

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 8672

1270 SCRA SB 168 - SB 180/HB 170

August 14, 1981

Page Two

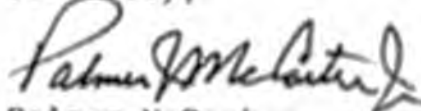
The methods the Department will use in choosing the most qualified organization are found in the enclosed emergency regulations. The law requires that before an unincorporated community may receive any money, the organization selected to receive the funds must adopt a resolution. Section 2(e) of the enclosed law lists what must be included in the resolution.

If your community does not have a nonprofit corporation or an IRA Council organized under Section 17 of the Indian Reorganization Act, our Department is willing to provide you assistance in forming a nonprofit corporation. If you need assistance, please indicate so in the appropriate spot on the application.

To determine your community's eligibility, and to apply for your community's entitlement, please complete the enclosed application and return it to us, together with the specified attachments, no later than May 15, 1982. If the application and attachments are complete and your community and organization are qualified, a State Treasury Warrant for your entitlement will be mailed within four weeks.

If you have any questions concerning this entitlement, please feel free to write or call the Local Government Assistance Division office nearest you. The office addresses and phone numbers are listed at the top of this letter.

Sincerely,



Palmer McCarter
Director

PMc:sj

Enclosures



**Entitlement Agreement
for
The Unincorporated Community Aid Account**

This agreement is executed between the State of Alaska, Department of Community and Regional Affairs (the "State") and _____
(the "Grantee") for _____, under the following conditions:
name of recipient
name of community

The Grantee is eligible and willing to undertake the performance of this grant under the terms of this agreement;

The State has the authority to enter into this agreement under AS 37.05.315 and Chapter 60, SLA 81;

The Grantee is entitled to receive \$1,000 for each of the _____
residents of the community for a total of _____;

Attached and made a part of this agreement is a completed eligibility questionnaire and a resolution in which the grantee has approved acceptance and administration of this grant in accordance with Section 2(e) of Chapter 60, SLA 1981.

The parties agree as follows:

ARTICLE 1. GRANT CONDITIONS.

The Grantee:

(1) will spend the grant only for the purposes specified in this agreement;

(2) will allow on request, an audit by the State of the uses made of the grant;

(3) assures that the facilities and services provided with the grant will be available for use of the general public;

(4) will return to the State all grant funds received for construction of a public facility if the State, upon reviewing the documentation provided and other evidence, determines that substantial, ongoing work on the project has not begun within five years of the appropriation;

(5) will, for all grants for construction of a public facility, 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;

(6) will transfer ownership of any capital projects funded under this agreement to the municipal government if the community incorporates;

(7) will submit financial reports at least once quarterly until the funds under this agreement are expended and a complete final financial report has been submitted and accepted;

(8) will retain for a period of three years after completion of all projects funded by this grant: all contracts, invoices, materials, payrolls, personnel records, conditions of employment, and other data relating to matters covered by this grant;

(9) will return all unexpended grant monies to the State within 90 days of project completion;

(10) will not allow any of the grant monies to be used for the purpose of lobbying activities before the Alaska Legislature; and

(11) will ensure the equal opportunity of persons without regard to race, sex, religion or national origin, to participate in any activity and to utilize any facility supported by this grant, and will ensure compliance with this requirement by any contractor or sub-contractor under this grant.

ARTICLE II. TERMS OF PAYMENT.

Twenty percent of the allocated grant amount, or \$25,000 whichever is greater, will be paid to the grantee as an advance within of the effective date of this agreement. The remaining funds will be disbursed in response to requests for payment and financial reports. Requests for payment may be made at any time as long as they are accompanied by an interim financial report and are not for an amount greater than can be expended within a quarter for which the funds are requested.

The amount of the grant is full consideration for the grantee's performance.

ARTICLE III. AMENDMENT TO GRANT USES.

The uses of the grant entitlement under this agreement may be amended at the request of the grantee with the approval of the State at any time before project completion.

ARTICLE IV. EFFECTIVE DATE.

The effective date of this grant is the date this agreement with all attachments is approved and signed by the State.

We certify that all information contained in this agreement is true and accurate to the best of our knowledge and we will abide by the terms of this agreement.

Signature of Organization President

Signature of organization Vice-President
or Secretary

Typed or printed name

Date

Typed or printed name

Date

APPROVED BY THE STATE OF ALASKA
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Palmer McCarter, Director
Division of Local Government Assistance

Date

ARE THESE ATTACHED:

Copy of Resolution?
Completed Eligibility Questionnaire?
Copy of Charter and By-Laws?

Mail completed application to:

Division of Local Government Assistance
Dept. of Community and Regional Affairs
Pouch BH
Juneau, Alaska 99811

Ph: 465-2200

August 5, 1981

Honorable
Mayor of

, AK

Dear Mayor:

The City of _____ has been appropriated funds for an entitlement of \$535 per person residing within the boundaries of the municipality. The legislation governing the Municipal Aid program is found in Ch. 60, SLA 81 and AS 37.05.315. Although Ch. 60, SLA 81 provides for an entitlement of \$1,000 per person, Ch. 92, SLA 81 only appropriates sufficient funds for an entitlement of \$535 per person. As stated in Ch. 60, SLA 81, if insufficient funds are appropriated, the available funds will be distributed pro rata among eligible municipalities. Although current official population figures would allow approximately \$539.66 per capita to be disbursed, some municipalities have filed suit appealing these figures. Therefore, it is necessary for us to keep some funds in reserve in case population figures change.

The funds are to be used for capital projects and/or social services at the discretion of the municipality. If the population of your municipality is less than 1,000, the entitlement may also be used to operate and maintain capital projects. Monies can be granted by a municipality to a nonprofit corporation for the above purposes as long as the projects serve a public purpose. Section 6 of Ch. 60, SLA 81 provides the following definitions:

"capital project" means a public facility and/or the equipment necessary to construct, operate, or maintain a public facility or service;

"social services" means child care services, protective services for children and adults, services for children and adults in foster care services for adults, transportation services, training and related services, employment services, information, referral, and counseling services, the preparation and delivery of meals, health support services, full range of legal services, and appropriate combinations of services designed to meet the special needs of children, the aged, the developmentally disabled, the blind, the mentally ill, the physically handicapped, and alcoholics and drug addicts.

Population figures have been taken from the latest figures of the United States Bureau of the Census. Municipalities that are currently contesting census figures and file suit before signing the Entitlement Agreement for Municipal Aid will have their population and grant entitlement amounts amended if the suit is successful provided that we are notified, in writing, of the pending suit at the time the Entitlement Agreement for Municipal Aid is signed.

Voter approval at a regular State election, a general election, or a special municipal election is required if these funds are allocated to a new capital project costing \$1,000,000 or more. If monies are used to improve or rehabilitate an existing facility, voter approval is not required unless the cost of the improvement/rehabilitation exceeds \$5,000,000. In cases where an election is required, proof of an election and voter acceptance must be provided.

Please note that to complete the certification requires passage of an ordinance or resolution accepting the grant by the municipality. The ordinance or resolution must identify the social services, capital projects, and, if the municipality has a population of less than 1,000, the operating expenses of the capital projects for which the money will be spent. It must also state the amount of money allocated to each project as well as the total amount of the entitlement (\$535 multiplied by the population). Alaska Statute 37.05.315 requires the Department of Administration to approve the written agreement no later than September 18, 1981. To meet this deadline, we ask you to have each agreement postmarked no later than September 3, 1981. Agreements postmarked after these dates will be processed as expeditiously as possible.

Both the Entitlement Agreement and Attachment I require the signature of the Mayor and/or a majority of the city council. Monthly financial reports on each project will also require the same certification unless you, the Mayor, authorize in writing, other named city officers, officials, or administrators to sign on your behalf.

Please sign and complete the Entitlement Agreement, Attachment I, and Attachment II (for each project) in duplicate and send with copies of the mandatory ordinances or resolutions and certification of election results (if applicable), to:

Department of Administration
Municipal Aid Program
Pouch C
Juneau, AK 99811

August 5, 1981

Page Three

An advance of twenty percent of the allocated grant amount will be paid to the grantee within ten days of the effective date of Attachment I.

If you have questions, please don't hesitate to contact Shirley Dunnam at 465-2290.

Respectfully,

W. R. Hudson
Commissioner

WRH/cm
FISCAL/O

ENTITLEMENT AGREEMENT
FOR MUNICIPAL AID

This agreement is executed between the State of Alaska, Department of Administration, (Hereinafter called the "State") and _____ (Hereinafter called the "Grantee"),

WITNESSETH that:

Whereas, the Grantee is willing to undertake the performance of this grant under the terms of this agreement;

Whereas, the State has the authority to enter into this agreement under by AS 37.05.315 and Chapter 60, SLA 81;

Whereas, the municipality has the authority under State law or local charter to provide the services described in Attachments I and II;

Whereas, funding for this grant lapses June 30, 1982;

Whereas the Grantee is entitled to receive \$535 for each of the _____ people residing within the boundaries of the municipality for a total of _____ (In the case of boroughs, the entitlement excludes the population of cities within the borough);

Whereas, this agreement contains a grant allocation statement listing projects proposed by the municipality (Attachment I consisting of _____ pages) as well as a separate project description sheet (Attachment II) for each project listed on Attachment I;

Whereas, the grantee has approved acceptance and administration of this grant by ordinance or resolution;

NOW THEREFORE, the parties hereto agree as follows:

ARTICLE I. GRANT CONDITIONS.

The Grantee:

(1) will spend the grant only for the purposes specified in Attachments I and II;

(2) will allow on request, an audit by the State of the uses made of the grant;

(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 use of the general public;

(4) will return to the State all grant funds received for construction of a public facility if the State, upon reviewing the documentation provided and other evidence, determines that substantial, ongoing work on the project has not begun within five years of the appropriation;

(5) will, for all grants for construction of a public facility, 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;

(6) will submit a monthly "financial report" on a form as shown in Attachment III;

(7) will retain for a period of three years after completion of all projects funded by this grant: all contracts, invoices, materials, payrolls, personnel records, conditions of employment, and other data relating to matters covered by the grant;

(8) will return all unexpended grant monies to the State within 90 days of project completion;

(9) will not allow any of the grant monies to be used for the purpose of lobbying activities before the Alaska Legislature; and

(10) will ensure the equal opportunity of persons without regard to race, sex, religion or national origin, to participate in any activity and to utilize any facility supported by this grant, and will ensure compliance with this requirement by any contractor or sub-contractor under this grant.

ARTICLE II. TERMS OF PAYMENT.

Twenty percent of the allocated grant amount will be paid to the grantee as an advance within ten days of the effective date of this agreement. The remaining funds will be disbursed in monthly installments equal to the amount of grant money expended by the grantee in the previous month. Expenditures will be reimbursed after the State receives a completed "financial report" on the form supplied by the State (see sample in Attachment III).

The amount of the grant is full consideration for the grantee's performance.

ARTICLE III. AMENDMENT TO GRANT ALLOCATION STATEMENT.

The Grant Allocation Statement may be amended at the request of the grantee with the approval of the State at any time before project completion.

ARTICLE IV. EFFECTIVE DATE.

The effective date of this grant is the date this agreement containing Attachments I and II is signed by the State.

IN WITNESS WHEREOF, the parties have executed this Municipal Entitlement Agreement.

Approved by Ordinance # _____, dated _____
(copy attached) or;
Approved by Resolution # _____, dated _____
(copy attached).

Grantee

State of Alaska

By: _____
Date

By: _____

(Official Title)

(Official Title)

Effective Date: _____

DISTRIBUTION Grantee ()

Administration ()

Budgeted funds are available for the period and purpose of this expenditure.

Certifying Officer

Date

**Attachment I
Grant Allocation Statement
Summary Page
Page 1 of _____**

Amendment Number
Page 1 of _____

Municipality			STATE USE ONLY		
Project Number	Project Title	Amount	Approval Date	Amended Date	Amount of Advance Paid
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
Totals from continuation pages.....			XXXXXX	XXXXXX	
Total allocated funds.....			XXXXXX	XXXXXX	
Unallocated Grant Funds			XXXXXX	XXXXXX	XXXXXX
Total Entitlement.....					

Comments

For State Use Only

GRANT ALLOCATION STATEMENT REVIEWED AND APPROVED.

GRANTEE		STATE OF ALASKA	
By:	Date	By:	Effective Date
Official Title		Official Title	

**STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION
MUNICIPAL AID FINANCIAL REPORT**

Attachment III
Page 1 of _____

INSTRUCTIONS FOR COMPLETING THIS FORM ARE ON THE REVERSE.

Grantee Name

Grantee Address

Report Period (Month, Day, Year)

From

To

(A) Grant Number	(B) Project Title	(C) Total Amount	(D) Prior Expenditures	(E) Expenditures This Period	(F) Balance
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
11.					
Total from Continuation Pages.....					
Column Total.....					

G. Total Entitlement.....	
H. Less Unallocated Funds.....	
I. Project for which grant funds have been allocated (G less H must equal column C).....	
J. Receipts: Prior Reimbursements.....	
Advance.....	
L. Total funds received to date (J plus K).....	
M. Balance (Line I less Line L).....	

REIMBURSEMENT WILL BE THE LESSER OF THE TOTAL OF COLUMN E OR LINE M.

I certify that to the best of my knowledge and belief the data reported above is correct and all outlays were made in accordance with grant conditions and that payment is due and has not been previously requested.

Name	Title	Telephone (Area Code, Number, Extension)
Signature of Authorized Official		Date Report is Submitted

Instructions for completing this form:

1. **Grantee Name and Address:** Enter the name and mailing address of the grantee.
2. **Report Period:** Enter the month, day, and year of the beginning and ending dates of the period for which this report is prepared.
3. **Column**
 - A. **Grant Number** - List each project in numerical sequence using the number given on the "Grant Allocation Statement"
 - B. **Project Title** - Use the title noted on the "Grant Allocation Statement"
 - C. **Total Amount** - Enter the amount of funds allocated for each project. The column total is the sum of monies allotted to each project listed on this page plus those on the continuation sheets.
 - D. **Prior Expenditures** - Enter expenditures that were reported on previous reports. This will be the total of columns D plus E from the last report submitted.
 - E. **Expenditures this Period** - This will be all project expenditures since the last report. For reports which are prepared on a cash basis, expenditures are the sum of actual cash advances and payments made to sub-contractors and subgrantees. For reports prepared on an accrued expenditure basis, outlays are the sum of the actual cash disbursements, amounts owed by the grantee for goods and other property received, and amounts owed for services performed by employees, contractors, subgrantees, and other payees. Do not include amounts for obligations which have been made but monies are not yet payable. Expenditures that exceed the total allocated to that individual project will not be reimbursed. Do not record expenses that reduce column F to less than zero.
 - F. **Balance** - Subtract columns D plus E from column C.
4. **Line**
 - G. **Total Entitlement** - Enter total appropriation. This is the entitlement shown on page 1 of the "Entitlement Agreement for Municipal Aid" and is the sum of funds allocated and not yet allocated to projects.
 - H. **Less Unallocated Funds** - Enter the amount of the entitlement for which projects have not yet been selected or for a project which has not yet received approval from the Department of Administration.
 - I. **Subtract line H from line G. This must be the same as the total of column C.**
 - J. **Receipts: Prior Reimbursements** - Enter total of all requests for reimbursement of expenditures including those which you have not yet received. This will equal the total of column D.
 - K. **Receipts: Advance** - Enter amount of advance. The advance is 20% of the entitlement that is allocated to projects.
 - L. **Total Funds Received to Date** - Sum of lines J plus K.
 - M. **Balance** - Enter the amount for projects that have been chosen that are yet unpaid. This is line I minus the L.
5. **Authorized Official:** Mayor and/or person(s) designated in writing by the Mayor to certify these reports.

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

Millage rates 1975 compared to 1980

	'75	'80	% decrease
Anchorage	19.2	12.06	- 37%
Fairbanks	18.0	13.7	- 24%
Juneau	16.55	12.83	- 22%
Bristol Bay	15.00	7.5	- 50%
Haines	16.33	10.5	- 36%
Kenai	21.95	12.80	- 42%
Ketchikan	17.30	15.10	- 13%
Kodiak	14.4	12.18	- 15%
Mat-Su	18.00	13.4	- 26%
N. Slope	12.30	10.33	- 16%
Sitka	<u>6.0</u>	<u>3.5</u>	- <u>42%</u>
Average boroughs	15.9	11.26	- 29%

Cordova	17	15	- 12%
Craig	11	12	+ 9%
Dillingham	18.5	10	- 46%
King Cove	10.0	0	- 100%
Nenana	10.	7.	- 30%
Nome	17.90	15.0	- 16%
Pelican	10.8	6.45	- 40%
Petersburg	18	12	- 33%
Skagway	22	7	- 68%
Unalakleet	19	14	- 26%
Valdez	10	6.548	- 35%
Wrangell	12.9	6.45	- 50%
Yakutat	<u>7.23</u>	<u>13.7</u>	+ <u>87%</u>
Average cities	13.4	9.78	- 27%
Average statewide	14.6	10.5	- 28%

	BOROUGH AND UNIFIED MUN'S.	FY '81 MA + RS				FY '82 MA + RS			REVENUE PER CAPITA	
		TOTAL REVENUE* (Est.)	CURRENT FY '81	REVISED FY '81 (\$B 125)	DIFFERENCE BETWEEN #2 & #3	Column 4 as a % of Revenue	GOV'S BUDGET	DIFFERENCE BETWEEN #6 and #2		Column 7 as a % of Revenue
1	Anchorage	83170.4	20350.8	46190.8	25840.0	31.1	57211.4	36860.6	44.3	467.04
2	Bristol Bay	421.6	225.7	629.8	464.1	110.1	780.7	555.0	13.6	250.20
3	Fairbanks No. Star	28134.7	1449.0	5671.4	3722.4	13.2	6909.0	4960.0	17.6	467.41
4	Juneau	10825.3	2218.4	6877.9	4659.5	43.0	8153.7	5965.3	55.1	447.12
5	Hires	715.1	27.8	112.9	85.1	11.9	143.0	115.2	16.1	371.67
6	Sitka	3423.5	600.3	1661.9	1061.6	31.0	2135.8	1535.5	44.9	389.61
7	Kodiak Peninsula	12182.5	728.8	2462.2	1733.4	14.2	3212.3	2483.5	20.4	477.61
8	Ketchikan Gateway	6882.8	348.1	1259.3	911.2	13.2	1528.7	1180.6	17.2	477.77
9	Kodiak Island	3510.1	333.9	1115.5	781.6	22.3	1396.9	1063.0	30.3	293.05
10	Marblehead - Sitka	7384.7	1104.9	3603.8	2498.9	33.8	4599.3	3494.4	47.3	318.62
11	North Slope	3457.1	1556.1	2185.9	629.8	16.0	2458.7	92.6	58.0	426.37
	1ST CLASS & HOME RULE CITIES (S.P.S. Revenues)	TOTAL**	FY 81 MA+RS			FY 82 MA+RS				
		REVENUE (Est.)	CURRENT FY 81	REV. FY 91 (\$B 125)	DIFFERENCE BETWEEN 2 & 3	Column 4 as a % of Revenue	Gov's Budget	DIFFERENCE BETWEEN #6 & #2	Column 7 as a % of Revenue	
12	Barrow	176.8	77.6	300.6	283.0	160.1	507.0	429.4	242.9	65.14
13	Cordova	1513.8	320.1	241.0	520.9	34.4	990.9	670.8	44.3	544.54
14	Craig	184.0	45.4	146.0	100.6	83.4	177.7	132.3	71.9	313.32
15	Dillingham	1004.1	147.2	463.4	316.2	31.5	552.7	405.5	40.4	606.25
16	Fairbanks	9864.5	4101.4	9064.9	4963.5	49.8	11031.2	6929.8	69.5	273.32
17	Galena	60.2	62.4	202.6	140.2	232.9	254.2	191.8	318.6	62.90
18	Haines	439.9	97.9	316.5	218.6	49.7	310.2	242.3	66.4	322.03
19	Homer	1384.5	173.8	500.2	326.4	25.6	620.3	446.5	32.2	621.08
20	Hooper	71.3	64.5	184.5	120.0	168.3	243.5	179.0	251.1	65.27
21	Hydaburg	27.5	21.7	64.7	43.0	156.4	85.2	63.5	230.9	72.01
22	Keke	66.1	45.1	160.4	115.3	174.4	198.1	153.6	232.4	93.01
23	Kerik	3275.5	466.6	1242.0	775.4	23.7	1480.4	1013.8	31.0	740.89
24	Ketchikan	5010.9	219.4	2651.8	1832.4	36.6	3144.8	2325.4	46.4	548.24
25	King Cove	86.6	39.6	143.6	104.0	120.1	183.1	143.5	165.7	118.09
26	Kluwuck	12.3	22.1	67.1	45.0	365.9	82.9	66.8	543.1	30.52
27	Kodiak	3710.8	405.9	1148.0	742.1	20.0	1458.4	1062.5	28.4	644.92
28	Nenana	126.1	66.8	154.5	87.7	69.5	181.7	114.9	91.1	250.69
29	Nome	1172.3	354.7	854.0	500.0	42.3	1010.0	656.0	55.5	408.81
30	North Pole	541.1	74.1	180.3	106.1	19.6	224.7	150.5	278.1	657.44
31	Palmer	938.2	231.4	551.8	314.4	33.5	664.8	427.4	45.5	448.13
32	Politan	155.9	24.5	63.1	38.6	24.8	75.0	50.5	32.4	705.22
33	Petersburg	1747.0	304.6	844.3	539.7	32.5	1066.7	757.1	42.1	562.10
34	Sand Point	192.2	66.4	200.6	134.2	69.8	243.4	177.0	92.1	242.01
35	Saint Mary's	73.8	40.1	213.8	122.7	174.4	248.4	158.3	214.5	134.44
36	Seldovia	95.2	40.0	107.8	67.8	71.2	136.3	96.3	101.2	180.26
37	Seward	1137.3	307.9	626.1	318.2	28.0	722.6	414.7	36.5	636.07

* Excludes oil and gas tax revenue

** S.A.S. Program, Locally Generated Revenue

SKAGWAY thru YAKUTAT		FY 81 MA+RS				FY 82 MA+RS			REVENUE
1ST CLASS AND HOME RULE CITIES	TOTAL ** REVENUE (est.)	Current FY 81	Rev. FY 81 (\$B 125)	Difference between 2 & 3	Column 4 as a % of Revenue	Gov's Budget	Difference Between 6 & 2	Column 7 as a % of Revenue	PER CAPITA
Skagway	634.1	75.7	206.5	130.8	20.6	253.8	178.1	28.1	723.07
Seldovia	1511.1	246.3	615.2	368.9	24.4	742.7	496.4	9	638.96
Unalaska	1561.0	219.8	495.5	275.7	17.7	565.7	345.9	27.2	1199.80
Valdez	9818.7	680.1	1143.7	463.6	4.7	1363.0	682.9	7.0	2414.83
Wrangell	657.3	274.2	834.0	559.8	25.2	1013.4	739.2	112.5	197.69
Yakutat	223.5	42.3	119.6	77.3	34.6	143.4	101.1	45.2	505.62
AKHIOK thru. ELIM		FY 81 MA+RS				FY 82 MA+RS			REVENUE
2ND CLASS CITIES	TOTAL ** REVENUE (est.)	Current FY 81	Rev. FY 81 (\$B 125)	Difference between 2 & 3	Column 4 as a % of Revenue	Gov's Budget	Difference between 6 & 2	Column 7 as a % of Revenue	PER CAPITA
Akhiok	0.0	21.2	36.8	15.6		42.2	21.0		0.00
Akiachak	15.8	36.5	78.4	41.9	265.2	97.5	61.0	386.1	44.68
Akiak	16.7	26.6	54.2	27.6	165.3	65.9	39.3	235.3	77.31
Akolmiut	32.3	94.4	177.0	82.6	255.7	211.6	117.2	362.8	50.44
Akutan	29.1	25.1	38.9	13.8	47.4	43.2	18.2	62.5	358.94
Alakanuk	77.1	44.4	110.5	66.1	85.7	138.9	94.5	122.6	146.34
Aleknagik	5.1	26.3	54.8	28.5	558.8	67.0	40.7	798.0	22.34
Allakaket	0.0	27.6	55.4	27.8		67.1	39.5		
Ambler	10.0	29.7	57.0	27.3	273.0	68.7	39.0	390.0	459.00
Anaktuvuk Pass	0.0	.4	50.7	50.4		60.0	31.6		
Anderson	20.3	30.4	107.1	76.7	377.8	144.7	114.3	563.1	29.07
Angoon	17.6	37.0	95.9	58.9	334.7	124.3	87.3	496.0	33.44
Aniak	12.2	82.0	134.3	52.3	287.4	153.4	71.4	392.3	51.19
Anvik	0.0	27.4	43.6	16.2		49.1	21.7		
Atrautluak	1.2	31.5	57.0	25.5	21.3	67.8	36.3	3025.0	6.00
Bethel	959.6	406.0	885.5	479.5	50.0	1093.3	687.3	71.0	249.06
Brevig Mission	4.5	27.6	48.4	20.8	462.2	56.3	28.7	637.8	30.83
Buckland	19.5	27.3	52.5	25.2	129.2	62.7	35.4	1181.5	103.77
Chaternak	23.9	27.1	56.8	29.1	121.8	69.5	42.4	177.4	101.35
Chevak	53.5	27.3	80.4	53.1	99.3	105.7	78.4	146.5	114.34
Chuathbaluk	0.0	30.0	47.7	17.7		54.5	24.5		
Clark's Point	15.3	25.4	40.8	15.4	100.7	46.0	20.6	134.6	156.17
Dering	5.4	27.8	47.2	19.4	359.3	54.3	26.5	490.7	40.86
Du'a Junction	0.0	70.2	164.0	93.8		212.1	141.9		
Diomede	0.0	6.9	43.6	36.7		50.4	43.5		
Eagle	4.4	23.8	45.3	21.5	482.6	54.1	30.3	688.6	26.55
Eek	9.6	27.0	55.0	28.0	291.7	66.9	39.9	415.6	43.24
Ekwok	3.9	25.5	42.2	16.7	428.2	42.2	22.7	582.1	34.97
Elim	8.2	27.9	57.0	29.1	354.9	69.3	41.4	504.9	35.90

EMMONAK thru NULLATO

2ND CLASS CITIES (CONTINUED...)	TOTAL * REVENUE	FY 81 MA+RS				Column 4 as as % of Revenue	FY 82 MA+RS			REVENUE PER CAPITA
		Current FY 81	Rev. FY 81 SB 125	Difference btwn 2&3	Gov's Budget		Difference btwn 6&2	Column 7 as a % of Revenue		
Emmonak	135.7	52.9	107.1	74.2	54.7	136.5	103.6	76.3	249.04	
Fort Yukon	109.4	70.5	163.8	93.3	85.3	198.1	127.6	116.6	171.67	
Fortuna Lodge	7.3	28.6	60.1	31.5	431.5	74.1	45.5	623.3	28.64	
Gambell	21.2	28.9	78.9	50.0	235.8	102.5	73.6	347.2	48.60	
Golovin	2.7	28.0	45.5	17.5	648.1	51.9	23.9	885.2	21.88	
Goodnews Bay	0.0	.5	57.2	56.7		70.5	70.1			
Grayling	0.0	11.4	52.4	41.0		62.2	50.8			
Holy Cross	7.7	29.8	65.8	36.0	467.5	82.1	52.3	679.2	25.59	
Hooper Bay	36.0	29.2	95.7	66.5	184.7	128.0	98.8	274.0	60.47	
Houston	2.9	70.4	137.7	67.3	2320.7	161.5	91.1	31.4	6.66	
Hughes	4.0	28.4	43.9	15.5	387.5	49.1	20.7	517.5	40.82	
Huslia	10.2	59.6	92.6	33.0	323.5	104.1	44.5	436.3	49.22	
Kachemak	11.7	21.6	53.7	32.1	274.4	68.3	46.7	399.1	43.27	
Kaktovik	0.9	28.1	53.7	25.6	2844.4	64.0	35.9	3988.9	4.74	
Kaktog	0.0	27.7	59.6	31.9		73.4	45.7			
Kasaan	1.0	5.0	28.4	23.4		30.9	25.9			
Kiana	11.6	28.6	70.6	42.0	362.1	89.6	61.0	525.9	32.81	
Kivalina	7.5	27.3	58.	31.4	418.7	72.2	44.9	598.7	29.86	
Kobuk	3.3	28.0	39	11.7	354.5	43.0	15.0	454.5	53.30	
Kotlik	25.0	27.8	64.4	36.6	146.4	80.9	53.1	212.4	81.89	
Kotzebue	694.9	196.7	493.9	297.2	42.8	630.1	433.4	62.4	275.10	
Koyuk	3.7	27.2	51.4	24.2	654.1	61.0	33.8	913.5	20.65	
Koyukuk	0.0	28.2	46.2	18.0		52.9	24.7			
Kupeonof	1.2	19.9	30.0	10.1	841.7	33.0	13.1	1091.7	21.96	
Kwigthluk	26.2	28.4	80.9	52.5	200.4	105.8	77.4	295.4	56.79	
Larsen Bay	0.0	20.9	42.3	21.4		50.8	29.9			
Lower Kalskag	0.0	84.1	114.8	30.7		126.6	42.5			
Manokotak	8.5	26.1	57.1	31.0	364.7	70.6	44.5	523.5	33.95	
McGrath	10.8	42.5	89.6	47.1	436.1	110.2	67.7	626.9	28.35	
Mekoryuk	37.8	26.6	58.0	31.4	83.1	67.4	40.8	107.9	212.08	
Mt. Village	0.0	58.5	122.8	64.3		152.1	73.6			
NapakiaK	33.1	28.9	62.3	33.4	100.9	77.3	48.4	146.2	119.47	
Nopanskiak	0.0	26.6	56.6	30.0		69.6	43.0			
Newhalen	2.3	25.6	41.4	15.8	687.0	47.0	21.4	930.4	21.42	
New Stuyahok	5.0	26.2	61.7	35.5	710.0	77.7	51.5	1030.0	16.89	
Newtok	6.3	26.5	47.4	20.9	331.7	55.5	29.0	460.3	42.00	
Niartmure	3.1	26.7	46.0	19.3	622.6	53.3	26.6	858.1	23.26	
Nikolai	0.0	.3	48.4	48.1		56.0	56.3			
Nendalton	0.0	26.1	54.3	28.2		66.9	40.4			
Noorvik	33.4	30.1	84.7	54.6	163.5	110.7	80.6	241.3	69.22	
Nullato	14.6	29.8	70.0	40.2	275.3	88.6	58.8	402.7	42.56	

EXCELLENCE WRITE

NUIQSUT thru WHITTIER

REVENUE

2ND CLASS CITIES (CONTINUED...)	TOTAL * REVENUE	Current FY 81	Rev. FY 81 SB 125	Difference btwn 2&3	Column 4 as a % of Revenue	Gov's Budget	Difference between 2 & 6	Column 7 as a % of Revenue	PER CAPITA
Nuqsut	0.0	.4	51.5	51.1		61.3	60.9		
Old Harbor	4.7	22.6	61.4	38.8	825.5	79.8	57.2	1217.0	13.75
Ouzinkie	0.0	21.3	43.8	22.5		53.4	32.1		
Pilot Station	28.5	27.1	63.3	36.2	127.0	79.5	52.4	183.9	94.89
Platinum	0.0	29.3	49.5	20.2		52.7	23.4		
Point Hope	25.0	31.0	86.4	55.4	221.6	112.6	81.6	326.4	51.47
Port Alexander	6.0	20.3	35.1	14.8	246.7	40.5	20.2	336.7	58.92
Port Heiden	5.2	78.6	102.0	23.4	450.0	106.9	28.3	544.2	56.77
Port Lions	42.4	21.9	49.9	28.0	66.0	62.4	40.5	95.5	182.59
Quinhagak	24.6	28.1	79.0	50.9	206.9	103.1	75.0	304.9	55.01
Ruby	6.9	27.8	56.2	28.4	411.6	63.1	40.3	584.1	31.17
Russian Mission	4.6	26.5	48.8	22.3	484.8	57.8	31.3	680.4	27.75
St. Michael	16.1	31.7	66.2	34.5	214.3	81.5	49.8	309.3	57.20
St. Paul	140.5	122.5	223.8	101.3	72.1	254.3	131.8	93.8	247.81
Savoonga	22.0	29.7	83.2	53.6	243.6	108.6	72.9	358.6	44.94
Saxman	19.8	20.2	51.9	31.7	160.1	66.6	46.4	234.3	72.67
Scanlon Bay	19.1	27.5	59.4	31.9	167.0	73.3	45.8	239.8	73.91
Selawik	0.0	28.6	86.0	57.4		113.2	84.6		
Shageluk	0.0	27.2	56.0	28.8		68.0	40.8		
Skaktsoalik	3.0	47.9	72.7	24.8	826.7	81.2	33.4	1113.3	18.75
Snelden Point	0.0	26.5	43.7	17.2		50.0	23.5		
Shishiref	12.7	28.3	72.8	44.5	310.4	93.1	64.8	510.2	33.55
Shungnak	14.0	28.7	54.7	26.0	185.7	65.4	36.7	262.1	70.76
Stebbins	9.2	28.0	65.2	37.2	404.3	81.9	53.9	585.9	29.64
Tarana	18.7	38.8	271.7	232.9	1245.5	248.6	259.8	1389.3	37.45
Teller	71.1	28.6	63.9	35.3	49.6	77.8	49.2	69.2	275.61
Terakee Springs	4.0	22.0	40.3	18.3	457.5	47.9	25.9	647.5	28.70
Togiak	5.4	30.6	84.9	54.3	1005.6	111.2	80.6	1492.6	11.00
Toksook Bay	29.5	27.6	67.4	39.8	134.9	85.5	57.9	196.3	87.74
Tuluksak	9.5	43.5	78.2	34.7	365.3	92.1	48.6	511.6	36.79
Tunurak	17.5	26.4	62.9	36.5	208.6	79.0	52.6	300.6	58.52
Unalakleet	77.0	53.1	130.9	77.8	101.0	164.9	111.8	145.2	121.88
Upper Kalskog	0.0	28.9	51.0	22.1		59.6	30.7		
Wainwright	0.0	27.8	77.4	49.6		100.6	72.8		
Wales	1.7	25.0	43.8	18.8	1105.9	50.8	25.2	1517.6	12.92
Wosilla	34.9	163.1	365.3	202.2	579.4	483.1	320.0	916.9	15.98
White Mountain	17.8	24.9	42.2	17.3	97.2	48.4	23.5	132.0	154.58
Whittier	325.7	57.7	130.3	72.6	22.3	146.0	88.3	27.1	1115.34
Ext Fire Areas	0.0	62.8	69.2	6.4		69.2	6.4		
NVG's	0.0	1254.6	2490.0	1235.4		2490.0	1235.4		
*** TOTALS ***		44899.4	108401.2	63501.8		132401.2	87501.8		

	1	2	3	4	5	6	7
	Total # Revenue (EST.)	RS+MA Supplement (\$B 125)	RS+MA FY82 Gov's Budget	Increment - School Entitlement	\$200 per Capita (\$B 108)	Total of columns 2,3,4,5	Column 6 as % of total
Boroughs and Unified Munis							
1 Anchorage	92239.9	25840.0	57211.4	20101.3	40865.6	144018.3	156%
2 Bristol Bay	465.2	464.1	780.7	286.9	337.0	1868.7	401%
3 Fairbanks No. Star	58037.1	8792.0	18164.9	4472.1	12045.4	43474.4	114%
4 Haines	789.1	303.7	533.2	247.7	384.8	1469.4	186%
5 Juneau	11949.9	4659.5	8163.7	1885.2	4623.0	19351.4	2%
6 Kenai	15202.5	3622.2	6982.9	3678.0	510.4	19384.5	128%
7 Ketchikan Gateway	7594.6	2775.3	4740.1	671.7	2692.6	10879.7	143%
8 Kodiak Island	3873.1	1650.0	3143.9	2207.9	2395.6	9397.4	243%
9 Mat-Su	8175.6	3082.8	5908.7	2633.4	4635.4	16260.3	199%
10 North Slope	66074.5	1144.9	2264.2	1885.7	832.0	7226.8	11%
11 Sitka	3777.6	1061.6	2135.8	821.0	1757.4	5775.8	153%

	1	2	3	4	5	6	7
1st Class & Home Rule Cities							
12 Cordova	1687.4	599.9	990.9	346.8	556.0	2414.6	143%
13 Craig	211.4	1.6	177.7	193.1	112.4	583.8	279%
14 Dillingham	917.2	316.2	552.7	740.7	331.2	1940.8	212%
15 King Cove	179.1	104.0	183.1	165.0	146.6	598.7	334%
16 Nenana	155.8	87.7	181.7	329.6	100.6	697.6	449%
17 Nome	1413.1	500.0	1010.0	1471.7	578.4	3560.1	252%
18 Pelican	130.4	386	75.0	64.3	44.2	222.1	170%
19 Petersburg	1988.2	584.7	1066.7	410.2	639.4	2701.0	136%
20 Skagway	707.4	130.8	253.3	191.3	175.4	751.3	106%
21 Unalakleet	1002.4	495.5	565.7	262.0	185.8	1509.0	94%
22 Valdez	1188.8	463.6	1363.0	1514.0	813.2	4153.8	35%
23 Wrangell	1394.5	559.8	1017.4	451.9	665.0	2690.1	193%
24 Yakutat	220.2	77.3	145.4	276.0	88.1	585.1	266%

* includes: residential, vacant, commercial, personal, oil & gas property and sales tax

STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907 465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 30, 1981

SUBJECT: Use of state municipal money by a
municipality (Work Order No. 12-1213)

TO: Senator Donald E. Gilman

FROM: Tamara Brandt Cook
Legislative Counsel

TBL

You have asked whether a municipality may spend money obtained through state aid under Title 29 or under CSSB 168 on nonareawide, rather than areawide projects, or in a service area. Since "nonareawide power" is a power of a borough exercised only in the area outside of cities and since service areas are formed by boroughs, this question applies only to the use of state aid money by a borough and has no applicability to the use of state aid money by a city. The answer depends upon two factors:

- (1) the provisions contained in the legislation which establishes the particular aid program; and
- (2) whether the borough otherwise has authority under the law to exercise pertinent powers on a nonareawide or service area basis.

Depending upon its classification, a borough must exercise certain powers on an areawide basis (AS 2933.010, 29.41.010). Depending upon its classification, a borough has the option of exercising certain powers on an areawide or a nonareawide basis (AS 29.48.030, 29.48.035). A first class borough may exercise any general law municipal power on a nonareawide basis (AS 29.38.010). A second class borough may exercise on a nonareawide only certain powers (AS 29.38.020, 29.48.020). A third class borough is authorized to exercise powers other than education and tax assessment only on a service area basis (AS 29.41.010(b)). A home rule municipality may exercise powers on either an areawide or nonareawide basis,

unless specifically restricted by law or charter (AS 29.-13.010). If a particular borough does not have the authority to exercise a power on a nonareawide basis it does not have the authority to spend state aid money on a nonareawide basis for purposes which involve the exercise of the power. However, if a particular borough does not have the authority to exercise the power on an areawide basis, but may exercise the power on a nonareawide basis, the municipality might well be obligated to spend state assistance on a nonareawide basis if the money is for a project or service which involves the exercise of the nonareawide power.

While AS 29.88 (Municipal Tax Resource Equalization) does not specify how money must be used, it provides for entitlements to "taxing units". In a borough or unified municipality, a "taxing unit" is a service area or the entire area outside cities, so entitlements under this state program are to be used either on a nonareawide basis or on a service area basis, but not on an areawide basis. This interpretation is supported by the fact that each differential tax zone in a city also qualifies for a separate entitlement as a "taxing unit".

AS 29.89 (Municipalities Qualified For Entitlements To Be Used To Provide Itemized Services) is silent as to whether the money must be used on an areawide or nonareawide basis. Therefore, a borough which has the authority to exercise the power on a nonareawide basis necessary to provide the service could spend the money on a nonareawide basis. Entitlements under this chapter go to any municipality which has the power to provide the services for which the money is to be used, so a c'ty which the power to provide the services would qualify for a separate entitlement even though the borough in which the city is located also qualifies for an entitlement. If the borough were obligated to use the money on an areawide basis, a city within the borough would, in effect, benefit from two entitlements.

AS 29.90 (State Aid for Hospital Construction) provides entitlements to municipalities or other hospital sponsors strictly for the costs of constructing hospitals. AS 29.-48.030(5) allows a municipality to exercise the powers necessary to provide health services and hospital facilities. However, a borough may exercise the power on an areawide basis only if it has been assumed after an election or

transferred by cities within the borough. A first class borough may exercise the power on a nonareawide basis after seeking to have the power transferred by cities. A second class borough may exercise the power on a nonareawide basis only if the power was approved at incorporation or acquired after an election on the question. State money under AS 29.90 may only be used on a nonareawide basis by boroughs which lack the authority to provide health services and facilities on an areawide basis. Since the entitlements may be paid to a "municipality", a city which has a hospital under construction would qualify for a separate entitlement under this chapter. To the extent that a third class borough may provide health services, it may do so only on a service area basis, so an entitlement under this chapter would necessarily have to be used in a service area by a third class borough. The creation of a hospital service area was upheld in Concerned Citizens of South Kenai Peninsula v. Kenai Peninsula Borough, 527 P.2d 447 (Alaska 1974).

CSSB 168 (Finance) provides for an entitlement to each municipality for capital projects. The bill contains no requirement that entitlements be used only on an areawide basis. To the extent that a borough has the authority to exercise the powers on a nonareawide basis necessary for the construction of a particular capital project, the borough would be able to use money under CSSB 168 (Finance) on a nonareawide basis. Since Sec. 3 of the bill provides that the population of each city located within the boundaries of a borough is subtracted from the population of the borough for purposes of determining the amount of an entitlement, it appears reasonable for a borough to use money obtained on a nonareawide basis. A city receives a separate entitlement on the basis of its population, and if the borough uses the entitlement on an areawide basis the city residents will have a greater per capita benefit than borough residents outside cities.

A municipality may spend money obtained through state aid on a nonareawide basis or in a service area if that is not prohibited by the legislation which provides the aid, and if the municipality is authorized to exercise all powers necessary to utilize the money on a nonareawide basis or in a service area.

TBC:ljb

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY


MEMORANDUM

March 2, 1981

SUBJECT: State assistance for capital projects
[CSSB 168 (Community and Regional Affairs)]

TO: Senator Donald E. Gilman, Chairman
Senate Community and Regional Affairs Committee

FROM: John B. Chenoweth
Legislative Counsel



The attached draft is based on our conversation of last Thursday. In drafting the committee substitute, I have made the following changes in addition to the particular points we discussed.

The Department of Community and Regional Affairs is eliminated from the bill entirely. Aid is payable to municipalities and to unincorporated communities which (1) either have "recognition" under the state revenue sharing program as Native village corporations or (2) are communities in which are located volunteer fire departments receiving an entitlement under the revenue sharing program (hop abrad, Tok, Glennallen, and you few others). Qualification of an unincorporated place shall have occurred for the FY 81 revenue sharing program, or must occur during the FY 82 program. Because new unincorporated places may still be added to the number of places qualifying, I have separated the aid accounts into (1) a municipal aid account and (2) an unincorporated community account. Separate accounts should permit expedited payment to municipalities whose identities, plans, and ability to account for money received is readily known, while permitting the Department of Administration to take a little more time to ascertain the identity, population, payee and other information about unincorporated communities.

Payment is made under AS 37.05.315 in both instances. AS 37.05.315(f), by which Community and Regional Affairs is to ascertain the payee's identity and legal responsibility under

Senator Donald E. Gilman
Page 2
March 2, 1981

certain circumstances is specifically made inapplicable. As between, say, the Tok Improvement Association and the Tok Civic Government League, which is to receive the entitlement and put it to use I am not sure. But you did not seem to be too concerned about that and, to expedite return of the bill, I took the course of least resistance.

I spoke to the Revisor of Statutes regarding AS 37.05.315(b) and its use as a "lapse clause" for appropriations made under the bill as presented. She understands that AS 37.05.315(b) has the effect of a lapse clause for public facility projects, and believes the present administration so interprets it. I have, therefore, not provided a separate lapse clause in the bill as presented. I hope that all understand that "capital projects", the term used in this bill, and "public facility", the term used in AS 37.05.315(b) are the same for purposes of handling the amounts being made available.

Per your instruction, this is a one-year "program" with no tie to tax reduction.

A separate appropriation bill is warranted, though the appropriations could be picked up in the FY 82 general appropriations act. The appropriations should be separately made to the municipal account and to the unincorporated community account.

JBC:ljb

Enclosure

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. CSSB 168
 Title An Act relating to state assistance for capital projects; and pending for an effect-
 Requested by Senate Community & Regional Affairs Committee Date 3/5/81 ive date

II. FISCAL DETAIL
 Agency Affected Department of Community & Regional Affairs
 Program Category Affected Development
 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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES	-0-	173.7	187.6	-0-	-0-	-0-
200 TRAVEL	-0-	18.9	9.6	-0-	-0-	-0-
300 CONTRACTUAL	-0-	50.6	54.6	-0-	-0-	-0-
400 COMMODITIES	-0-	1.0	1.0	-0-	-0-	-0-
500 EQUIPMENT	-0-	8.6	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	24,987.0	-0-	-0-	-0-	-0-
TOTAL	-0-	25,239.0	252.0	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	18,775.0	252.0	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify Fund Source)	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS

FULL TIME	-0-	-5-	-5-	-0-	-0-	-0-
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
 Grant cost based on preliminary figures of U.S. Census for the unorganized borough X \$1,000.

Inflation figured at 8%.

It is envisioned that three existing DC&RA positions would be assigned to assist with this program in addition to their current duties and would be placed under the supervision of the Program Director.

IV. DATE 7/5/81 PREPARED BY Mckie Campbell
 AGENCY Department of Community & Regional Affairs
 Original: Legislative Finance PHONE 465-4735
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

PERSONNEL

1. Program Director (Exempt)
Range 20 Step A Supervisory

Salary	\$37,140.
Benefits	5,708.49
SBS	2,004.
Health Insurance	1,848.
	<u>\$46,700.49</u>

1. LGS IV
Range 19 Step E (General)

Salary	\$39,120.
Benefits	6,012.74
SBS	2,004.
Health Insurance	1,848.
	<u>\$48,984.74.</u>

1. Accounting Technician
Range 12 Step A (General)

Salary	21,132.
Benefits	3,247.99
SBS	2,004.
Health Insurance	1,848.
	<u>\$28,231.99</u>

1. Accounting Clerk III
Range 10 Step A (General)

Salary	\$18,768.
Benefits	2,884.64
SBS	2,004.
Health Insurance	1,848.
	<u>\$25,504.64</u>

1. Clerk Typist II
Range 7 Step E (General)

Salary	\$17,700.
Benefits	2,720.49
SBS	2,004.
Health Insurance	1,848.
	<u>\$24,272.49</u>

\$173,694.35

\$173.7

TRAVEL

30 trips at an average price of \$390 each	\$11,700.
60 days per diem at \$70 a day (State average)	\$4,200.
Coordination and contingency	<u>\$3,000.</u>
	<u>\$18,900</u>
	\$18.9

CONTRACTURAL

SPACE		\$16,200.
for five persons		
TELEPHONES		
Basis Service	Long Distance	
\$855	\$10,000	\$10,855.
DATA PROCESSING		
Programming fees		\$5,000.
PRINTING	\$1,000.	\$3,000.
ADVERTISING	\$1,000.	
POSTAGE	\$1,000.	
WORD PROCESSING		<u>\$7,000.</u>
Lease of 2 Wang work stations		\$50,596.
and 1 printer		
		\$50.6

COMMODITIES

5 x \$200	\$1,000.	
		\$1.

EQUIPMENT

5 Desks	\$2,411.04
5 Chairs	769.19
2 file Cabinets	1,400.00
2 Book cases	247.48
5 Calculators	1,245.30
2 IBM Dictating machines and	
1 IBM Transcriber	2,218.62
5 Plastic floor mats	200.
5 Trash cans	<u>50.</u>
	\$8,541.63

\$8.6

MEMORANDUM

State of Alaska

TO: Harie Matsuno
Deputy Commissioner

DATE: February 19, 1981

FILE NO:

TELEPHONE NO:

FROM: Terry L. Earl 
State Assessor

SUBJECT: Comments on SB 168

The staff of the Senate Community and Regional Affairs committee has requested us to comment on Senate Bill 168.

This bill would create a special municipal aid program within this department and entitle each municipality to \$1,000 per capita or \$25,000 whichever is greater. It states that these funds are to be used for Capital improvement projects. The bill also calls for \$1,000 per capita to be distributed in the unorganized borough for capital improvement projects.

In order to be eligible for these funds municipalities must agree to collect no more than 80% of the sales and use tax levied in 1981 or no more than 80% of the taxes levied on real property in 1981.

There are 2 restrictions on this new fund:

1. The money must be used for Capital improvements.
2. Municipalities must reduce other sales tax or real property tax by 20%.

In our opinion these two requirements run at cross purposes. On one hand we are providing for new structures, facilities etc. On the other hand we are reducing the money available to operate and maintain those structures and facilities.

Example: City X levies 10 mills on an assessed value of \$70,000,000 and has a population of 650 people. They receive \$700,000 with which they build a firehall. However, they must provide for existing services, maintain and operate that new firehall on 20% less revenue than last year.

$(\$70,000,000 \text{ value} \times 10 \text{ mill's} = \$700,000 \text{ Total revenue}$
 $\$700,000 \text{ total revenue} \times 20\% = \$140,000 \text{ required revenue reduction}).$

Note: This example assumes no changes in other state funding levels.

In our opinion, funding capital improvements and reducing taxes are two separate issues and need to be treated as such.

Section 2 of this bill calls for population of municipalities and the unorganized borough to be determined from the latest figures of the U.S. Census or population data which, in the judgment of the department is reliable.

As everybody is aware, there are serious concerns with the 1980 Federal census but we believe the census figures are the most accurate available. Use of these figures is guaranteed to intensify the debate on the validity of the Census.

The balance of these comments deal with the text of the bill and problems we foresee in its administration.

Section 1. (a) and (c) create specific eligibility requirements. We would envision contractual agreements with recipients to insure these requirements are met. However, we wonder if that perception is shared by the sponsors of this bill.

Section 1(d) states the department shall administer the entitlement for the unorganized borough and disburse money for capital projects upon authorization of the legislature. There are a number of points that are not addressed in this section:

There are 150 Census Designated Places in the unorganized borough, 102 of which have 25 or more residents. We envision making entitlements based on population to all communities larger than 25 persons. The wishes of the communities would be determined by public hearing in each community. A report would be submitted to the Second Session of the 12th legislature in its first ten days for approval. The Department would contract with the communities to construct the approved projects as stipulated in Section 1(h) (2) of AS 27.05.315 (Chapter 156, SLA 1990, copy attached). If the legislature envisions a different procedure, specific guidance would be most helpful.

It would also be helpful if the bill addressed the issues of responsibility for future operation and maintenance costs and whether or not communities can charge administrative costs against the grant amount.

There has been a very similar bill introduced in the House of Representatives. It is House Bill 102. It has two differences from SB 153. They are:

1. HB 102 would require tax reduction to be 20% of entitlement as opposed to 20% of tax collections in 1981.
2. HB 102 would require projects to be approved by voters in unified municipalities.

These variations have both good and bad aspects. If the tax reduction requirement remains in the bill, maybe a combination of the two approaches is necessary.

The current property taxes in the Municipality of Anchorage equal \$403 per capita. The Senate version would require a \$92 per capita reduction ($403 \times .20 = 82$) while the house version would require a \$200 per capita reduction ($1,000 \times .20 = 200$). The House version of the bill would require a 49% ($\$200 \div 403 = 49\%$) decrease in local property taxes at the same time as it creates additional maintenance and operating costs.

The City of Kotzebue currently collects approximately \$153 per capita from its sales tax. Based on the Senate version they would be required to reduce that sales tax by \$32 ($\$153 \times 20\% = \32) per person. It doesn't appear that they would be eligible under the house version as it would be impossible to reduce taxes by \$200. ($1,000 \times 20\% = \200).

The part of the house bill that requires a vote on the projects in unified municipalities might warrant consideration in other large municipalities.

While we are very supportive of getting funds for capital improvements into the hands of local government we also feel some additions and corrections to SB 169 need to be made.

BILL SUMMARY

SB 168 and HB 182 both establish a special municipal aid program which would entitle municipalities to \$1,000 per capita.

SB 168 would mandate that the entitlement be spent on capital projects at the discretion of the municipality. To qualify, the municipality must agree to collect no more than 80 percent of the property tax levied in 1981 or no more than 80 percent of the sales tax levied in 1981.

HB 182 would mandate the entitlement be used for capital projects and tax reduction. To qualify, municipalities would have to agree to reduce the amount of taxes levied in 1981 by 20 percent of the amount of the entitlement.

We envision entering into contracts with the municipalities in which they agree to abide by these statutory requirements.

The bills further state the department shall administer the entitlement for the unorganized borough and disburse money for capital projects upon authorization of the legislature.

There are 150 Census Designated Places in the unorganized borough, 102 of which have 25 or more residents. We envision making entitlements based on population to all communities larger than 25 persons. The wishes of the communities would be determined by public hearing in each community. A report would be submitted to the Second Session of the 12th Legislature in its first ten days for approval. The department would contract with the communities to construct the approved projects as stipulated in Section 1(h) (2) of AS 37.05.315 (Chapter 156, SLA 1980, copy attached).

The department anticipates monitoring and assisting with these grants, including compliance auditing approximately one fifth of the total recipients. If the legislature envisions a different procedure, specific guidance would be most helpful.

Chapter 156

1 the Fiscal Procedures Act (AS 37.05), and the Executive Budget Act
2 (AS 37.07), a department may not adopt regulations or impose additional
3 requirements or procedures to implement, interpret, make specific or
4 otherwise carry out the provisions of this section unless required by
5 the federal government for participation in federal programs.

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

8 (1) Within 45 days after the effective date of the appropria-
9 tion, the Department of Community and Regional Affairs shall notify the
10 governing body of the unincorporated community, if any, that a grant is
11 available.

12 (2) The Department of Community and Regional Affairs shall
13 determine whether there is a qualified incorporated entity in the com-
14 munity area which will agree to receive the grant and administer it,
15 subject to terms generally applicable to private grantees. If there is
16 more than one such entity, the Department of Community and Regional
17 Affairs shall select the most qualified and the grant shall be awarded
18 to that incorporated entity for the purposes of the appropriation;
19 however, the Department of Community and Regional Affairs shall give
20 preference to a nonprofit corporation organized by a community for
21 receipt of the grant.

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

26 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-

27 U70(c).

156

PERSONNEL

PROGRAM DIRECTOR (Exempt)
Range 21 Step A Supervisory

Salary	\$39,815.00
Benefits	6,119.72
SBS	2,004.00
Health Insurance	<u>1,848.00</u>

\$49,787.72

2 LGS IV's
Range 19 Step A General

Salary	\$34,044.00
Benefits	5,232.56
SBS	2,004.00
Health Insurance	<u>1,848.00</u>

\$43,128.56

x 2 = \$86,257.12

BUDGET ANALYST
Range 18 Step A General

Salary	\$31,248.00
Benefits	4,802.82
SBS	2,004.00
Health Insurance	<u>1,948.00</u>

\$39,902.82

4 LGS I - II's
Range 15 Step A General

Salary	\$25,520.00
Benefits	3,937.79
SBS	2,004.00
Health Insurance	<u>1,848.00</u>

\$33,409.79

x 4 = \$133,639.16

PERSONNEL (Contd)

A INTERNAL AUDITORS I - II's
Range 15 Step A General

Salary \$25,520.00
Benefits 3,937.79
SBS 2,004.00
Health Insurance 1,848.00

\$33,409.79 x 4 = \$133,639.16

2 ACCOUNTING TECHNICIAN I's
Range 12 Step A General

Salary \$21,132.00
Benefits 3,247.99
SBS 2,004.00
Health Insurance 1,348.00

\$28,231.99 x 2 = \$56,463.99

1 ACCOUNTING CLERK III
Range 10 Step A General

Salary \$18,768.00
Benefits 2,884.54
SBS 2,004.00
Health Insurance 1,849.00
\$25,505.54

4 CLERK TYPIST II's
Range 7 Step A General

Salary \$15,828.00
Benefits 2,432.76
SBS 2,004.00
Health Insurance 1,843.00

\$22,112.76 x 4 = \$89,451.05

FY '82 \$513,645.55 FY '92 \$514.0

x.08

\$49,091.55

FY '83 \$562,737.30 FY '83 \$563.0

TRAVEL FY '82

102 PUBLIC HEARINGS IN FY '82

Census Region	# of Communities	X Average Price of trip	Equals Amount by Region
2	1	\$300.00	\$300.00
3	2	300.00	600.00
4	18	700.00	12,500.00
5	5	500.00	3,500.00
7	1	150.00	150.00
8	11	300.00	3,300.00
9	16	400.00	6,400.00
11	10	750.00	7,500.00
15	8	200.00	1,600.00
17	2	100.00	200.00
22	8	300.00	<u>2,400.00</u>

38,650.00 AIR

plus 19 communities by rental CAR

3 weeks at \$40 a day 840.00
 2,000 miles at .30 a mile 600.00
 gas at 20 mpg at \$2 a gallons 200.00

\$1,640.00 rental
 CAR expense

per diem at \$70 a day (state average) x 187 days \$13,090.00

Coordination and contingency travel 5,000.00

\$38,650.00 Air
 5,000.00 Coordination and Contingency
~~13,090.00~~
+4,355.00 10% for anticipated travel
 increases.

48,015.00
 13,090.00 per diem
+1,540.00 car expenses

\$52,745.00

FY '82 TOTAL TRAVEL EXPENSES \$53.0

TRAVEL FY '83

Based on auditing one fifth (50) of the grant recipients

50 trips x average of \$485 per trip	\$25,250.00
Coordination and contingency	5,000.00
	<u>30,250.00</u>
+ 15% for travel price increases	+4,537.50
	<u>34,787.50</u>
+ per diem for 50 trips at 3 days each \$76.	<u>11,400.00</u>
	\$46,187.50
	\$17.0

CONTRACTUAL

PSA with Department of Law
 Contract development
 Review of individual contracts larger than
 \$1 million (31)
 General legal advice
 Recovery actions
 Subcontract review (exceptions) \$50,000.00

RSA with DOT/PF
 Advice on request on structural and design
 feasibility
 Inspections upon request
 Cost estimates \$100,000.00

RSA with Labor
 Population verifications \$50,000.00

Word Processing
 Lease of 3 Wang workstations, 1 printer
 \$15,000.00

Space
 19 x 150 sq.ft. x \$1.50 per sq.ft. x 12
 \$51,300.00

Telephones
 Basic service Long Distance
 15 phones \$4,275. \$15,000
 \$20,000.00

Data Processing
 Programming fees \$10,000.00

Training in holding Public Hearings (FY '82 only) \$5,000.00

Printing, Advertising, Postage
 \$4,000 \$1,000 \$2,000
\$7,000.00

273,300.00

\$274.0

COMMODITIES

19 x 200. a year \$3,800.

\$3.8

EQUIPMENT

19 Desks	\$8,034.00
19 Chairs	\$2,939.00
3 File Cabinets	\$2,100.00
4 Book cases	\$500.00
1 Credenza	\$322.00
15 Calculators	\$3,750.00
4 IBM Dictating machines and 2 IBM Transcribers	\$4,440.00
19 Plastic Floor mats	\$760.00
19 Trash cans	<u>\$190.00</u>
	\$23,035.00
	\$24.0



CITY of WRANGELL, ALASKA

INCORPORATED JUNE 15, 1903

BOX 531, 99929 (907) 874-2381

February 18, 1981

Senator Donald Gilman, Chairman
Senate Community & Regional Affairs
Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

RE: Senate Bill No. 168

Dear Sir:

The City of Wrangell supports the concept of Senate Bill No. 168, however, we feel some sections of the Bill will not be to the benefit of Wrangell. Following are our areas of concern:

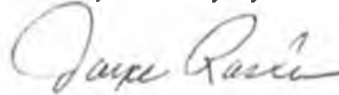
1. To reduce sales tax or property tax would reduce our operating and maintenance budget by 20% for fiscal year 1982. Wrangell's budget has been, for many years, a maintenance budget in an effort to maintain a level of taxation within reason. It appears obvious that inflation will increase our operating and maintenance costs in 1982. If we are forced to reduce revenue, we will be required to reduce services and/or employees. Wrangell has not been budgeting large capital projects from general fund revenues so Senate Bill No. 168 would not tend to replace funds currently derived from the taxpayer.
2. As a majority of the municipalities in Alaska are disputing the 1980 census, it would be in our best interests to have the population established the same as used for the 1980-81 State shared revenue. The Department of Community and Regional Affairs has already determined those figures based on prior reliable data.

Senator Donald Gilman
February 18, 1981
Page 2

3. There is a provision in the Bill for pro-rated payments if insufficient funds are appropriated. As evidenced by other municipal assistance acts, such as shared revenue, we could expect a reduction in entitlements. Full funding should be assured.

Although we support the concept of Senate Bill No. 168, we are concerned that it may seriously impact our operating budget. Your consideration of our concerns will be appreciated.


Very truly yours,



Joyce Rasler
City Manager

JR:fv

TO: Senator Don Gilman

FROM: Senator Ed Dankworth 

DATE: February 16, 1981

RE: SB 168, which relates to municipal aid

Please consider the following as you review SB 168 in your committee.

SEC. 1 (a) it may be necessary to expound on the uses for these funds to include the wording, (line 12) and tax reduction.

(c) As I know you are aware, this section was intended to read, (line 18) [collect no more than, etc.] reduce local taxes on real property or sales and use taxes by 20% of the entitlement provided under this act.

Introduced: 2/18/81
Referred: Community & Regional
Affairs and Finance

BY CUDDY, ABOOD, ANDERSON, BARNES,
BEIRNE, BETTISWORTH, BYLSHA, HALFORD,
HAUGEN, HAYES, MARTIN, METCALFF,
MONTGOMERY, O'CONNELL AND PHILLIPS

1 IN THE HOUSE

2 HOUSE BILL NO. 182

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a special municipal aid program,
7 and providing for an effective date."

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

9 * Section 1. MUNICIPAL AID PROGRAM. (a) During the fiscal year ending
10 June 30, 1981, the department shall compute and pay an entitlement to each
11 qualified municipality. The entitlement shall be used for capital projects
12 and tax reduction, and shall be computed in accordance with (b) of this
13 section.

14 (b) Within the limits of appropriations for the purpose, each qualified
15 municipality is entitled to receive \$1,000 per person residing within the
16 boundaries of the municipality, or \$25,000, whichever is greater.

17 (c) To qualify for an entitlement under this section, a municipality
18 which levies taxes must agree to reduce the amount of taxes levied in 1981
19 by 20 percent of the amount of the entitlement. This eligibility requirement
20 does not apply to a tax levied on oil and gas production and pipeline prop-
21 erty under AS 29.53.045 or to a tax levied on unimproved land. The agreement
22 must be submitted in writing to the department by October 1, 1981.

23 (d) An entitlement to a unified municipality is conditioned on compli-
24 ance with (c) of this section and on approval of the expenditure of the
25 money for a capital project. The plan of expenditure shall be approved by
26 the local governing body and submitted to the people for ratification by a
27 majority of the registered voters voting on the question of approval at a
28 regular election or special election called for that purpose.

29 (e) Within the limits of appropriations for the purpose, the depart-

1 ment shall compute an entitlement for the unorganized borough of \$1,000 per
2 person residing within the unorganized borough. The department shall admin-
3 ister the entitlement for the unorganized borough and disburse money from
4 the entitlement for capital projects in the unorganized borough upon autho-
5 rization of the legislature.

6 * Sec. 2. DETERMINATION OF POPULATION. For purposes of this Act, the
7 population of a municipality and of the unorganized borough shall be deter-
8 mined from the latest figures of the United States Bureau of the Census or
9 other population data which, in the judgment of the department is reliable.
10 For purposes of determining the population of a home rule or general law
11 borough, the population of each city located within the boundaries of the
12 borough shall be subtracted from the population of the borough.

13 * Sec. 3. MUNICIPAL AID ACCOUNT. The municipal aid account is estab-
14 lished in the department. Money to carry out the provisions of this Act
15 shall be appropriated to the account and distributed to the department as
16 authorized under sec. 1 of this Act. If the amount appropriated to the
17 account is not sufficient to finance all entitlements, the amount appropri-
18 ated shall be distributed pro rata among eligible municipalities and the
19 unorganized borough. If the amount appropriated to the account exceeds the
20 amount authorized for entitlements under sec. 1 of this Act, the excess
21 money lapses into the general fund on June 30, 1982.

22 * Sec. 4. DEFINITIONS. In this Act

23 (1) "department" means the Department of Community and Regional
24 Affairs;

25 (2) "municipality" means a city, borough, or unified municipality
26 incorporated under state law and includes home rule and general law munici-
27 palities.

28 * Sec. 5. This Act terminates July 1, 1982.

29 * Sec. 6. This Act takes effect July 1, 1981.



CITY OF DILLINGHAM

P.O. BOX 191

DILLINGHAM, ALASKA 99576

TELEPHONE (907) 842-5211 or 842-5212

February 20, 1981

Representative Joe Chuckwuk
Senator Donald E. Gilman
Alaska State Legislature
Pouch V
Juneau, Ak 99811

Representative Fred Zharoff
Senator Frank Ferguson
Senator George Hohman

Gentlemen:

The City Council of the City of Dillingham are very concerned over Senate Bill 168. Reasons are as follows:

Background. Dillingham is experiencing rapid growth requiring us to expand our services. The city property is over 80% tax exempt. Total taxes collected (Sales and Property) for 1980 were \$771,563. These are our basic Operating Budget Revenues. Without any capitol expenditures it costs the city \$1,030,341 to survive. These additional revenues come from State Shared Revenue, Raw fish Tax, Fund Balance. We lowered our mill rate to 10 mills in July 1978, a drop of 7 mills. Over the past 10 years a total decrease of 12 mills. We currently have 13 permanent employees, have eliminated all CETA positions and provide more services than the city used to with 20. In other words, we have already, without state imposition reduced our local government and budget to bare bones.

Effects Senate Bill 168

1. It combines Operating and Capitol Expenditures. These are 2 altogether separate items. Our capitol projects are all funded by grants. Our operating budget is necessary to survive.
2. The council feels Paragraph (c) of SB 168 should be deleted entirely.

This bill would mean:

Population 1580 - \$1,580,000

a) Tax Relief: 20% of every \$1,000 = \$316,000 almost 1/2 of our total tax effort

b) Or Tax Relief 20% of Property Taxes = \$76,978

One must also realize SB 125 which would give us \$322,093 also cities tax relief. Current funding in these categories are used in our operating budget. HB 103 repeals Raw fish Tax, another operating revenue of \$100,000.



CITY of WRANGELL, ALASKA

INCORPORATED JUNE 15, 1903

BOX 531, 99929

(907) 874-2381

February 18, 1981

Senator Don Bennett, Chairman
Senate Finance Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

RE: Senate Bill No. 168

Dear Sir:

The City of Wrangell supports the concept of Senate Bill No. 168, however, we feel some sections of the Bill will not be to the benefit of Wrangell. Following are our areas of concern:

1. To reduce sales tax or property tax would reduce our operating and maintenance budget by 20% for fiscal year 1982. Wrangell's budget has been, for many years, a maintenance budget in an effort to maintain a level of taxation within reason. It appears obvious that inflation will increase our operating and maintenance costs in 1982. If we are forced to reduce revenues, we will be required to reduce services and/or employees. Wrangell has not been budgeting large capital projects from general fund revenues so Senate Bill No. 168 would not tend to replace funds currently derived from the taxpayer.
2. As a majority of the municipalities in Alaska are disputing the 1980 census, it would be in our best interests to have the population established the same as used for the 1980-81 State shared revenue. The Department of Community and Regional Affairs has already determined those figures based on prior reliable data.

AML

	Initials	Date
Prepared By		
Approved By		

(in thousands)

	(1)	(2)	(3)	(4)	(5)	(6)
Municipality	SB 168 entitlement	20%	est. 1981 property tax (less all. 450)	20%	est. 1981 sales tax	20%
1 Anchorage	2043.28	40865.6	90426.93	18085.39	—	—
2 Bristol Bay	1685	337.0	458.59	91.72	—	—
3 Fairbanks Bor.	60077	12055.4	16666.59	3333.31	13923.47	2784.69
4 Haines Bor.	1924	384.8	279.51	55.90	498.52	99.70
5 Cu B of Juneau	24211	4842.2	7781.51	1556.30	3988.16	797.63
6 Kenai Pen Bor	25507	5101.4	10912.99	2182.60	2332.88	466.58
7 Ketchikan Gateway Bor.	4406	2881.2	3770.36	754.07	713.49	742.70
8 Kodiak. I. Bor.	11978	2395.6	3816.34	763.29	—	—
9 Mat Su Bor.	2317.7	4635.4	8029.56	1605.91	—	—
10 N Slope Bor	4610	922	1983.19	396.64	2780.58	556.12
11 Sitka Co B	8787	1757.4	1157.97	231.59	2563.99	512.80
12						
13 Cordova	2780	556	612.24	122.45	1050.28	210.06
14 Craig	587	117.4	78.65	15.73	129.47	25.89
15 Dillingham	1656	331.2	392.09	78.41	536.03	107.21
16 King Cove	733	146.6	68.97	13.79	107.69	21.54
17 Nerana	503	100.6	67.76	13.55	85.91	17.18
18 Nome	2892	578.4	710.27	142.05	682.49	136.49
19 Pelican	221	44.2	42.35	8.47	85.91	17.18
20 Petersburg	3197	639.4	838.53	167.71	1120.46	224.09
21 Skagway	877	175.4	390.83	78.17	306.13	61.23
22 Ugainka	768	153.6	550.55	110.11	1028.5	205.7
23 Valdez	4064	813.2	567.49	113.5	—	—
24 Wrangell	3325	665	524.43	104.89	790.13	158.03
25 Yakutat	442	88.4	145.2	29.04	71.39	14.28
26						
27						
28						
29						
30						
31						
32						
33						

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 30, 1981

SUBJECT: Use of state municipal money by a
municipality (Work Order No. 12-1213)

TO: Senator Donald E. Gilman

FROM: Tamara Brandt Cook
Legislative Counsel *TBC*

You have asked whether a municipality may spend money obtained through state aid under Title 29 or under CSSB 168 on nonareawide, rather than areawide projects, or in a service area. Since "nonareawide power" is a power of a borough exercised only in the area outside of cities and since service areas are formed by boroughs, this question applies only to the use of state aid money by a borough and has no applicability to the use of state aid money by a city. The answer depends upon two factors:

- (1) the provisions contained in the legislation which establishes the particular aid program; and
- (2) whether the borough otherwise has authority under the law to exercise pertinent powers on a nonareawide or service area basis.

Depending upon its classification, a borough must exercise certain powers on an areawide basis (AS 29.33.010, 29.41.010). Depending upon its classification, a borough has the option of exercising certain powers on an areawide or a nonareawide basis (AS 29.48.030, 29.48.035). A first class borough may exercise any general law municipal power on a nonareawide basis (AS 29.38.010). A second class borough may exercise on a nonareawide only certain powers (AS 29.38.020, 29.48.020). A third class borough is authorized to exercise powers other than education and tax assessment only on a service area basis (AS 29.41.010(b)). A home rule municipality may exercise powers on either an areawide or nonareawide basis,

unless specifically restricted by law or charter (AS 29.-13.010). If a particular borough does not have the authority to exercise a power on a nonareawide basis it does not have the authority to spend state aid money on a nonareawide basis for purposes which involve the exercise of the power. However, if a particular borough does not have the authority to exercise the power on an areawide basis, but may exercise the power on a nonareawide basis, the municipality might well be obligated to spend state assistance on a nonareawide basis if the money is for a project or service which involves the exercise of the nonareawide power.

While AS 29.88 (Municipal Tax Resource Equalization) does not specify how money must be used, it provides for entitlements to "taxing units". In a borough or unified municipality, a "taxing unit" is a service area or the entire area outside cities, so entitlements under this state program are to be used either on a nonareawide basis or on a service area basis, but not on an areawide basis. This interpretation is supported by the fact that each differential tax zone in a city also qualifies for a separate entitlement as a "taxing unit".

AS 29.89 (Municipalities Qualified For Entitlements To Be Used To Provide Itemized Services) is silent as to whether the money must be used on an areawide or nonareawide basis. Therefore, a borough which has the authority to exercise the power on a nonareawide basis necessary to provide the service could spend the money on a nonareawide basis. Entitlements under this chapter go to any municipality which has the power to provide the services for which the money is to be used, so a city which the power to provide the services would qualify for a separate entitlement even though the borough in which the city is located also qualifies for an entitlement. If the borough were obligated to use the money on an areawide basis, a city within the borough would, in effect, benefit from two entitlements.

AS 29.90 (State Aid for Hospital Construction) provides entitlements to municipalities or other hospital sponsors strictly for the costs of constructing hospitals. AS 29.-48.030(5) allows a municipality to exercise the powers necessary to provide health services and hospital facilities. However, a borough may exercise the power on an areawide basis only if it has been assumed after an election or

transferred by cities within the borough. A first class borough may exercise the power on a nonareawide basis after seeking to have the power transferred by cities. A second class borough may exercise the power on a nonareawide basis only if the power was approved at incorporation or acquired after an election on the question. State money under AS 29.90 may only be used on a nonareawide basis by boroughs which lack the authority to provide health services and facilities on an areawide basis. Since the entitlements may be paid to a "municipality", a city which has a hospital under construction would qualify for a separate entitlement under this chapter. To the extent that a third class borough may provide health services, it may do so only on a service area basis, so an entitlement under this chapter would necessarily have to be used in a service area by a third class borough. The creation of a hospital service area was upheld in Concerned Citizens of South Kenai Peninsula v. Kenai Peninsula Borough, 527 P.2d 447 (Alaska 1974).

CSSB 168 (Finance) provides for an entitlement to each municipality for capital projects. The bill contains no requirement that entitlements be used only an areawide basis. To the extent that a borough has the authority to exercise the powers on a nonareawide basis necessary for the construction of a particular capital project, the borough would be able to use money under CSSB 168 (Finance) on a nonareawide basis. Since Sec. 3 of the bill provides that the population of each city located within the boundaries of a borough is subtracted from the population of the borough for purposes of determining the amount of an entitlement, it appears reasonable for a borough to use money obtained on a nonareawide basis. A city receives a separate entitlement on the basis of its population, and if the borough uses the entitlement on an areawide basis the city residents will have a greater per capita benefit than borough residents outside cities.

A municipality may spend money obtained through state aid on a nonareawide basis or in a service area if that is not prohibited by the legislation which provides the aid, and if the municipality is authorized to exercise all powers necessary to utilize the money on a nonareawide basis or in a service area.

TBC:ljb

Early budget comes in high

Kenai tax drop probable

The Kenai city preliminary budget for next year has weighed in \$1.5 million heavier than the current year.

Round figures prepared by city Finance Director Charles Brown, based on departmental requests, add up to \$3.5 million. This year's budget is \$2.4 million.

While the "apparent"

increase is \$1.9 million, Brown explains that about \$400,000 of that is increased sales tax revenues and interest income which are dedicated to capital improvement reserves. As such, he notes in a memo to City Manager Bill Brighton, it would be inaccurate to label them as expenditures.

Top on the list of requests

is the Kenai Fire department which is asking for four more firemen and a new substation in the Beaver Creek area. Added to requests for more equipment, the KFD wants \$500,000 more next year than it had this year, according to the memo.

Also included in the budget requests are funds for two

policemen and a street worker, plus funds to make several half-time employees full-time.

Overall inflation adds another \$320,000 the budget, of which \$265,000 is personnel costs, Brown figures.

His numbers indicate that the city can keep its current 9.9 mill rate only if \$762,600

(Continued on page 16)

...Kenai tax drop

(Continued from page 1)
— or about half — is cut from the \$1.5 million requested increases. Seen differently, the city would have to levy a 14.9 mill rate in order to fully fund the preliminary budget.

The other \$700,000 or so in projected increases could be covered by the increased revenues which have resulted in large part from last July's property tax reassessment in Kenai. (Done every two years, the recent reassessment upped Kenai's tax base 23.7 million, or about 22 percent.)

That is, of course, assuming there is no sup-

plemental municipal assistance from the state. That is not necessarily the case (See accompanying story)

For instance, if \$762,000 is cut from the proposed budget, and if half of the \$791,000 supplemental municipal assistance is used for tax relief, and if additional unexpected state revenues of \$800,000 now in the governor's budget become reality on a recurring basis, the city could possibly reduce its mill rate to 1.62.

He adds, "The number games are endless."

Local budgets 'iffy' with state money on 'hold'

By STEVE RINEHART

Clarion Editor

Local government officials are writing their budgets as if nearly \$2.5 million in municipal assistance from the state isn't there.

And it isn't. Not yet anyway. Senate Bill 125, which promises \$1.3 million to the borough, \$90,000 to Kenai and \$379,000 to Soldotna, is still in the House Finance Committee.

Legislators fully expect it to be passed this session, but local budgeteers aren't counting on it. They are, however, keeping their fingers crossed.

As the bill is written now, the majority of the "supplemental" municipal assistance is dedicated to property tax relief. The Kenai City Council and the Borough Assembly have passed resolutions to that effect, joining about a dozen other municipalities in the state. The Soldotna Council is considering doing the same.

In terms of tax relief, the supplemental appropriation represents over three mills in Soldotna, one-half mill in the borough and over five mills in Kenai.

And that is the kicker. In order for that money to be used for local tax relief next year, S.B. 125 must pass the legislature and be signed by

the governor by early June. If not, according to Borough Finance Officer Roy Barton, the mill levy will already be set and the tax bills will be "off and rolling."

Tax bills go out July 1, he said, after which it would be difficult or impossible to amend them.

Legally, the mill rates have to be set June 15. Most budget deliberations and public hearings are conducted well before that date, however.

"We're in a quandry," says Joel Wilkins of Soldotna.

Soldotna, along with Kenai and the borough are assuming, for budget purposes, that the money is not there.

Kenai Finance Chief Charles Brown figures that extra \$790,000 could be plugged into the budget by June 3 at the latest.

The borough's budget goes to the assembly Apr. 7, Barton said. It can be modified later, however.

"The money just isn't there, is how I look at it," Barton said.

His budget isn't final yet, Barton said, but added he is aiming at a 2.5 mill property tax levy without the supplemental assistance. Presumably, the state funds could reduce that to 2 mills or less.

All things being the same as last year, a Kenai property taxpayer could see his total borough and city tax bill reduced from 12.4 mills to 7.2 mills. In Soldotna, a tax bill could conceivably be reduced from 11.8 mills to 8.3 mills.

Savings will depend on the actual budgets adopted by the municipalities.

Wilkins said the city budget is still taking shape. Departmental requests are up, but she characterized them as needs rather than desires.

If the money becomes available, Wilkins said, she doubted the city council would allow budget increases to counterbalance tax decreases.

The legislative angle

Municipal assistance came into being in 1978, with the repeal of the business license tax. To make up to the cities the revenues they lost due to repeal of that tax, the state agreed to divide up 10 percent of its corporate income taxes among the cities, as "municipal assistance."

But, as it happened, corporate tax revenue skyrocketed and municipal assistance fell way short. Last year, for example, the statewide assistance pot was about \$11 million. The "supplemental" bill addresses that fact, with \$45 million for municipalities and other funds for unincorporated areas.

In addition, the governor's budget includes greatly increased state revenue sharing and (supplemental) municipal assistance funds. There is no requirement that those funds be used for tax relief.

Written into S.B. 125, according to Senator Don Gilman, is the intent that "any additional funds over the base year (1978) will be used for property tax relief.

in reasonable proportion."

The purpose of the legislation is to make the money available to local governments before they prepare their budgets, he said.

In Senate debate, Gilman said, there was an attempt to amend the bill, to force municipalities to reduce their taxes by 3.44 mills, as a condition of receiving the funds.

"That was shouted down," he said.

A House observer told the Clarion the bill is still in the House Finance Committee, where action on a property tax refund bill -- H.B. 4 -- is taking precedence.

Gilman said he has introduced another bill to fund municipal assistance a year in advance, so that local governments can better plan their budgets.

THE FOLLOWING DOCUMENT(S) MAY NOT FILM
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ORIGINAL.

Sen. Banker
James H. ...

A M E N D M E N T

Offered in the SENATE

By Parr

TO: CSSB 168 (Finance)

Page 1, lines 6 and 7:

Delete "relating to state assistance for capital projects" and insert "establishing a special municipal aid program"

Page 1, line 11:

Delete "shall" and insert "may"

Page 1, line 12:

Delete "capital projects" and insert "any public purpose"

Page 1, line 18:

Delete "Money" and insert "Notwithstanding the limitations on municipal powers in AS 29, money"

Page 1, line 19:

Delete "only for capital projects" and insert "for any public purpose"

Page 1, line 25:

Delete "capital projects" and insert "public purposes"

Page 1, line 29:

Delete "capital project" and insert "public purpose"

Page 2, line 24:

Delete "only for capital projects" and insert "for any public purpose"

Page 3, line 3:

Delete "capital project" and insert "public purpose"

Page 3, line 6:.....

Delete "capital project" and insert "public purpose"

THE PRECEDING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

Cook ✓

Senator Selma

PROPOSED PARR AMENDMENTS

Original sponsors: Dankworth, Kerttula,
Ferguson, et al

I THE SENATE

THE FINANCE COMMITTEE

CS FOR SENATE BILL NO. 168 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWELFTH LEGISLATURE - FIRST SESSION

A BILL
establishing a special municipal aid program

For an Act entitled: "An Act relating to state assistance for capital projects and providing for an effective date."

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

* Section 1. MUNICIPAL AID PROGRAM. (a) During the fiscal year ending June 30, 1982, the Department of Administration shall compute and pay an entitlement to each qualified municipality. The entitlement ^{MAY} ~~shall~~ be used for capital projects ^{any public purposes} at the discretion of the municipality. The entitlement shall be computed in accordance with (b) of this section, and is payable by the Department of Administration in accordance with AS 37.05.375.

(b) Within the limits of appropriations for the purpose, each municipality is entitled to receive \$1,000 per person residing within the boundaries of the municipality.

(c) ^{Notwithstanding limitation on municipal powers as in AS 29, money} ~~Money~~ received as an entitlement by a municipality under this section may be used only for capital projects ^{for any public purpose}.

(d) A municipality may not receive money as an entitlement under this section until it provides to the Department of Administration a copy of the ordinance or resolution adopted by it which

(1) authorizes the municipality to receive and spend the money to be provided by the entitlement;

(2) identifies the capital projects ^{Public Purposes} for which the money will be spent; and

(3) indicates the total amount of money which the municipality may receive and the amount of money which will be used by the municipality for each capital project ^{Public Purpose}.

* Sec. 2. AID TO UNINCORPORATED COMMUNITIES. (a) During the fiscal year ending June 30, 1982, the Department of Community and Regional Affairs shall compute and pay an entitlement to each unincorporated community in the unorganized borough. An entitlement payable under this section shall be computed in accordance with (b) of this section, and is payable by the Department of Community and Regional Affairs in accordance with (c) of this section.

(b) Within the limits of appropriations for the purpose, each unincorporated community which qualifies under (a) of this section is entitled to receive \$1,000 per person residing within that unincorporated community.

(c) By August 15, 1981, the Department of Community and Regional Affairs shall notify each unincorporated community that an entitlement is available. The Department of Community and Regional Affairs shall determine whether there is, in the unincorporated community, an incorporated entity or a federally chartered entity which will agree to receive and spend the money under the entitlement. If there is, in the unincorporated community, more than one qualified incorporated or federally chartered entity, the Department of Community and Regional Affairs shall pay the money under the entitlement to the entity which the department finds most qualified to spend the money consistent with (d) and (e) of this section. The Department of Community and Regional Affairs shall give preference to a nonprofit corporation organized by an unincorporated community for receipt of the entitlement.

(d) Money received as an entitlement under this section may be used for any public purpose only for capital projects in the unincorporated community.

(e) An unincorporated community may not receive money as an entitlement under this section until the recipient selected by the Department of Community and Regional Affairs under (c) of this section provides to the Department of Community and Regional Affairs a copy of a resolution adopted by it which

1 (1) authorizes the recipient to receive and spend the money
2 provided by the entitlement;

3 (2) identifies the ^{Public purpose} capital project for which the money will be
4 spent;

5 (3) indicates the total amount of money which the recipient may
6 receive and the amount of money which will be used for each ^{public purpose} capital project
7 and

8 (4) identifies the party

9 (A) that owns or will own a capital project for which money
10 is spent under this section; or

11 (B) that will be responsible for the maintenance and opera-
12 tion of a capital project for which money is spent under this section.

13 (f) If there is no incorporated entity or federally chartered entity
14 willing to receive the money, the entitlement determined by the Department
15 of Community and Regional Affairs for that unincorporated community may not
16 be paid.

17 * Sec. 3. DETERMINATION OF POPULATION. (a) For purposes of this Act,
18 the population of a municipality and of an unincorporated community shall be
19 determined from the latest figures of the United States Bureau of the Census

20 (b) For purposes of determining the population of a home rule or
21 general law borough, the population of each city located within the boundar-
22 ies of the borough shall be subtracted from the population of the borough.

23 * Sec. 4. MUNICIPAL AID ACCOUNT. The municipal aid account is estab-
24 lished in the Department of Administration. Money to carry out the provi-
25 sions of sec. 1 of this Act shall be appropriated to the account and dis-
26 tributed by the Department of Administration as authorized in sec. 1 of this
27 Act. If the amount appropriated to the account is not sufficient to finance
28 all entitlements, the amount appropriated shall be distributed pro rata
29 among eligible municipalities.

1 * Sec. 5. UNINCORPORATED COMMUNITY AID ACCOUNT. The unincorporated
2 community aid account is established in the Department of Community and
3 Regional Affairs. Money to carry out the provisions of sec. 2 of this Act
4 shall be appropriated to the account and distributed by the Department of
5 Community and Regional Affairs as authorized in sec. 2 of this Act. If the
6 amount appropriated to the account is not sufficient to finance all entitle-
7 ments, the amount appropriated shall be distributed pro rata among eligible
8 recipients.

9 * Sec. 6. DEFINITION. In this Act,

10 (1) "capital project" means

11 (A) a public facility; or

12 (B) equipment which may be necessary to construct, operate

13 or maintain a public facility or service;

14 (2) "municipality" means a city, borough, or unified municipality
15 incorporated under state law and includes home rule and general law munici-
16 palities.

17 (3) "unincorporated community" means a village in the unorganized
18 borough in which 25 or more persons reside.

19 * Sec. 7. This Act takes effect July 1, 1981.

20
21 Public Purpose ??
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CITY OF BETHEL

P.O. Box 388 • Bethel, Alaska 99559

543-2297—Area Code 907

May 14, 1981

*File
168*

Senator Donald Gilman
Pouch V
State Capital
Juneau, Alaska 99559

Dear Senator Gilman:

Enclosed, please find Resolution #331, passed by the Bethel City Council showing qualified support for S.B.168 and H.B.182. Although the Resolution is self-explanatory, I will elaborate briefly on the points made.

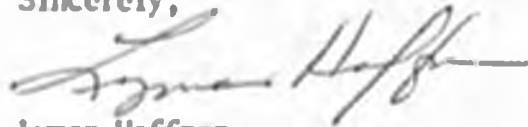
We give unqualified, wholehearted support for the concept inherent in these bills. There is no doubt that local government can handle the responsibility of properly administering capital project funds. Local government has a much better understanding of what the needs are for capital improvements within their municipal limits. If the State of Alaska has a sincere interest in assisting the growth of the statewide economy, then, this program seems to be the best means to accomplish that end. In order that the proper climate for economic growth be established, money must be spent in development of public facilities that may accommodate this growth. Local government is structured to allow for maximum public participation in the decision making process, this insuring that we act in the public interest. Local government also has a much better track records in getting the money out and in getting the goals accomplished. Decisions on local projects is best made at the local level.

The State of Alaska has, on many occasions, recognized the differences in the cost of goods and services throughout Alaska. This is reflected in A.S.39.27.030 and A.S.39.27.035, which calls for salaries of State employees to be adjusted to reflect these various costs of living. This same sections is used in allocating State Revenue Sharing. Bethel, Nome, Kotzebue and all other rural areas have a higher cost of living and conducting business, and State employees receive higher salaries than their urban counterparts to compensate for these disparities in cost. In structuring the salary scale in this manner, the State of Alaska has officially recognized and reacted to these differences. Various studies on these cost differences have been commissioned by the State of Alaska to determine their extent, and impact upon Alaska citizens. Studies done by the University of Alaska have said that costs in Bethel are 50% higher than Anchorage. Construction costs are no exception to this fact. Construction costs can average 50-75% higher in Bethel than in Anchorage depending on the type of project. The State's Department of Transportation and Public Facilities use indexed these differences so that they may be incorporated into their facilities planning.

The State of Alaska has recognized the differences in costs at just about every phase of it's operations. Why then don't you, as Legislators, apply this well established principle to S.B.168 and H.B.182, the Capital Project Program. In order that this concept be applied equitably across Alaska, a formula must be worked out that provides for the disparity in costs. The evidence we have seen to date shows that construction costs in Bethel are 50-75% higher than they are in Anchorage. The Capital Project Entitlement must be adjusted if all citizens of Alaska are to be dealt with fairly and equitably.

I'd be glad to meet with you at your convenience concerning the above. It is too important of an issue to allow an inequity to be part of the final law.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lyman Hoffmann".

Lyman Hoffmann
City Manager

caj

RESOLUTION #331

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF BETHEL, ALASKA, SUPPORTING THE CONCEPT IN SB168, THE CAPITAL GRANTS PROGRAM, HOWEVER, SUPPORT IS CONTINGENT UPON ADJUSTMENT IN THE PER CAPITA AMOUNT TO REFLECT DIFFERENCES IN CONSTRUCTION COSTS STATEWIDE.

WHEREAS, the Alaska State Legislature is contemplating passage of SB168 and HB182, both enacting a Capital Grants Program providing \$1,000.00 per capita to Alaskan municipalities for capital improvement projects annually; and,

WHEREAS, the concept of providing Capital Improvement Funds, to be spent at the discretion of the local government is laudible if said entitlement is provided on an equitable basis considering the wide disparity of construction costs statewide; and,

WHEREAS, the State of Alaska, in A.S.39.27.030 and A.S.39.27.035 recognizes the differences in cost of living throughout Alaska and adjusts the salary scales accordingly; and,

WHEREAS, the State of Alaska commissioned a report on Alaska Inter-regional Cost Differentials done in 1977, again recognized and studied the cost differentials in various areas of Alaska with respect to overall living and construction costs; and,

WHEREAS, the State of Alaska again acknowledges the cost differential through the sliding scale used in the Revenue Sharing Program.

NOW THEREFORE BE IT RESOLVED that the City of Bethel supports the concept in SB168 and HB182 to allow local government to decide on how capital improvement funds are spent within their municipal limits.

BE IT FURTHER RESOLVED that the City of Bethel withholds full support of SB168 and HB182 until such time as the Alaska State Legislature takes action according to their own precedents and adjust the Capital Project Fund to reflect the wide differences in construction costs throughout Alaska.

PASSED AND APPROVED THIS 13 DAY OF May, 1981.

PASSED AND APPROVED:


John Quinn, Mayor

ATTIST:

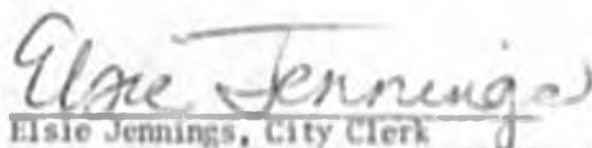

Elsie Jennings, City Clerk

TABLE 10

ALASKA TOTAL CONSUMPTION INDEX,*

SELECTED AREAS, 1976

(ANCHORAGE = 100)

Anchorage	100.0	Juneau	100.2
Kenai	109.6	Ketchikan	101.0
Kodiak	112.6	Dillingham	160.0
Fairbanks	113.4	Bethel	155.0
Yukon-Koyukuk	159.7	Nome	167.5
Cordova	114.8	Barrow	166.3
Valdez	113.5		

*Source: Alaska Interregional Cost Differentials
(Anchorage: University of Alaska and Center for
Northern Educational Research, 1977), 152 pp., in
cooperation with the Alaska State Finance Study Staff.

...that, there would seem to be no basis for assigning different implementation times to the increments, unless an indication of such legislative intent is to be found elsewhere. The supreme court has discovered no such expression of contrary legislative intent. Alaska Pub. Employees Ass'n v. State, Sup. Ct. Op. No. 1066 (File No. 1999), 525 P.2d 12 (1974).

Thus, employees entitled retroactively to pay increments in subsection (b). — As of July 1, 1972, state employees who otherwise met the statutory eligibility requirements and had been in the last step of their pay range for four, nine, or 13 years should have immediately received the pay increments provided by subsection (b) of this section. Alaska Pub. Employees Ass'n v. State, Sup. Ct. Op. No. 1066 (File No. 1999), 525 P.2d 12 (1974).

Given an indication of retroactivity in the Free Conference Committee Report on the original bill and the similarity in the phrasing of subsections (a) and (b), the most intrinsically reasonable

...that in the absence of any indications of legislative intent to the contrary, if eligibility for the initial pay increase was to become effective on July 1, 1972, then eligibility for all the incremental increases should become effective on that date. Alaska Pub. Employees Ass'n v. State, Sup. Ct. Op. No. 1066 (File No. 1999), 525 P.2d 12 (1974).

Increments as salary steps. — Interpreting the longevity pay increments provided for by this section, so as to suggest that these increments may not be salary steps and therefore employees receiving these longevity increments who are promoted to a higher job series are not entitled to the salary increases required by Personnel Rule 9.02.13 and article 7 of the agreement between the state of Alaska and Alaska Public Employees Association covering the general government unit would be at variance with the legislative intent expressed in this section. September 11, 1974, Op. Att'y Gen.

Sec. 39.27.025. Swing and graveyard shift differentials. (a) Classified and partially exempt state employees who regularly work a "swing" shift beginning between 12:00 noon and 7:59 p.m. are entitled to a one-step increase over their normal pay established by this chapter.

(b) Classified and partially exempt state employees who regularly work a "graveyard" shift beginning between 8:00 p.m. and 3:59 a.m. are entitled to a two-step increase over their normal pay established by this chapter. (§ 3 ch 87 SLA 1971)

Legislative history report. — For report on ch. 87, SLA 1971 (FCCS 803113) 106; see 1971 House Journal, p. 378.

Sec. 39.27.030. Annual salary survey. (a) The director of the division of personnel shall conduct an annual salary survey in the manner prescribed by AS 39.27.030 — 39.27.040, and make recommendations in pay ranges to be applied to all classes of positions in the state's partially exempt and classified service. This survey shall

(1) reflect the costs of living in the various election districts of the state by using the cost of living in Seattle, Washington, as a base of 100;

(2) reflect the competitive position of the state, first, by comparing state salary levels with salary levels of comparable classes in private industry, in other governmental agencies throughout the state, and in

other states constituting the prime recruiting areas, using "bench-mark" classes selected by the director of personnel, based on the principle of like pay for like work, from as many employment categories as is necessary to reflect correctly the competitive position of the state salary levels with those paid other employees under this paragraph; and secondly, by comparing fringe benefits in the state service with other governmental agencies and major employers throughout the state.

(b) The director shall use United States Department of Labor statistics or other reliable statistical data in carrying out the provisions of (a) (1) of this section. If reliable statistics are not available, the director shall gather the data by field studies for the survey required by (a) (1) of this section.

(c) The director may use any reliable source of data in carrying out the provisions of (a) (2) of this section. When reliable statistics are not available, the director shall by field studies gather the data to carry out the provisions of (a) (2) of this section.

(d) The director shall, on a regular basis, report to the state employees association by providing a summary of the information accumulated during the data-gathering process; he shall consult with the employees association and consider its findings before his final recommendation. (§ 1 ch 226 SLA 1970; am §§ 1, 2, 4 ch 42 SLA 1971)

Cross reference. — As to gathering data reflecting the cost of living in various election districts, see AS 44.31.020(4).

Sec. 39.27.035. Preparation and submission of pay schedules. The director shall prepare an annual pay schedule setting out the base pay for all classes of positions in the state's partially exempt and classified service, taking into account the statistics and reasonable internal pay relationships. The director shall also prepare annual pay schedules for persons in the state service in each election district. These annual pay schedules shall either add to or subtract from the base pay of the person in state service according to the data obtained by the annual salary survey conducted under AS 39.27.030 — 39.27.040. The base pay schedule and the election district differentials shall be prepared annually from data obtained by the annual salary survey provided for in AS 39.27.030 — 39.27.040. The salary schedule shall be reviewed by the personnel board before submission to the legislature. A report and recommended salary schedules shall be submitted to each regular session of the legislature no later than five days after the session convenes. (§ 1 ch 226 SLA 1970)

Sec. 39.27.040. University salary survey. The director shall conduct an annual salary survey in the manner prescribed by AS 39.27.030 — 39.27.035, and make recommendations to the board of

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Alaska Court System

State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

WM. GRANT CALLOW
General Counsel

303 K Street
Anchorage, Alaska 99501

June 8, 1981

The Honorable Donald E. Gilman
Pouch V, State Capitol
Juneau, Alaska 99811

Dear Senator Gilman:

It is my understanding that you are a member of the Free Conference Committee on SB 171 (relating to juries and jury panels).

Enclosed is a memo I have prepared for the Committee in an effort to explain the concerns of the Alaska Court System regarding this legislation. I hope it proves helpful.

Please let me know if you have any questions or if I can be of any other assistance to the Committee.

Sincerely,

Grant Callow
General Counsel

GC:kmp

enclosure


cc: David Dye
Office of Senator Donald E. Gilman

MEMORANDUM

June 8, 1981

TO: Free Conference Committee - HCS SB 171
Senator Parr, Chairman
Senator Rodey
Senator Gilman
Representative Brown
Representative Clocksin
Representative Anderson

INFO: Chief Justice Rabinowitz
Arthur H. Snowden, II
Richard P. Barrier

FROM: Grant Callow 
General Counsel

SUBJECT: HCS SB 171 (Jud) (Relating to jurors and jury panels;
proposed amendments).

This memo has been prepared to advise the members of the Free Conference Committee on SB 171 of the concerns of the Administrative Office of the Alaska Court System regarding the subject bill.

From the standpoint of the Alaska Court System, two important issues need to be addressed in this jury-related legislation.

The first issue concerns exemptions and deferral of jury service. Although the Alaska Court System favors the House approach of eliminating all class exemptions from jury service to insure that jury panels will reflect a true cross-section of the community, the Senate version of the bill which exempts lawyers and judicial officers from jury service is, nevertheless, a great improvement over the current law. As for deferral of jury service, both the House and Senate version of the legislation appear to have similar goals. The House version is slightly preferable to us, however, since it is a bit more specific in its terms and requires that no deferral be given until a person seeking the deferral agrees to a new date for jury service. This will make a deferral system easier to administer.

The second concern of the Alaska Court System involves an important issue not currently addressed in the bill; that is, the acquisition and use of certain state-maintained lists of residents for use in summoning prospective jurors.

Free Conference Committee - HCS SB 171 (Jud)
June 8, 1981
page two

In the past, the Court System has used three state-provided lists of residents to summon jurors: (1) voter registration lists; (2) fish and game licensee lists; and (3) lists of residents who pay state income tax. Since Alaska has abolished its state personal income tax, that important list is no longer available for such use.

The Alaska Court System respectfully requests that the Free Conference Committee on SB 171 insert language similar or identical to that contained in current HB 254 (copy attached) which would provide for the acquisition and use of a list of all applicants for permanent fund distributions as a source of jurors. In addition, if the Permanent Fund Dividend Program is declared unconstitutional, the language would allow the acquisition and use of a list of licensed drivers as a jury source. (This latter list is not as desirable as the first because so often the addresses of the drivers are not current.)

It should be noted that all these lists are run through a computer that compares names, addresses and social security numbers to eliminate duplicates and thereby insure that no person will be summoned for service more than once per period of service. Thus, the Court System asks that the language approved by the House on this subject be amended if included in SB 171 to provide that lists furnished pursuant to AS 09.20.050(b) contain each person's social security number, if practicable.

Finally, in order to allow adequate time to supplement all the changes that would occur under the bill, it is requested that the bill be given an effective date of January 1, 1982.

On behalf of the Alaska Court System, I wish to thank the members of the Free Conference Committee on SB 171 for their effort and concern over this important legislation. We of the Alaska Court System are confident that this bill, if enacted, will substantially improve the jury system in Alaska.

Please let me know if you have any questions.

GC:kmp

enclosures



JUNEAU, ALASKA

Alaska State Legislature
House

MESSAGE TO THE SENATE

DATE May 28, 1981

MR. PRESIDENT:

The House has passed SB 171am (jurors and jury panels)
with the following amendment:

HCSSB 171(Jud) (jury service; eff. date)
and it is transmitted herewith for consideration.

Concur?

PARR
Rodey
Gilman } FC

Sent to Parr

James Jackson
Chief Clerk of the House

S

B

176

March 3, 1981

MEMORANDUM

TO: Don
FROM: David *David*
RE: SB 176

You asked me to look at SB 176 to see if it might be appropriate to waive it on to another committee.

First, let me note that the bill got three committee assignments (CRA, HESS, Finance). Does someone want to bury this bill?

Second, this bill has to do with rental assistance to teachers in REAA's. The program would be administered through the Department of Education. There is nothing in the bill that relates directly to communities or to DCRA. For that reason, it appears that HESS is the appropriate committee for this bill.

Third, there are a number of problems with the bill. Section 1 states that the bill is concerned with a shortage of housing for teachers who are employed by REAA's. This bill provides subsidies to teachers. A subsidy certainly helps out with the high cost of rental housing but does nothing directly to increase the number of available units.

Regarding the necessity of a subsidy, Steve Hole at the Department of Education tells me that many districts have considered this problem already through the salary negotiations process. Perhaps it would be better to allow this process to continue. Also, why limit such a program to REAA's? Teachers in non-REAA rural systems must also suffer from this condition.

One of the most cumbersome features of this bill is one that would require the Department of Education to publish an index of average monthly rentals compiled from data on the three most populous municipalities in the state. Compiling rental statistics is a rather unusual function for the Department of Education. It is also somewhat questionable how useful the "average" monthly rental in Anchorage, Fairbanks and Juneau would be as an index for rural areas. The subsidy also does not take into account the extent that salaries have already been increased to meet this problem.

S B

1801

HB 170

COMMITTEE REPORT

SENATE

FURTHER: Judiciary
Finance

2/16/81

Date: February 2, 1982

Mr. President:

COMMUNITY & REGIONAL
AFFAIRS

The Committee on _____ has had SB 180
municipal government

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 SB 180 same title
 new title

and recommends DO PASS WITH ATTACHED AMENDMENTS

AND attaches a "Letter of Intent" New Fiscal Note

reports it back without recommendation

referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Handwritten signatures]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Handwritten signature]

[Handwritten signature]

CHAIRMAN

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FOR SD 180/HB 170 AND CROSS REFERENCE

TO PARALLEL PROVISIONS IN TITLE 29

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29.08.010	29.04.010	Chapter 04. CLASSIFICATION OF MUNICIPALITIES
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29.08.030	29.04.030	General Law
29.08.040 (a)	29.04.040 (a)	Classes of General Law
29.08.040 (b)	29.04.040 (b)	Reclassification
29.08.040 (c)	29.04.040 (c)	
29.08.040 (d) and (e)	29.04.040 (d)	
29.08.040 (f)	29.04.040 (e)	
29.08.040 (h) (i) (j)	29.04.040 (f)	
New	29.04.050 (a)	Transition
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		Chapter 05. INCORPORATION
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29.18.130	29.05.130	Integration of Special Districts & Service Areas
29.18.140	29.05.140	Transition
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