line 21

The existing statute does not name anyone to receive the written comments of the Governor regarding his decision not to award a grant to a named recipient. The draft would require that his reasons be sent to the Legislative Budget and Audit Committee.

5. Page 3 - line 4

"no state agency" is substituted for "a department" in the section prohibiting adoption of additional regulations to make it clear that department or otherwise, no state agency is to adopt additional regulations or requirements.

c. Page 1 - line 4
Page 2 - line 5
Page 3 - line 11

Finally, each of the three types of grants is given an individual section in the statutes, and a brief title.

Attachmen
JHH:dh

1981 '51

SB 550 cont'd

Letter of Intent on SB 550 follows:

The State Affairs Committee recommends that CS FOR SENATE BILL NO. 550, entitled: "An Act making an appropriation to the Office of the Governor, State Commission for Human Rights; eff. date", do pass.

It is the intent of the Committee that these funds will not be used to increase the staff of the Human Rights Commission. The funds will be given to the rural employment rights programs and local human rights commission so that they can provide services to their respective areas on a non-discriminatory basis.

/s/ V. Fischer
Vic Fischer, Chairperson

/s/ Mike Colletta
Mike Colletta, V-Chairperson

/s/ Brad Bradley
Brad Bradley

/s/ Dick Eliason
Dick Eliason

/s/ Terry Stinson
Terry Stinson

SB 559

The Finance Committee submitted a new amendment No. 1 to SENATE BILL NO. 559 to replace the amendment offered on page 1081 of the Senate Journal:

Page 2, line 5: following "maintenance," add: "This requirement does not apply to a grant for money for repair or improvement of an existing facility operated or maintained by the state at the time the grant is accepted if the repair or improvement for which the grant is made will not substantially increase the operating or maintenance costs to the state."

Page 4, line 1 | delete extra "not"

HB 359

The Finance Committee considered CS FOR HOUSE BILL NO. 358 (FIN) (supplemental appropriations to the Department of Health and Social Services and Department of Labor and amending 1980-1981 general appropriations Act) and recommends it be replaced with SENATE CS FOR CS FOR HOUSE BILL NO. 358 (FIN) and reports it back as follows: Senator Bennett, Co-Chairman and Senators Sackett and Danworth signed "no recommendation". Senators Eliason, Sturgulewicz and Stinson signed "do pass".

S

B

6

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2

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

(5)

3/31/82

Date: 4/22/82

Mr. Speaker:

The Committee on COMMUNITY & REGIONAL AFFAIRS has had SB 612

"An Act relating to increasing the amount of corporate income tax revenue that may be shared with municipalities."

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

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]
 CHAIRMAN

(b) A resident individual is entitled to a tax credit equal to 16 percent of the tax credit claimed by the individual on his federal income tax return for household and dependent care services necessary for his personal employment.

(c) The commissioner of revenue shall pay the amount of a tax credit allowed by this section to a resident individual who makes a return as provided in AS 43.20.015. A credit under this section shall be paid in the manner provided in AS 43.20.030(e) for the payment of refunds and payment may not be made without an appropriation for that purpose.
§ 2 ch 1 SSSLA 1980; am § 2 ch 1 SSSLA 1980; § 2 ch 2 SSSLA 1980)

Editor's amendments. — Section 9, ch 1 SSSLA 1980 substituted "§100" for "§9" in the introductory language of subsection (a).

Effective dates. — Section 12 of ch. 1 provides that this section is retroactive to January 1, 1980, and § 10 of ch. 2, pro-

vides that this section is retroactive to January 1, 1979.

Editor's notes. — For legislative findings and purpose of the enacting legislation, see § 1, ch. 1, SSSLA 1980, and § 1, ch. 2, SSSLA 1980, in the 1980 Temporary and Special Acts and Resolves.

Sec. 43.20.015. Individual tax credit.

Repealed by § 10 ch 1 SSSLA 1980 and § 9 ch 2 SSSLA 1980.

Editor's notes. — The repealed section, derived from § 1, ch. 144, SLA 1978. For legislative findings and purpose of

repealing acts, see § 1, ch. 1, SSSLA 1980, and § 1, ch. 2, SSSLA 1980, in the 1980 Temporary and Special Acts and Resolves.

Sec. 43.20.016. Sharing of corporate income tax revenue with municipalities. (a) There is established within the Department of Revenue the municipal assistance fund. The legislature may appropriate to the fund during each fiscal year an amount equal to or greater than 10 percent of the income tax revenue received by the state under AS 43.20.015(e) and AS 43.21.010 — 43.21.120 for the previous fiscal year. The Department of Revenue shall distribute money from the fund to each organized borough and each city of any class on an annual basis as provided in (b) and (c) of this section. A borough or city may not receive payment under (b) or (c) of this section until it submits to the Department of Revenue a resolution approved by the governing body of the municipality that requests the funds. Distribution of money from the fund to a city or organized borough with a fiscal year beginning on January 1 shall be made on February 1 of the state fiscal year for which the appropriation to the fund is made. Distribution of money from the fund to all other cities and organized boroughs shall be made on June 1 of the state fiscal year for which the appropriation to the fund is made. A borough or city that incorporates after December 31 of a state fiscal year is not eligible for a distribution under this section until the following state fiscal year.

(b) The base amount to be distributed from the fund to each borough and city for the fiscal year shall be the amount received by the borough

Tax 31
New Cities
and Employees

Tax 32
Public Revenue
and Employees

Tax 33
Public Revenue

Tax 38
Public Lands

or city during fiscal year 1978 under AS 43.70.080; however, if the amount appropriated to the fund by the legislature under (a) of this section is insufficient for distribution of the full base amount, the Department of Revenue shall prorate the amount available for distribution on the basis of amounts received during fiscal year 1978 under AS 43.70.080. A city incorporated within an organized borough after June 30, 1977 shall receive as a base amount a share of the amount distributed to the borough in which it is located based on the ratio of population in the city to the total population in the borough. A city incorporated outside an organized borough after June 30, 1977 shall receive as a base amount the amount received by the city in the state most closely approximating it in population at the time of its incorporation. A borough incorporated after June 30, 1977 shall receive as a base amount the amount received by the borough in the state most closely approximating it in population at the time of its incorporation.

(c) If the amount in the fund at the time of distribution exceeds the base amount to be distributed under (b) of this section, the excess amount shall be distributed to each borough and city on the basis of population. For the purpose of this subsection, the population of a city within an organized borough shall be deducted from the population of the borough. Population, for the purpose of this section, shall be as certified by the commissioner of community and regional affairs.

(d) The intent of (c) of this section is that local governments which levy property taxes reduce those levies in reasonable proportion to the amount of increased state aid received by a local government. The governing body of each local government shall furnish a notice with the tax statement describing its use of this increased state aid. (§ 2 ch 144 SLA 1978; am § 1 ch 51 SLA 1981)

Effect of amendments. — The 1981 amendment added the fourth through seventh sentences of subsection (a).

Editor's notes. — Section 6, ch. 144, SLA 1978, provides: "TRANSITIONAL RULES FOR REVENUE SHARING UNDER THIS ACT. The revenue raised under AS 43.70 (AS 43.70.020 — 43.70.120) which relates to the 1978 calendar year (including the \$25 license fee due March 1, 1978 and the fee on the total gross receipts for 1978 which accompany

returns filed in 1979 under AS 43.70.030(d)) is the source of revenue to be shared in 1979 in accordance with AS 43.70.080. The increase in the corporate income tax which goes into effect in 1979 is the source of revenue to be shared with the municipalities under AS 43.20.016 in 1980 and subsequent years. This Act does not entitle any organized borough or any city of any class to revenue under both AS 43.70.080 and AS 43.20.016, for the same period of time."

Sec. 43.20.017. Individual tax exemptions.

Repealed by § 10 ch 1 SSSLA 1980 and § 9 ch 2 SSSLA 1980.

Editor's notes. — The repealed section derived from § 1, ch. 22, SLA 1980.

For legislative findings and purpose of repealing act, see § 1, ch. 1, SSSLA 1980, and § 1, ch. 2, SSSLA 1980, in the 1980

Temporary and Special Acts and Resolutions. In *Williams v. Zobel*, Sup. Ct. Order (File No. 8400-8421), P.2d (Sept. 4, 1980), the supreme court held the tax exemption (AS 43.20.017) enacted by ch.

22 SLA 1980, unconstitutional as violative of the equal protection provision of art. I, § 1 of the Alaska constitution.

Sec. 43.20.021. Internal Revenue Code.
(a) Subtitle F and chapter 1 of subchapter C of the Internal Revenue Code, Public Law 83-591, as amended, and any amendments thereto, are a part of AS 43.20.010 — 43.20.350. The Internal Revenue Code adopted and amended by reference as a part of AS 43.20.010 — 43.20.350 on January 1 following the effective date of the Internal Revenue Code by AS 43.20.010 — 43.20.350 unless exceptions of AS 43.20.010 — 43.20.350 apply.

(b) For purposes of calculating the tax liability of holding companies provided for in the Internal Revenue Code § 541, the rate is 12.6 percent.

(c) For purposes of calculating the tax liability provided for in the provisions of the Internal Revenue Code, the rate is 4.5 percent for corporations.

(d) Where a credit allowed under the Internal Revenue Code is allowed in computing Alaska income tax, the amount of credit for purposes which is attributable to

(e) Repealed by § 10 ch 1 SSSLA 1980.

(f) For the purpose of calculating the tax liability for preferences provided for in §§ 56 and 58 of the Internal Revenue Code (26 U.S.C. §§ 56 — 58), the rate is 16 percent, the applicable minimum federal tax rate.

(g) For purposes of calculating the tax liability provided in § 531 of the Internal Revenue Code of the first \$100,000 of accumulated taxable income in 1975; am §§ 1, 2 ch 125 SLA 1976; §§ 3 — 5, 10 ch 1 SSSLA 1980; a

Effect of amendments. — The first 1980 amendment, retroactive to January 1, 1980, in subsection (d), deleted "of the amount of the credit determined for federal income tax purposes" following "is limited to 16 percent", inserted "and fiduciaries," and added "of the amount of credit determined for federal income tax purposes which is attributable to Alaska", and added subsection (g).

The second 1980 amendment, retroactive to January 1, 1980, deleted "and 4 percent for individuals and fiduciaries" from the end of subsection (c), "16 percent

- 4/12/82 Notified OCAA to testify
- 4/12 - He will send comparison costs -
- 4/12 - Called David Rogers / Bankwork's Office -
- 4/12 - Requested Back-up from D. Rogers.
- 4/12 - Notified Dept of Revenue @ 4:20pm

2/22 Committee Mtg - ~~Frank~~

Chitwood - AMH

When Cross to the Tax was repealed - MIA was enacted -
 and was not longer dedicated
 Nurses used last years (6482) entitlements for
 day relief. ~~in~~



STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAN 21 1982

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

January 20, 1982

The Honorable Donald E. Gilman
Chairman
Senate Community and Regional
Affairs Committee
Room 203 - Behrends Building
Juneau, AK 99811

Dear Senator Gilman:

Re: Senate Bill No. 612

Senate Bill No. 612, an Act relating to increasing the amount of corporate income tax revenue that may be shared with municipalities, was introduced in the Senate on January 11, 1982, and was referred to the Senate Community and Regional Affairs and Finance Committees.

For consideration of the Senate Community and Regional Affairs Committee, I am enclosing copies of Fiscal Notes prepared by Mr. P. A. Wall, Director, Administrative Services Division, and Mary Ellen Frank, Research Analyst, Research Section, Department of Revenue, concerning the proposed legislation.

Sincerely,

R. D. Stevenson
Special Assistant

RDS:jas

Enclosure

cc: The Honorable Don Bennett
The Honorable H. E. Dankworth
Co-Chairmen
Senate Finance Committee

Joseph K. Donohue
Deputy Commissioner, Taxation
Department of Revenue

P. W. Wall, Director
Administrative Services Division
Department of Revenue

Vincent Wright
Research Section
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. SB 612
Title Relating to increasing the amount of corporate income tax revenue that may be shared with municipalities Date _____

REQUESTED BY _____
II. FISCAL DETAIL
Agency Affected Revenue
Program Category Affected Revenue Collection and Management
BRU, Program, Or Subprogram(s) Affected Administration & Support, Admn. Svcs.
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
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		-0-				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

There is no effect upon administrative costs.

IV. DATE January 18, 1982 PREPARED BY 
AGENCY Revenue
PHONE 465-2313

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 612
 Title An Act relating to municipal revenue sharing.
 Requested by Senate Community & Regional Affairs Date 1/11/82

II. FISCAL DETAIL

Agency Affected _____
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (~~Thousands~~ ^{Millions} of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	(223)	(101)	(119)	(125)		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

SEE ATTACHMENT.

IV. DATE 01/20/82 PREPARED BY Mary Ellen Frank
 AGENCY Dept. of Revenue
 Original: Legislative Finance PHONE 465-2173
 cc: Budget and Management
Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Revenue Sharing Impact
(Millions of Current Dollars)

FY	Corporation Taxes (Previous Statutes)		TOTAL Corp. Taxes (TCT)	10% TCT	Corporation Taxes (Current Statutes)		TOTAL Corp. Taxes (TCT)	10% TCT	30% TCT	FY
	43.20 Non Petroleum	43.21 Petroleum			43.20 amended Non Petroleum	43.20 amended Petroleum				
82	\$35	\$1047	\$1082	\$108	\$31	\$713	\$744	\$74	\$223	82
83	42	1101	1143	114	31	304	335	34	101	83
84	49	1233	1282	128	37	360	397	40	119	84
85	56	1436	1492	149	42	373	415	42	125	85

The comparisons, for illustrative purposes only, reveal what would have been shared if previous statutes had been in effect versus what will in fact be shared, assuming this proposal is implemented in conjunction with current statutes. The aforementioned general fund numbers represent total amounts of revenue to be shared under this proposal.

February 4, 1982

The Honorable Jaimar Kerttula
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Mr. President:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill which revises the revenue sharing and municipal assistance programs for municipalities and unincorporated communities in the state.

During fiscal year 1982, over \$140 million will be distributed to local governments under the revenue sharing and municipal assistance programs. The Department of Community and Regional Affairs has examined these programs and found that the following problems exist with both programs:

1. revenue sharing emphasizes tax effort and ability to raise taxes while municipal assistance emphasizes population and tax relief;

2. municipal assistance distributes money according to outdated indicators of business activity and is linked to the declining corporate income tax collections;

3. revenue sharing, which was revised in 1980, contains a provision that reduces the impact of the distribution formula by requiring that the amount of assistance be determined by the historical amount of appropriations;

4. localities are growing increasingly dependent on the state for the financing of property tax relief and increased local services at a time when state revenues continue to fall and a constitutional spending limit is being considered by the voters of the state;

5. municipal assistance encourages municipal incorporation while revenue sharing does not; and

6. the revenue sharing and municipal assistance programs are administered by two principal departments which have different reporting and accountability requirements.

To correct these problems, I am proposing legislation to consolidate revenue sharing and municipal assistance to provide one program of assistance to local governments. The consolidated program will have a level of funding that is at least equal to the proposed fiscal year 1983 level and will increase in future years at a reasonable rate that can be accommodated by the state budget.

Specifically, this bill repeals AS 43.20.016 which provides for the municipal assistance fund in the Department of Revenue and requires all assistance to be distributed under the revenue sharing program of the Department of Community and Regional Affairs. The bill provides that each recipient under the new program will receive at least the entitlement provided in fiscal year 1983. Any amounts appropriated to the program in excess of that required to meet this requirement must be distributed under the revenue sharing formula.

To promote local responsibility and accountability for service delivery, the bill requires that at least 50 percent of the assistance received by a municipality be dedicated to the provision of basic services. The remaining 50 percent could be used for any other lawful purpose determined by the municipality.

To facilitate local service delivery, I propose that the legislature adopt a statement of intent which clearly provides that future appropriations for assistance to local governments will increase at the same rate of increase established for the proposed constitutional spending limit amendment. As a corollary to this pledge, I believe that it is also appropriate for the legislature to pledge to "draw the line" on the amount of assistance provided through other appropriations to state agencies for basic municipal services. These appropriations should be annually reduced in the same manner as the assistance programs are increased.

The bill increases the minimum entitlement for each municipality to at least \$100,000. The current minimum entitlement is \$25,000 adjusted by an area cost-of-living differential. The higher amount is needed to promote capacity for self-government in small communities.

By this bill, I propose to create a separate program of financial assistance for unincorporated communities. The current revenue sharing program provides for a payment of \$25,000 to Alaska Native village governments. The Department of Law has concluded that this assistance must be

shared with all unincorporated communities and that all recipients must contract for specific service delivery rather than using state money for general administrative purposes. This bill deletes the current provision and amends the existing rural development assistance grant program (AS 44.47) to allow all unincorporated communities to apply for grants up to \$100,000 for capital projects, operation and maintenance expenses, or community services. The bill also allows the department to contract directly with Native village governments in unincorporated communities where that entity is the most appropriate service provider. However, these entities must remain accountable for their agreements to provide these services. Under this bill, a Native village government must waive its immunity from suit before it contracts with the state to provide services under a rural development assistance grant.

I believe that this legislation provides a simpler system of assistance to local governments and will result in a more equitable sharing of the state's financial resources.

Sincerely,

Jay S. Hammond
Governor

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5
JUNEAU, ALASKA 99811
PHONE: (907) 465-2300

February 4, 1982

The Honorable Donald E. Gilman
Chairman
Senate Community & Regional Affairs Committee
Pouch V
Juneau, AK 99811

Re: Senate Bill No. 612

Dear Mr. Chairman:

This Bill would amend AS 43.20.016(a) to increase the portion of net income tax proceeds from 10 percent to 30 percent that the Legislature may appropriate to the Municipal Assistance Fund. While the Administration believes that the methods of providing municipal assistance should be re-examined and overhauled (and will shortly be introducing legislation to that effect), the rationale in SB 612 for increasing this formula program from 10 to 30 percent is that legislation enacted last year significantly shifted State tax revenues from the oil and gas income tax to the oil and gas severance tax.

As a consequence that revenue shift between tax types, the amount of income taxes the State will collect in the future is materially reduced. For example, in FY 83, under the old oil and gas income tax laws, the revenue to the State would have been \$1086.8 million (according to the Legislative Finance Division). Add this to the \$35 million we project for the rest of the income tax, and the total income tax revenues the State would be receiving in FY 83 would have been \$1121.8 million. With the new law, we foresee some \$304 million in income tax in FY 83 from the oil industry and the same \$35 million, making a total of \$339.0 million.

You can see that the formula 10 percent of the revenues under the old income tax laws would be \$112.18 million, whereas with the new laws it is \$33.90 million. If the 10 percent figure were changed to 30 percent, the formula amount under the new income tax laws would be \$101.70 million. Thus, if the formula approach is the one that the State continues to follow (and bear in mind that the Administration believes there are better alternatives to provide for municipal revenue sharing), the increase in the percentage from 10 to 30 percent under SB 612 would very nearly restore the formula amount of income that may be shared with the municipalities to the level it would have been had oil and gas tax revenues not been shifted away from the income tax to the severance tax.

Donald / Pete

FEB 4 1982

then to bill file

Senator Don Gilman (SB 612)
February 4, 1982
Page 2

I hope this will be useful for your Committee in its deliberations on SB 612. Please do not hesitate to contact me if you have any further questions on the foregoing matters.

Sincerely,



Thomas K. Williams
Commissioner of Revenue

TKW:tw

cc: Senator Ed Dankworth

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 - BUREAU 99811

January 20, 1982

The Honorable Donald E. Gilman
Chairman
Senate Community and Regional
Affairs Committee
Room 203 - Behrends Building
Juneau, Alaska

Dear Senator Gilman:

Re: Senate Bill No. 612

Senate Bill No. 612, an Act relating to increasing the amount of corporate income tax revenue that may be shared with municipalities, was introduced in the Senate on January 11, 1982 and was referred to the Senate Community and Regional Affairs and Finance Committees.

For the consideration of the Senate Community and Regional Affairs Committee, I am enclosing copies of Fiscal Notes prepared by Mr. P. A. Wall, Director, Administrative Services Division and Mary Ellen Frank, Research Analyst, Research Section, Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson
Special Assistant

The Honorable Don Bennett
The Honorable M. E. Darkworth
Co-Chairmen
Senate Finance Committee

Joseph K. Donohue
Deputy Commissioner
Department of Revenue

P. A. Wall, Director
Administrative Services Division
Department of Revenue

Vincent Wright
Research Section
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. SB 612
Title Relating to increasing the amount of corporate income tax revenue that may be shared with municipalities Date _____

REQUESTED BY
II. FISCAL DETAIL
Agency Affected Revenue
Program Category Affected Revenue Collection and Management
BRU, Program, Or Subprogram(s) Affected Administration & Support Admn Svcs.
(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 82	FY 83	FY 84	FY 85	FY 86	FY 87
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		-0-				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal note Preparation Instruction, Section III)

There is no effect upon administrative costs.

IV. DATE January 18, 1982 PREPARED BY  Phillip A. Wall
 AGENCY Revenue
 Original: Legislative Finance PHONE 465-2313
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 612
 Title An Act relating to municipal revenue sharing.
 Requested by Senate Community & Regional Affairs Date 1/11/82

II. FISCAL DETAIL

Agency Affected _____
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (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 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING ^{Millions} (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	(223)	(101)	(119)	(125)		
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

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

SEE ATTACHMENT.

IV. DATE 01/20/82 PREPARED BY Mary Ellen Frank
 AGENCY Dept. of Revenue
 Original: Legislative Finance PHONE 465-2173
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

Revenue Sharing Impact
(Millions of Current Dollars)

FY	Corporation Taxes (Previous Statutes)		TOTAL Corp. Taxes (TCT)	10% TCT	Corporation Taxes (Current Statutes)		TOTAL Corp. Taxes (TCT)	10% TCT	30% TCT	FY
	43.20 Non Petroleum	43.21 Petroleum			43.20 amended Non Petroleum	43.20 amended Petroleum				
82	\$35	\$1047	\$1082	\$108	\$31	\$713	\$744	\$74	\$223	82
83	42	1101	1143	114	31	304	335	34	101	83
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85	56	1436	1492	149	42	373	415	42	125	85

The comparisons, for illustrative purposes only, reveal what would have been shared if previous statutes had been in effect versus what will in fact be shared, assuming this proposal is implemented in conjunction with current statutes. The aforementioned general fund numbers represent total amounts of revenue to be shared under this proposal.