

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672  
5585 STRA SB 208 - SB 265

4. State aid shall be withheld until required reports are submitted.

FY88 PUPIL TRANSPORTATION  
 ESTIMATED ALLOCATIONS TO DISTRICTS  
 BASED ON GOVERNOR'S BUDGET REQUEST  
 AND FY87 ESTIMATED PERCENTAGE DISTRIBUTION  
 PREPARED: 3/23/87

FY88  
 GOVERNOR'S  
 BUDGET REQUEST  
 \$18,500,900

*PK*  
*3/23/87*

| SCHOOL DISTRICT  | FY87 ESTIMATED REIMBURSEMENT | FY87 PERCENTAGE DISTRIBUTION OF \$24,311,723.70 | FY88 ESTIMATED ALLOCATION |
|------------------|------------------------------|---|---------------------------|
| ADAK             | \$117,324.81                 | 0.48259%  | \$89,283                  |
| ALASKA GATEWAY   | \$337,266.52                 | 1.38726%  | \$256,655                 |
| ANCHORAGE        | \$8,151,790.09               | 33.53028%                                       | \$6,203,404               |
| ANNETTE ISLAND   | \$15,447.78                  | 0.06354%  | \$11,756                  |
| BERING STRAITS   | \$37,440.00                  | 0.15400%  | \$28,491                  |
| BRISTOL BAY      | \$127,478.37                 | 0.52435%  | \$97,009                  |
| CHATHAM          | \$4,722.00                   | 0.01942%  | \$3,593                   |
| COPPER RIVER     | \$465,395.40                 | 1.91428%  | \$354,160                 |
| CORDOVA          | \$56,206.80                  | 0.23119%  | \$42,773                  |
| DELTA/GREELEY    | \$481,215.21                 | 1.97935%  | \$366,198                 |
| DILLINGHAM       | \$145,566.00                 | 0.59875%  | \$110,774                 |
| FAIRBANKS        | \$3,622,474.87               | 14.90012%                                       | \$2,756,655               |
| GALENA           | \$30,439.80                  | 0.12521%  | \$23,164                  |
| HAINES           | \$181,231.20                 | 0.74545%  | \$137,915                 |
| HOONAH           | \$13,792.00                  | 0.05673%  | \$10,496                  |
| IDITAROD         | \$33,500.00                  | 0.13779%  | \$25,493                  |
| JUNEAU           | \$960,057.60                 | 3.94895%  | \$730,591                 |
| KAKE             | \$31,705.20                  | 0.13041%  | \$24,127                  |
| KENAI            | \$3,142,987.10               | 12.92787%                                       | \$2,391,772               |
| KETCHIKAN        | \$414,127.00                 | 1.70340%  | \$315,145                 |
| KING COVE        | \$36,154.42                  | 0.14871%  | \$27,513                  |
| KODIAK           | \$402,329.26                 | 1.65487%  | \$306,166                 |
| KUSLUK           | \$71,458.00                  | 0.29392%  | \$54,379                  |
| LAKE & PENN      | \$47,100.00                  | 0.17708%  | \$32,761                  |
| LOWER KUSKOKWIM  | \$200,445.42                 | 0.82448%  | \$152,536                 |
| LOWER YUKON      | \$17,399.50                  | 0.07157%  | \$13,241                  |
| MAT-SU           | \$3,279,378.00               | 13.48887%                                       | \$2,495,563               |
| MENANA           | \$65,254.00                  | 0.26841%  | \$49,658                  |
| NOME             | \$192,650.40                 | 0.79242%  | \$146,604                 |
| NORTH SLOPE      | \$169,311.80                 | 0.69642%  | \$129,844                 |
| PELICAN          | \$3,524.00                   | 0.01450%  | \$2,682                   |
| PETERSBURG       | \$116,637.69                 | 0.47976%  | \$88,760                  |
| PAILBELT         | \$193,032.40                 | 0.79399%  | \$146,895                 |
| PAND POINT       | \$28,296.08                  | 0.11639%  | \$21,533                  |
| SIITKA           | \$344,317.75                 | 1.41626%  | \$262,021                 |
| SKAGWAY          | \$1,723.00                   | 0.00709%  | \$1,311                   |
| S. E. ISLANDS    | \$106,612.80                 | 0.43852%  | \$81,131                  |
| SOUTHWEST REGION | \$77,399.00                  | 0.31836%  | \$59,900                  |
| UNALASKA         | \$110,668.80 --              | 0.45521%  | \$84,217                  |
| VALDEZ           | \$281,640.63                 | 1.15846%  | \$214,325                 |
| WRANGELL         | \$61,435.80                  | 0.25270%  | \$46,752                  |
| YAKUTAT          | \$47,370.80                  | 0.19690%  | \$36,429                  |
| YUKON FLATS      | \$49,358.60                  | 0.20302%  | \$37,561                  |
| YUKON/KOYUKUK    | \$41,607.00                  | 0.17114%  | \$31,662                  |
| TOTALS           | \$24,311,723.70              | 100%  | \$18,500,900              |

# STATE OF ALASKA

## DEPARTMENT OF EDUCATION

STEVE COWPER, GOVERNOR

GOLDBELT PLACE  
801 WEST 10TH STREET  
P.O. BOX F  
JUNEAU, ALASKA 99811-C500

March 23, 1987

### MEMORANDUM

TO: Pupil Transportation Funding Committee

FROM: Romaine Kareen, Administrator *lk*  
Pupil Transportation Services

SUBJECT: Alternate Funding Methods

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#### Good News!

- a. CSSB 115, containing \$3,341,000 additional funding for FY-87 pupil transportation, is in House HESS Committee.
- b. Governor Cowper has added \$3,254,300 to his FY-88 budget request bringing the total amount requested for pupil transportation reimbursement to \$18,500,900. This will provide approximately 74.6% funding of statewide costs.
- c. The statute change needed to modify the current method of funding has been transmitted by the Governor to the Senate. I am awaiting a copy of the bill and will send it to you ASAP.

The Department of Law has indicated that we can pursue regulation changes while the statute change is moving through the Legislature. New regs. can be presented to the State Board of Education for promulgation with the notation that implementation is contingent upon passage of SB #.

The Department now needs to decide on the interim funding method that we will pursue for the next two fiscal years while a more finite method is being developed. Appropriate regulations will follow.

Attached is information on four ways to establish district allocations. We would appreciate your written and/or verbal comments by April 5th on the method that you think would be most acceptable to districts.

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FUNDING METHOD SUGGESTED BY THE PUPIL TRANSPORTATION FUNDING  
COMMITTEE

Five Year Percentage Allocation: Each district would receive an allocation based on its total pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

\*\* See ATTACHMENT A for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

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FUNDING ALTERNATIVE #1 - SUGGESTED BY DOE

One Year Percentage Allocation: Each district would receive an allocation based on its total pupil transportation reimbursement received during FY 1986-87, divided by total statewide pupil transportation payments for FY 1986-87. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

\*\* See ATTACHMENT B for estimated allocations under this method. Percentages will need to be updated in August to reflect FY-87 actual reimbursement.

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**FUNDING ALTERNATIVE #2 - SUGGESTED BY A FUNDING COMMITTEE MEMBER**

Higher of 5-yr. or 1-yr. Percentage Allocation: Each district would receive an allocation based on either (a) total pupil transportation reimbursement received during the last five years, divided by the last five years accumulative statewide pupil transportation payments, or (b) pupil transportation reimbursement received during FY 1986-87 divided by FY 1986-87 total statewide pupil transportation payments, whichever is greater. If actual transportation costs are less than the allocation, the district would be reimbursed actual costs.

The allocation would be determined as follows:

$$DA = \frac{(DHP)(FY88 \text{ Appr.})}{SPT}$$

- DA            - District's Allocation  
 DHP           - District's Highest Percentage of 5-yr. or 1-yr. percentage distributions  
 FY88 Appr. - FY 1987-88 Pupil Transportation Appropriation  
 SPT           - Statewide Percentage Total

1. Calculate the percentage that each district received of the previous five years statewide pupil transportation reimbursement (Attachment C, column 2). These percentages will need to be updated at the close of the current year to reflect FY 1982-83 thru FY 1986-87 reimbursement distribution.

Example:        Anchorage        35.55603%

2. Calculate the percentage that each district received of the FY 1986-87 statewide pupil transportation reimbursement (Attachment C, column 3).

Example:        Anchorage        33.53028%

3. DHP - Determine the higher of the two percentages (Attachment C, column 4).

Example:        Anchorage        35.55603%

4. SPT - Add the higher of the two percentages for each district to determine a statewide total percentage. This total will exceed 100%. For example, the total on Attachment C, column 4, line 60 is 104.67399%.

5. FY88 Appropriation - The Governor's FY88 revised budget request for pupil transportation reimbursement is \$18,500,900.

6. DA - To determine the FY 1987-88 allocation for a district, multiply the FY 1987-88 appropriation by the district's high percentage as calculated in step 3. Then divide this amount by the statewide percentage total.

Example: Anchorage FY 1987-88 Allocation: \$6,284,451

$$\$6,284,451 = \frac{35.55603\% \times \$18,500,900}{104.67399\%}$$

The total of all district allocations generated using this formula will equal the pupil transportation appropriation.

6. If a district's actual transportation costs are less than the allocation, the district will be reimbursed actual costs.

\*\* See ATTACHMENT C for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

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**FUNDING ALTERNATIVE #3** - SUGGESTED BY A FUNDING COMMITTEE MEMBER

Each District would receive an allocation based on the average of its 5-yr. (FY 1983 thru FY 1987) and 1-yr. (FY 1986-87) percentage distributions.

\*\* See ATTACHMENT D for estimated allocations under this method. Percentages will need to be updated to reflect FY-83 thru FY-87 actual reimbursement.

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\*\* ATTACHMENT E summarizes estimated allocations each district would receive under the four methods.

cc: Larry Huxel  
Jim Tozer

FY88 PUPIL TRANSPORTATION  
 ESTIMATED ALLOCATIONS TO DISTRICTS  
 BASED ON FY88 GOVERNOR'S BUDGET REQUEST  
 AND FY82 THRU FY86 PERCENTAGE DISTRIBUTION  
 PREPARED: 3/23/87

FY88 GOVERNOR'S  
 BUDGET  
 REQUEST  
 \$18,500,900

ATTACHMENT A

*BK*  
 3/23/87

| SCHOOL DISTRICT  | FY82 THRU FY86 PERCENTAGE DISTRIBUTION | FY88 ESTIMATED ALLOCATION |
|------------------|--|---------------------------|
| ADAK             | 0.45764%                               | \$84,668                  |
| ALASKA GATEWAY   | 1.33771%                               | \$247,489                 |
| ANCHORAGE        | 35.55603%                              | 16,578,186                |
| ANNETTE ISLAND   | 0.06095%                               | \$11,275                  |
| BERING STRAITS   | 0.07762%                               | \$14,360                  |
| BRISTOL BAY      | 0.48604%                               | 189,922                   |
| CHATHAM          | 0.01249%                               | \$2,310                   |
| CHUGACH          | 0.00134%                               | \$249                     |
| COPPER RIVER     | 1.96034%                               | \$362,680                 |
| CORDOVA          | 0.18615%                               | \$34,439                  |
| CRAIG            | 0.03399%                               | \$6,289                   |
| DELTA/GREELEY    | 1.87973%                               | \$347,768                 |
| DILLINGHAM       | 0.43253%                               | \$80,022                  |
| FAIRBANKS        | 16.54720%                              | \$3,061,381               |
| GALFNA           | 0.12032%                               | \$22,261                  |
| HAINES           | 0.75447%                               | \$139,583                 |
| HOONAH           | 0.02051%                               | \$3,794                   |
| IDITAROD         | 0.06813%                               | \$12,604                  |
| JUNEAU           | 3.88389%                               | \$718,554                 |
| KAKE             | 0.11416%                               | \$21,121                  |
| KENAI            | 12.38385%                              | \$2,291,124               |
| KETCHIKAN        | 1.98367%                               | \$366,997                 |
| KING COVE        | 0.14040%                               | \$25,975                  |
| KODIAK           | 1.47536%                               | \$272,955                 |
| KUSLUK           | 0.20544%                               | \$38,008                  |
| LAKE & PEJIN     | 0.16052%                               | \$29,698                  |
| LOWER KUSKOKWIM  | 0.73775%                               | \$136,490                 |
| LOWER YUKON      | 0.01324%                               | \$2,450                   |
| MAT-SU           | 11.47316%                              | \$2,122,638               |
| NEKAMA           | 0.43498%                               | \$80,475                  |
| NOME             | 0.65682%                               | \$121,518                 |
| NORTH SLOPE      | 0.56463%                               | \$104,461                 |
| PELICAN          | 0.01368%                               | \$2,531                   |
| PETERSBURG       | 0.35780%                               | \$66,197                  |
| RAILBET          | 0.99881%                               | \$184,788                 |
| S.E. ISLANDS     | 0.27732%                               | \$51,306                  |
| SAND POINT       | 0.05166%                               | \$9,521                   |
| SITKA            | 1.27447%                               | \$235,789                 |
| SKAGWAY          | 0.01174%                               | \$2,171                   |
| SOUTHWEST REGION | 0.18861%                               | \$34,895                  |
| UNALASKA         | 0.48844%                               | \$90,366                  |
| VALDEZ           | 1.36835%                               | \$253,158                 |
| WRANGELL         | 0.26402%                               | \$48,847                  |
| YAKUTAT          | 0.18560%                               | \$34,338                  |
| YUKON FLATS      | 0.20277%                               | \$37,514                  |
| YUKON/KOTYUK     | 0.09586%                               | \$17,735                  |
| TOTALS           | 100%                                   | \$18,500,900              |

FY88 PUPIL TRANSPORTATION  
 ESTIMATED ALLOCATIONS TO DISTRICTS  
 BASED ON GOVERNOR'S BUDGET REQUEST  
 AND FY87 ESTIMATED PERCENTAGE DISTRIBUTION  
 PREPARED: 3/23/87

FY88  
 GOVERNOR'S  
 BUDGET REQUEST  
 \$18,500,900

ATTACHMENT 3

PK  
 3/23/87

| SCHOOL DISTRICT  | FY87 ESTIMATED REIMBURSEMENT | FY87 PERCENTAGE DISTRIBUTION OF \$24,311,723.70 | FY88 ESTIMATED ALLOCATION |
|------------------|------------------------------|---|---------------------------|
| ADAK             | \$117,324.81                 | 0.48259%  | \$89,283                  |
| ALASKA GATEWAY   | \$337,266.52                 | 1.38726%  | \$256,655                 |
| ANCHORAGE        | \$8,151,790.09               | 33.53028%                                       | \$6,203,404               |
| ANNETTE ISLAND   | \$15,447.78                  | 0.06354%  | \$11,756                  |
| BERING STRAITS   | \$37,440.00                  | 0.15400%  | \$28,491                  |
| BRISTOL BAY      | \$127,478.37                 | 0.52435%  | \$97,009                  |
| CHATHAM          | \$4,722.00                   | 0.01942%  | \$3,593                   |
| COPPER RIVER     | \$465,395.40                 | 1.91428%  | \$354,160                 |
| CORDOVA          | \$56,206.80                  | 0.23119%  | \$42,773                  |
| DELTA/GREELEY    | \$481,215.21                 | 1.97935%  | \$366,198                 |
| DILLINGHAM       | \$145,566.00                 | 0.59875%  | \$110,774                 |
| FAIRBANKS        | \$3,622,474.87               | 14.90012%                                       | \$2,750,655               |
| GALENA           | \$30,439.80                  | 0.12521%  | \$23,164                  |
| HAINES           | \$181,231.20                 | 0.74545%  | \$137,915                 |
| HOONAH           | \$13,792.00                  | 0.05673%  | \$10,496                  |
| IDITAROD         | \$33,500.00                  | 0.13779%  | \$25,493                  |
| JUNEAU           | \$960,057.60                 | 3.94895%  | \$730,591                 |
| KAKE             | \$31,705.20                  | 0.13041%  | \$24,127                  |
| KENAI            | \$3,142,987.10               | 12.92787%                                       | \$2,391,772               |
| KETCHIKAN        | \$414,127.00                 | 1.70340%  | \$315,145                 |
| KING COVE        | \$36,154.42                  | 0.14871%  | \$27,513                  |
| KODIAK           | \$402,328.26                 | 1.65487%  | \$306,166                 |
| KUSPUK           | \$71,458.00                  | 0.29392%  | \$54,379                  |
| LAKE & PENN      | \$43,051.00                  | 0.17708%  | \$32,761                  |
| LOWER KUSKOKWIM  | \$200,445.42                 | 0.82448%  | \$152,536                 |
| LOWER YUKON      | \$17,399.50                  | 0.07157%  | \$13,241                  |
| MAT-SU           | \$3,279,378.00               | 13.48887%                                       | \$2,495,563               |
| NERANA           | \$65,254.80                  | 0.26841%  | \$49,658                  |
| NOME             | \$192,650.40                 | 0.79242%  | \$146,604                 |
| NORTH SLOPE      | \$169,311.80                 | 0.69642%  | \$128,844                 |
| PELICAN          | \$3,524.00                   | 0.01450%  | \$2,682                   |
| PETERSBURG       | \$116,637.69                 | 0.47976%  | \$88,760                  |
| RAILBELT         | \$193,032.40                 | 0.79399%  | \$146,895                 |
| SAND POINT       | \$28,296.08                  | 0.11639%  | \$21,533                  |
| SITKA            | \$344,317.75                 | 1.41626%  | \$262,021                 |
| SKAGWAY          | \$1,723.00                   | 0.00709%  | \$1,311                   |
| S.E. ISLANDS     | \$106,812.80                 | 0.43852%  | \$81,131                  |
| SOUTHWEST REGION | \$77,399.00                  | 0.31836%  | \$58,900                  |
| UNALASKA         | \$110,668.80                 | 0.45521%  | \$84,217                  |
| VALDEZ           | \$281,640.63                 | 1.15846%  | \$214,325                 |
| WRANGELL         | \$61,435.80                  | 0.25270%  | \$46,752                  |
| YAKUTAT          | \$47,870.80                  | 0.19690%  | \$36,429                  |
| YUKON FLATS      | \$49,358.60                  | 0.20302%  | \$37,561                  |
| YUKON/KOYUKUK    | \$41,607.00                  | 0.17114%  | \$31,662                  |
| TOTALS           | \$24,311,723.70              | 100%  | \$18,500,900              |

*RK*  
3/23/87

| 1  | 2  | 3            | 4            | 5                              | 6              |
|----|--|--------------|--------------|--------------------------------|----------------|
| 1  | FY88 PUPIL TRANSPORTATION                      |              |              |                                |                |
| 2  | ESTIMATED ALLOCATIONS TO DISTRICTS             |              |              |                                |                |
| 3  | BASED ON FY88 GOVERNOR'S BUDGET REQUEST        |              |              |                                |                |
| 4  | FY82 THRU FY86 PERCENTAGE DISTR. & FY87 DISTR. |              |              |                                |                |
| 5  | PREPARED: 3/23/87                              |              |              |                                |                |
| 6  | =====  |              |              |                                |                |
| 7  | FY82 THRU FY86                                 | PERCENTAGE   | HIGHER       |                                |                |
| 8  | SCHOOL   | PERCENTAGE   | DISTRIBUTION | PERCENTAGE OF                  | FY88 ESTIMATED |
| 9  | DISTRICT                                       | DISTRIBUTION | OF FY87      | COLUMN 2 OR 3                  | ALLOCATION     |
| 10 | =====  |              |              |                                |                |
| 11 |  |              |              |                                |                |
| 12 | ADAK   | 0.45764%     | 0.48259%     | 0.48259%                       | \$85,296       |
| 13 | ALASKA GATEWAY                                 | 1.33771%     | 1.38726%     | 1.38726%                       | \$245,195      |
| 14 | ANCHORAGE                                      | 35.55603%    | 33.53028%    | 35.55603%                      | \$6,284,451    |
| 15 | ANNETTE ISLAND                                 | 0.06095%     | 0.06354%     | 0.06354%                       | \$11,231       |
| 16 | BERING STRAITS                                 | 0.07762%     | 0.15400%     | 0.15400%                       | \$27,219       |
| 17 | BRISTOL BAY                                    | 0.48604%     | 0.52435%     | 0.52435%                       | \$92,678       |
| 18 | CHATHAM  | 0.01249%     | 0.01942%     | 0.01942%                       | \$3,433        |
| 19 | CHUGACH  | 0.00134%     | 0.00000%     | 0.00134%                       | \$237          |
| 20 | COPPER RIVER                                   | 1.96034%     | 1.91428%     | 1.96034%                       | \$346,686      |
| 21 | CORDOVA  | 0.18615%     | 0.23119%     | 0.23119%                       | \$40,863       |
| 22 | CRAIG  | 0.03399%     | 0.00000%     | 0.03399%                       | \$6,002        |
| 23 | DELTA/GREELEY                                  | 1.87973%     | 1.97935%     | 1.97935%                       | \$349,846      |
| 24 | DILLINGHAM                                     | 0.43253%     | 0.59875%     | 0.59875%                       | \$105,827      |
| 25 | FAIRBANKS                                      | 16.54720%    | 14.90012%    | 16.54720%                      | \$2,924,681    |
| 26 | GALENA   | 0.12032%     | 0.12521%     | 0.12521%                       | \$22,130       |
| 27 | HAINES   | 0.75447%     | 0.74545%     | 0.75447%                       | \$133,351      |
| 28 | HOONAH   | 0.02051%     | 0.05673%     | 0.05673%                       | \$10,027       |
| 29 | IDITAROD                                       | 0.06813%     | 0.13779%     | 0.13779%                       | \$24,355       |
| 30 | JUNEAU   | 3.88389%     | 3.94895%     | 3.94895%                       | \$697,968      |
| 31 | KAKE   | 0.11416%     | 0.13041%     | 0.13041%                       | \$23,050       |
| 32 | KENAI  | 12.38385%    | 12.92787%    | 12.92787%                      | \$2,284,972    |
| 33 | KETCHIKAN                                      | 1.98367%     | 1.70340%     | 1.98367%                       | \$350,609      |
| 34 | KING COVE                                      | 0.14040%     | 0.14871%     | 0.14871%                       | \$26,285       |
| 35 | KODIAK   | 1.47536%     | 1.65487%     | 1.65487%                       | \$292,495      |
| 36 | KUSLUK   | 0.20544%     | 0.29392%     | 0.29392%                       | \$51,950       |
| 37 | LAKE & PENN                                    | 0.16052%     | 0.17708%     | 0.17708%                       | \$31,298       |
| 38 | LOWER KUSKOKWIM                                | 0.73775%     | 0.82448%     | 0.82448%                       | \$145,725      |
| 39 | LOWER YUKON                                    | 0.01324%     | 0.07157%     | 0.07157%                       | \$12,650       |
| 40 | MAT-SU   | 11.47316%    | 13.48887%    | 13.48887%                      | \$2,384,129    |
| 41 | MEMANA   | 0.43498%     | 0.26841%     | 0.43498%                       | \$76,882       |
| 42 | NOPE   | 0.65682%     | 0.79242%     | 0.79242%                       | \$140,058      |
| 43 | NORTH SLOPE                                    | 0.56463%     | 0.69642%     | 0.69642%                       | \$123,091      |
| 44 | PELICAN  | 0.01368%     | 0.01450%     | 0.01450%                       | \$2,562        |
| 45 | PETERSBURG                                     | 0.35780%     | 0.47976%     | 0.47976%                       | \$84,796       |
| 46 | RAILBELT                                       | 0.99881%     | 0.79399%     | 0.99881%                       | \$176,537      |
| 47 | S.E. ISLANDS                                   | 0.27732%     | 0.43852%     | 0.43852%                       | \$77,507       |
| 48 | SAND POINT                                     | 0.05144%     | 0.11639%     | 0.11639%                       | \$20,572       |
| 49 | SITKA  | 1.27047%     | 1.41626%     | 1.41626%                       | \$250,321      |
| 50 | SKAGWAY  | 0.01174%     | 0.00709%     | 0.01174%                       | \$2,074        |
| 51 | SOUTHWEST REGION                               | 0.18861%     | 0.31876%     | 0.31836%                       | \$56,270       |
| 52 | UNALASKA                                       | 0.48844%     | 0.45521%     | 0.48844%                       | \$86,331       |
| 53 | VALDEZ   | 1.36835%     | 1.15846%     | 1.36835%                       | \$241,854      |
| 54 | WRANGELL                                       | 0.26402%     | 0.25270%     | 0.26402%                       | \$46,665       |
| 55 | YAKUTAT  | 0.18560%     | 0.19690%     | 0.19690%                       | \$34,802       |
| 56 | YUKON FLATS                                    | 0.20277%     | 0.20302%     | 0.20302%                       | \$35,884       |
| 57 | YUKON/KOYUKUK                                  | 0.09586%     | 0.17114%     | 0.17114%                       | \$30,249       |
| 58 | -----  |              |              |                                |                |
| 59 |  |              |              |                                |                |
| 60 | TOTALS   | 100.00000%   | 100.00000%   | 104.67399%                     | \$18,500,900   |
| 61 |  |              |              | FY88 GOVERNOR'S BUDGET REQUEST | \$18,500,900   |
| 62 | =====  |              |              |                                |                |
| 63 |  |              |              | DIFFERENCE )))                 | \$0            |

PK  
3/23/87

| 1  | 2              | 3            | 4             | 5   |
|--|----------------|--------------|---------------|---|
| 1 FY88 PUPIL TRANSPORTATION                      |                |              |               |   |
| 2 ESTIMATED ALLOCATIONS TO DISTRICTS             |                |              |               | FY88 GOVERNOR'S                             |
| 3 BASED ON FY88 GOVERNOR'S BUDGET REQUEST        |                |              |               | BUDGET                                      |
| 4 FY82 THRU FY86 PERCENTAGE DISTR. & FY87 DISTR. |                |              |               | REQUEST                                     |
| 5 PREPARED: 3/23/87                              |                |              |               | \$18,500,900                                |
| 6  | =====          |              |               |   |
| 7  | FY82 THRU FY86 | PERCENTAGE   | AVERAGE       |   |
| 8 SCHOOL   | PERCENTAGE     | DISTRIBUTION | PERCENTAGE OF | FY88 ESTIMATED                              |
| 9 DISTRICT                                       | DISTRIBUTION   | OF FY87      | COLUMN 2 OR 3 | ALLOCATION                                  |
| 10   | =====          |              |               |   |
| 11   |                |              |               |   |
| 12 ADAK  | 0.45764%       | 0.48259%     | 0.47011%      | \$86,975                                    |
| 13 ALASKA GATEWAY                                | 1.33771%       | 1.38726%     | 1.36249%      | \$252,072                                   |
| 14 ANCHORAGE                                     | 35.55603%      | 33.53028%    | 34.54316%     | \$6,390,795                                 |
| 15 ANNETTE ISLAND                                | 0.06095%       | 0.06354%     | 0.06224%      | \$11,515                                    |
| 16 BERING STRAITS                                | 0.07762%       | 0.15400%     | 0.11581%      | \$21,426                                    |
| 17 BRISTOL BAY                                   | 0.48604%       | 0.52435%     | 0.50520%      | \$93,466                                    |
| 18 CHATHAM                                       | 0.01249%       | 0.01942%     | 0.01595%      | \$2,952                                     |
| 19 CHUGACH                                       | 0.00134%       | 0.00000%     | 0.00067%      | \$124                                       |
| 20 COPPER RIVER                                  | 1.96034%       | 1.91428%     | 1.93731%      | \$358,420                                   |
| 21 CORDOVA                                       | 0.18615%       | 0.23119%     | 0.20867%      | \$38,606                                    |
| 22 CRAIG   | 0.03399%       | 0.00000%     | 0.01700%      | \$3,144                                     |
| 23 DELTA/GREELEY                                 | 1.87973%       | 1.97935%     | 1.92954%      | \$356,983                                   |
| 24 DILLINGHAM                                    | 0.43253%       | 0.59875%     | 0.51564%      | \$95,398                                    |
| 25 FAIRBANKS                                     | 16.54720%      | 16.90012%    | 15.72366%     | \$2,909,018                                 |
| 26 GALENA  | 0.12032%       | 0.12521%     | 0.12276%      | \$22,713                                    |
| 27 HAINES  | 0.75447%       | 0.74545%     | 0.74996%      | \$138,749                                   |
| 28 HOONAH  | 0.02051%       | 0.05673%     | 0.03862%      | \$7,145                                     |
| 29 IDITAROD                                      | 0.06813%       | 0.13779%     | 0.10296%      | \$19,049                                    |
| 30 JUNEAU  | 3.88389%       | 3.94895%     | 3.91642%      | \$724,573                                   |
| 31 KAKE  | 0.11416%       | 0.13041%     | 0.12229%      | \$22,624                                    |
| 32 KENAI   | 12.38385%      | 12.92787%    | 12.65586%     | \$2,341,448                                 |
| 33 KETCHIKAN                                     | 1.98367%       | 1.70340%     | 1.84354%      | \$341,071                                   |
| 34 KING COVE                                     | 0.14040%       | 0.14871%     | 0.14456%      | \$26,744                                    |
| 35 KODIAK  | 1.47536%       | 1.65487%     | 1.56512%      | \$289,561                                   |
| 36 KUSPUK  | 0.20544%       | 0.29392%     | 0.24968%      | \$46,193                                    |
| 37 LAKE & PENN                                   | 0.16052%       | 0.17708%     | 0.16880%      | \$31,230                                    |
| 38 LOWER KUSKOKUMIN                              | 0.73775%       | 0.82448%     | 0.78111%      | \$144,513                                   |
| 39 LOWER YUKON                                   | 0.01324%       | 0.07157%     | 0.04240%      | \$7,845                                     |
| 40 MAT-SU  | 11.47316%      | 13.48887%    | 12.48102%     | \$2,309,101                                 |
| 41 NENANA  | 0.43498%       | 0.26841%     | 0.35169%      | \$65,067                                    |
| 42 NOPE  | 0.65682%       | 0.79242%     | 0.72462%      | \$134,061                                   |
| 43 NORTH SLOPE                                   | 0.56463%       | 0.69442%     | 0.63052%      | \$116,652                                   |
| 44 PELICAN                                       | 0.01368%       | 0.01450%     | 0.01409%      | \$2,607                                     |
| 45 PETERSBURG                                    | 0.35780%       | 0.47976%     | 0.41878%      | \$77,478                                    |
| 46 RAILBELT                                      | 0.99881%       | 0.79399%     | 0.89640%      | \$165,842                                   |
| 47 S.E. ISLANDS                                  | 0.27732%       | 0.43652%     | 0.35792%      | \$66,218                                    |
| 48 SAND POINT                                    | 0.05146%       | 0.11639%     | 0.08393%      | \$15,527                                    |
| 49 SITKA   | 1.27447%       | 1.41626%     | 1.34537%      | \$248,905                                   |
| 50 SKAGWAY                                       | 0.01174%       | 0.00709%     | 0.00942%      | \$1,742                                     |
| 51 SOUTHWEST REGION                              | 0.18861%       | 0.31836%     | 0.25349%      | \$46,897                                    |
| 52 UNALASKA                                      | 0.48844%       | 0.45521%     | 0.47182%      | \$87,292                                    |
| 53 VALDEZ  | 1.36835%       | 1.15846%     | 1.26341%      | \$233,741                                   |
| 54 WRANGELL                                      | 0.26402%       | 0.25270%     | 0.25836%      | \$47,799                                    |
| 55 YAKUTAT                                       | 0.18560%       | 0.19690%     | 0.19125%      | \$35,383                                    |
| 56 YUKON FLATS                                   | 0.20277%       | 0.20302%     | 0.20290%      | \$37,537                                    |
| 57 YUKON/KOYUKUK                                 | 0.09586%       | 0.17114%     | 0.13350%      | \$24,699                                    |
| 58   | =====          |              |               |   |
| 59   |                |              |               |   |
| 60 TOTALS  | 100.00000%     | 100.00000%   | 100.00000%    | \$18,500,900                                |
| 61   |                |              |               | FY88 GOVERNOR'S BUDGET REQUEST \$18,500,900 |
| 62   | =====          |              |               |   |
| 63   |                |              |               | DIFFERENCE ))) 00                           |

PK 3/23/1

| 1  | 2                                    | 3            | 4               | 5            | 6               | 7             | 8               | 9             | 10              |
|----|--------------------------------------|--------------|-----------------|--------------|-----------------|---------------|-----------------|---------------|-----------------|
| 1  | FY88 PUPIL TRANSPORTATION            |              |                 |              |                 |               |                 |               |                 |
| 2  | ESTIMATED ALLOCATIONS TO DISTRICTS   |              |                 |              |                 |               |                 |               |                 |
| 3  | BASED ON FY88 GOVERNOR'S             |              | FY88 GOVERNOR'S |              | FY88 GOVERNOR'S |               | FY88 GOVERNOR'S |               | FY88 GOVERNOR'S |
| 4  | BUDGET REQUEST                       |              | BUDGET REQUEST  |              | BUDGET REQUEST  |               | BUDGET REQUEST  |               | BUDGET REQUEST  |
| 5  | PREPARED: 3/23/87                    |              | \$18,500,900    |              | \$18,500,900    |               | \$18,500,900    |               | \$18,500,900    |
| 6  | =====                                |              | =====           |              | =====           |               | =====           |               | =====           |
| 7  | FY82 THRU FY86                       |              | PERCENTAGE      |              | HIGHER          |               | AVERAGE         |               |                 |
| 8  | SCHOOL                               | PERCENTAGE   | FY88 ESTIMATE   | DISTRIBUTION | FY88 ESTIMATED  | PERCENTAGE OF | FY88 ESTIMATE   | PERCENTAGE OF | FY88 ESTIMATE   |
| 9  | DISTRICT                             | DISTRIBUTION | ALLOCATION      | OF FY87      | ALLOCATION      | COLUMN 2 OR 5 | ALLOCATION      | COLUMN 2 & 5  | ALLOCATION      |
| 10 | =====                                |              | =====           | =====        | =====           | =====         | =====           | =====         | =====           |
| 11 |                                      |              |                 |              |                 |               |                 |               |                 |
| 12 | ADAK                                 | 0.45764%     | \$84,668        | 0.48259%     | \$89,283        | 0.48259%      | \$85,296        | 0.47011%      | \$86,5          |
| 13 | ALASKA GATEWAY                       | 1.33771%     | \$247,489       | 1.38726%     | \$256,655       | 1.38726%      | \$245,195       | 1.36269%      | \$252,0         |
| 14 | ANCHORAGE                            | 35.55603%    | \$6,578,186     | 33.53028%    | \$6,203,404     | 35.55603%     | \$6,284,451     | 34.54316%     | \$6,390,7       |
| 15 | ANNETTE ISLAND                       | 0.06095%     | \$11,275        | 0.06354%     | \$11,756        | 0.06354%      | \$11,231        | 0.06224%      | \$11,5          |
| 16 | BERING STRAITS                       | 0.07762%     | \$14,360        | 0.15400%     | \$28,491        | 0.15400%      | \$27,219        | 0.11581%      | \$21,4          |
| 17 | BRISTOL BAY                          | 0.48604%     | \$89,922        | 0.52435%     | \$97,009        | 0.52435%      | \$92,678        | 0.50520%      | \$93,4          |
| 18 | CHATHAM                              | 0.01249%     | \$2,310         | 0.01942%     | \$3,593         | 0.01942%      | \$3,433         | 0.01595%      | \$2,9           |
| 19 | CHUGACH                              | 0.00134%     | \$249           | 0.00000%     | \$0             | 0.00134%      | \$237           | 0.00067%      | \$1             |
| 20 | COPPER RIVER                         | 1.96034%     | \$362,680       | 1.91428%     | \$354,160       | 1.96034%      | \$346,486       | 1.93731%      | \$358,4         |
| 21 | CORDOVA                              | 0.18615%     | \$34,439        | 0.23119%     | \$42,773        | 0.23119%      | \$40,863        | 0.20867%      | \$38,6          |
| 22 | CRAIG                                | 0.03399%     | \$6,289         | 0.00000%     | \$0             | 0.03399%      | \$6,008         | 0.01700%      | \$3,1           |
| 23 | DELTA/GREELEY                        | 1.87973%     | \$347,768       | 1.97935%     | \$366,198       | 1.97935%      | \$349,846       | 1.92954%      | \$356,9         |
| 24 | DILLINGHAM                           | 0.43253%     | \$80,022        | 0.59875%     | \$110,774       | 0.59875%      | \$105,827       | 0.51564%      | \$95,3          |
| 25 | FAIRBANKS                            | 16.54720%    | \$3,061,381     | 14.90012%    | \$2,756,655     | 16.54720%     | \$2,924,681     | 15.72366%     | \$2,909,0       |
| 26 | GALENA                               | 0.12032%     | \$22,261        | 0.12521%     | \$23,164        | 0.12521%      | \$22,130        | 0.12276%      | \$22,7          |
| 27 | HAINES                               | 0.75447%     | \$139,583       | 0.74545%     | \$137,915       | 0.75447%      | \$133,351       | 0.74996%      | \$138,7         |
| 28 | HOONAH                               | 0.02051%     | \$3,794         | 0.05673%     | \$10,496        | 0.05673%      | \$10,027        | 0.03862%      | \$7,1           |
| 29 | IDITAROD                             | 0.06813%     | \$12,604        | 0.13779%     | \$25,493        | 0.13779%      | \$24,355        | 0.10296%      | \$19,0          |
| 30 | JUNEAU                               | 3.88389%     | \$718,554       | 3.94895%     | \$730,591       | 3.94895%      | \$697,968       | 3.91642%      | \$724,5         |
| 31 | KAKE                                 | 0.11416%     | \$21,121        | 0.13041%     | \$24,127        | 0.13041%      | \$23,050        | 0.12229%      | \$22,6          |
| 32 | KENAI                                | 12.38385%    | \$2,291,124     | 12.92787%    | \$2,391,772     | 12.92787%     | \$2,284,972     | 12.65586%     | \$2,341,4       |
| 33 | KETCHIKAN                            | 1.98367%     | \$366,997       | 1.70340%     | \$315,145       | 1.98367%      | \$350,609       | 1.34354%      | \$341,0         |
| 34 | KING COVE                            | 0.14040%     | \$25,975        | 0.14871%     | \$27,513        | 0.14871%      | \$26,285        | 0.14456%      | \$26,7          |
| 35 | KODIAK                               | 1.47536%     | \$272,955       | 1.65487%     | \$306,166       | 1.65487%      | \$292,495       | 1.56512%      | \$289,5         |
| 36 | KUSLUK                               | 0.20544%     | \$38,008        | 0.29392%     | \$54,379        | 0.29392%      | \$51,950        | 0.24968%      | \$46,1          |
| 37 | LAKE & PENN                          | 0.16052%     | \$29,698        | 0.17708%     | \$32,761        | 0.17708%      | \$31,298        | 0.16880%      | \$31,2          |
| 38 | LOWER KUSKOKWIM                      | 0.73775%     | \$136,490       | 0.82448%     | \$152,536       | 0.82448%      | \$145,725       | 0.78111%      | \$144,5         |
| 39 | LOWER YUKON                          | 0.01324%     | \$2,450         | 0.07157%     | \$13,241        | 0.07157%      | \$12,650        | 0.04260%      | \$7,3           |
| 40 | MAT-SU                               | 11.47316%    | \$2,122,638     | 13.48887%    | \$2,495,563     | 13.48887%     | \$2,384,129     | 12.48102%     | \$2,309,1       |
| 41 | MEMANA                               | 0.43498%     | \$80,475        | 0.26841%     | \$49,658        | 0.43498%      | \$76,882        | 0.35169%      | \$65,0          |
| 42 | NOME                                 | 0.65682%     | \$121,518       | 0.79242%     | \$146,604       | 0.79242%      | \$140,058       | 0.72462%      | \$134,0         |
| 43 | NORTH SLOPE                          | 0.56463%     | \$104,461       | 0.69642%     | \$128,844       | 0.69642%      | \$123,091       | 0.63052%      | \$116,6         |
| 44 | PELICAN                              | 0.01368%     | \$2,531         | 0.01450%     | \$2,682         | 0.01450%      | \$2,562         | 0.01409%      | \$2,6           |
| 45 | PETERSBURG                           | 0.35780%     | \$66,197        | 0.47976%     | \$88,760        | 0.47976%      | \$84,796        | 0.41878%      | \$77,4          |
| 46 | RAILBELT                             | 0.99811%     | \$184,788       | 0.79399%     | \$146,895       | 0.99811%      | \$176,537       | 0.89402%      | \$155,3         |
| 47 | S.E. ISLANDS                         | 0.27732%     | \$51,306        | 0.43852%     | \$81,130        | 0.43852%      | \$77,507        | 0.35792%      | \$66,2          |
| 48 | SAND POINT                           | 0.05146%     | \$9,521         | 0.11639%     | \$21,533        | 0.11639%      | \$20,572        | 0.08393%      | \$15,5          |
| 49 | SITKA                                | 1.27447%     | \$235,789       | 1.41626%     | \$262,021       | 1.41626%      | \$250,321       | 1.24537%      | \$243,7         |
| 50 | SKAGWAY                              | 0.01174%     | \$2,171         | 0.00709%     | \$1,312         | 0.01174%      | \$2,074         | 0.00942%      | \$1,7           |
| 51 | SOUTHWEST REGION                     | 0.18861%     | \$34,895        | 0.31836%     | \$58,900        | 0.31836%      | \$56,270        | 0.25344%      | \$46,3          |
| 52 | UNALASKA                             | 0.48844%     | \$90,366        | 0.45521%     | \$84,217        | 0.48844%      | \$86,331        | 0.47102%      | \$87,2          |
| 53 | VALDEZ                               | 1.36835%     | \$253,158       | 1.15846%     | \$214,325       | 1.36835%      | \$241,854       | 1.29341%      | \$237,7         |
| 54 | WRANGELL                             | 0.26402%     | \$48,847        | 0.25270%     | \$46,752        | 0.26402%      | \$46,665        | 0.25836%      | \$46,7          |
| 55 | YAKUTAT                              | 0.18560%     | \$34,338        | 0.19690%     | \$36,429        | 0.19690%      | \$34,802        | 0.19125%      | \$35,3          |
| 56 | YUKON FLATS                          | 0.20277%     | \$37,514        | 0.20302%     | \$37,561        | 0.20302%      | \$35,884        | 0.20290%      | \$37,5          |
| 57 | YUKON/KOYUKUK                        | 0.09586%     | \$17,735        | 0.17114%     | \$31,662        | 0.17114%      | \$30,249        | 0.15527%      | \$28,5          |
| 58 | =====                                |              | =====           | =====        | =====           | =====         | =====           | =====         | =====           |
| 59 |                                      |              |                 |              |                 |               |                 |               |                 |
| 60 | TOTALS                               | 100.00000%   | \$18,500,900    | 100.00000%   | \$18,500,900    | 104.67399%    | \$18,500,900    | 100.00000%    | \$18,500,900    |
| 61 |                                      |              |                 |              |                 |               |                 |               |                 |
| 62 | =====                                |              | =====           | =====        | =====           | =====         | =====           | =====         | =====           |
| 63 | DIFF. IN GOVERNOR'S BUDGET REQUEST ) |              | \$0             |              | (\$11)          |               | \$0             |               | \$0             |

**STATE AID:**

1. Effective for Fiscal Years 1987-88 and 1988-89, each school district providing transportation services for students to and from school is entitled to receive state aid from the department based on either the method described below, or actual transportation costs, whichever is less:

- a. For districts that received pupil transportation reimbursement from the department for fiscal year 1986-87:
  - (1) an allocation will be established based on reimbursement received during this period, divided by the total statewide pupil transportation payments for this period.
  - (2) this allocation percentage will apply to at least 90% of the pupil transportation legislative appropriation for to/from school transportation for fiscal years 1987-88 and 1988-89.
- b. Up to ten percent of the appropriation will be distributed as follows:
  - (1) For districts that received pupil transportation reimbursement from the department for a portion or none of fiscal year 1986-87, an allocation will be established based on costs approved by the department for fiscal years 1987-88 and 1988-89.
  - (2) For districts that require increased service due to increased enrollment, the department may assist with additional funding.
  - (3) For districts that provide educational services to pupils residing outside the district boundaries and attending school in the district, the department will reimburse the district one hundred percent of approved transportation costs providing this arrangement has prior approval from the department.
  - (4) The balance of unallocated funds at the close of the fiscal year will be distributed to districts according to the allocation percentages established pursuant to a.(1) and b.(1) of this section.

2. Districts are not required to provide transportation services. The local school board will determine what services, if any, will be provided. State aid will be paid only if services are provided.

3. Payment to eligible districts for the allocation established under this section will be distributed in the following manner:

- a. On the first day of each month commencing with September 1 and continuing through February 1, two-thirds of the annual allocation initially determined will be distributed in six equal installments. The remaining one-third of the annual allocation will be distributed in three equal installments on the first day of each month commencing with March 1, subject to the availability of funds as determined by the Department.
  - b. The remaining balance of the unallocated funds will be distributed no later than August 15 providing reporting requirements have been met.
4. State aid shall be withheld until required reports are submitted.

- Explanation -

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STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST 4-2-87

Bill Version: SB 228  
Publish Date: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An act relating to the allocation of federal-aid highway funds.  
Sponsor: Sen. Binkley et al  
Requestor: Sen. Jone

Agency Affected: DOT&PF  
BRU: Various  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING         | FY 87 | FY 88      | FY 89      | FY 90 | FY 91 | FY 92 |
|-------------------|-------|------------|------------|-------|-------|-------|
| PERSONAL SERVICES |       |            |            |       |       |       |
| TRAVEL            |       |            |            |       |       |       |
| CONTRACTUAL       |       |            |            |       |       |       |
| SUPPLIES          |       |            |            |       |       |       |
| EQUIPMENT         |       |            |            |       |       |       |
| LAND & STRUCTURES |       |            |            |       |       |       |
| GRANTS, CLAIMS    |       |            |            |       |       |       |
| MISCELLANEOUS     |       |            |            |       |       |       |
| TOTAL OPERATING   |       |            |            |       |       |       |
| CAPITAL           |       | <50,200.0> | <74,600.0> | -     | -     | -     |
| REVENUE           |       |            |            |       |       |       |

FUNDING: (Thousands of Dollars)

|               |  |            |            |   |   |   |
|---------------|--|------------|------------|---|---|---|
| GENERAL FUND  |  |            |            |   |   |   |
| FEDERAL FUNDS |  | <50,200.0> | <74,600.0> | - | - | - |
| OTHER (IARF)  |  |            |            |   |   |   |
| TOTAL         |  |            |            |   |   |   |

POSITIONS:

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

ANALYSIS:

Please note there are many variables to assessing fiscal impact from this bill. This estimate should be viewed as a "worse-case" estimate for first three years.

The amounts shown above are based on federal fiscal years and represent the amounts we would be unable to obligate as a result of this bill. Application of this bill to FFY87 would have resulted in the "loss" of \$56 million, however since the bill is not effective until 7/1/87 it is impossible to project the actual impact for the projects and amounts that will remain in federal fiscal year 1987.

Prepared by: Ron B. Lind, Director Phone: 465-4070  
Division: Plans, Programs, and Budget Date: 04/22/87

Approved by Commissioner: *R. B. Lind* Date: 4/22/87  
Agency: Department of Transportation and Public Facilities

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

Because of time constraints only three years of calculations were prepared, and it is expected that by 1990 we should be able to have additional projects ready to obligate in the Secondary and Primary categories.

These amounts are based on the FHWA project listings in our Capital Improvement Program 1987 - 1993. The attached table shows the impact by federal system by year and attached lists identify specific projects by region.

Even though the loss of ability to obligate funds in the early years would not mean the loss of federal apportionments it has the same impact. The federal program does not have a mechanism which would allow a state to obligate the losses in early years in the later years.

We have not included cost estimates for increased maintenance that would be required on our existing system if reconstruction projects were not completed because we did not have time to quantify these items. But we know there would be a cost.

## Federal Obligation and Project Activity Loss

(In Millions of Dollars)

|            | FFY 1987* |          | Anticipated Loss |                  | FFY 1988  |          | Anticipated Loss |                  | FFY 1989  |          | Anticipated Loss |                  |
|------------|-----------|----------|------------------|------------------|-----------|----------|------------------|------------------|-----------|----------|------------------|------------------|
|            | Available | Expected | Federal Dollars  | Project Activity | Available | Expected | Federal Dollars  | Project Activity | Available | Expected | Federal Dollars  | Project Activity |
| Interstate | 34.7      | 41.4     | -0-              | 6.7              | 34.7      | 43.2     | -0-              | 8.5              | 34.7      | 37.3     | -0-              | 2.6              |
| Primary    | 73.5      | 32.5     | 41.0             | -0-              | 73.5      | 29.9     | 43.6             | -0-              | 73.5      | 7.2      | 66.3             | -0-              |
| Secondary  | 31.8      | 16.8     | 15.0             | -0-              | 31.8      | 25.2     | 6.6              | -0-              | 31.8      | 23.5     | 8.3              | -0-              |
| Urban      | 3.6       | 44.2     | -0-              | 40.6             | 3.6       | 52.3     | -0-              | 48.7             | 3.6       | 80.4     | -0-              | 76.8             |
|            |           |          | 56.0             | 47.3             |           |          | 50.2             | 57.2             |           |          | 74.6             | 79.4             |

\* Applied to activity for the entire fiscal year, including some obligations that have already occurred.



## Dept. of Transportation & Public Facilities

# Position Paper

**BILL NO:** SB228

**APPROVED:**

*Mark S. H. H.*

**TITLE:** "An Act relating to allocation of federal-aid highway funds; and providing for an effective date."

**DATE:** April 21, 1987

The Department of Transportation and Public Facilities is opposed to SB228. This bill would seriously restrict the ability of the department to meet transportation needs in many parts of Alaska. Some of the major problems we see with this legislation are -

- (1) It would severely reduce and almost eliminate federal funding available for urban system improvements. Most federal-aid routes in Anchorage, Fairbanks, Juneau, Ketchikan and Sitka are on the federal-aid urban system. Only \$3.6 annually in federal funding would be available for highway improvements on these routes.
- (2) The bill nullifies the special flexibility in federal highway law available only to Alaska and Puerto Rico under Subsection 118(f) of Title 23. Shortly after statehood, Alaskans successfully sought the addition of Subsection 118(f) to federal highway law to enable our new state to fully participate in the federal highway program. We believe it is poor public policy to limit the options available to us under federal highway law.
- (3) The bill makes no specific provision for the federal funding needs of the Alaska Marine Highway System, and the formula factors recognized by the bill do not allocate funds specifically for Marine Highway needs. We currently conduct an ongoing program to improve transfer facilities and rebuild our vessels using primary and secondary funds.
- (4) The bill would discourage Alaska from full-fledged participation in the national effort to rebuild the Interstate System. We understand it is the intent of the sponsors to prevent transfers of primary system funds to Interstate improvements. Therefore, our expenditures on our almost 1100 miles of Interstate would be limited to the \$34.7 million available annually and directed specifically at Interstate needs.

(CONTINUED)

For further informat

- *Position Paper* -

- (5) Implementation of this bill will likely cause the department to embark upon the construction of new collector and potentially arterial links. These new miles of federal-aid highways will require a new commitment of general fund resources to meet federal requirements for road maintenance.
- (6) The bill assumes that factors that work well at the national level for allocating funds will work well for distributing funds within Alaska. We question whether postal route miles, for example, has any relevance to the diverse funding needs of each region of Alaska.
- (7) The bill provides for almost an immediate effective date (July 1, 1987). We will not have enough bid-ready projects in the primary and secondary categories to spend all of federal funding in the three months remaining before the close of the federal fiscal year (September 30, 1987). We do not see this problem being resolved until FY90 at the earliest because of the long time spans involved in developing federal-aid projects.

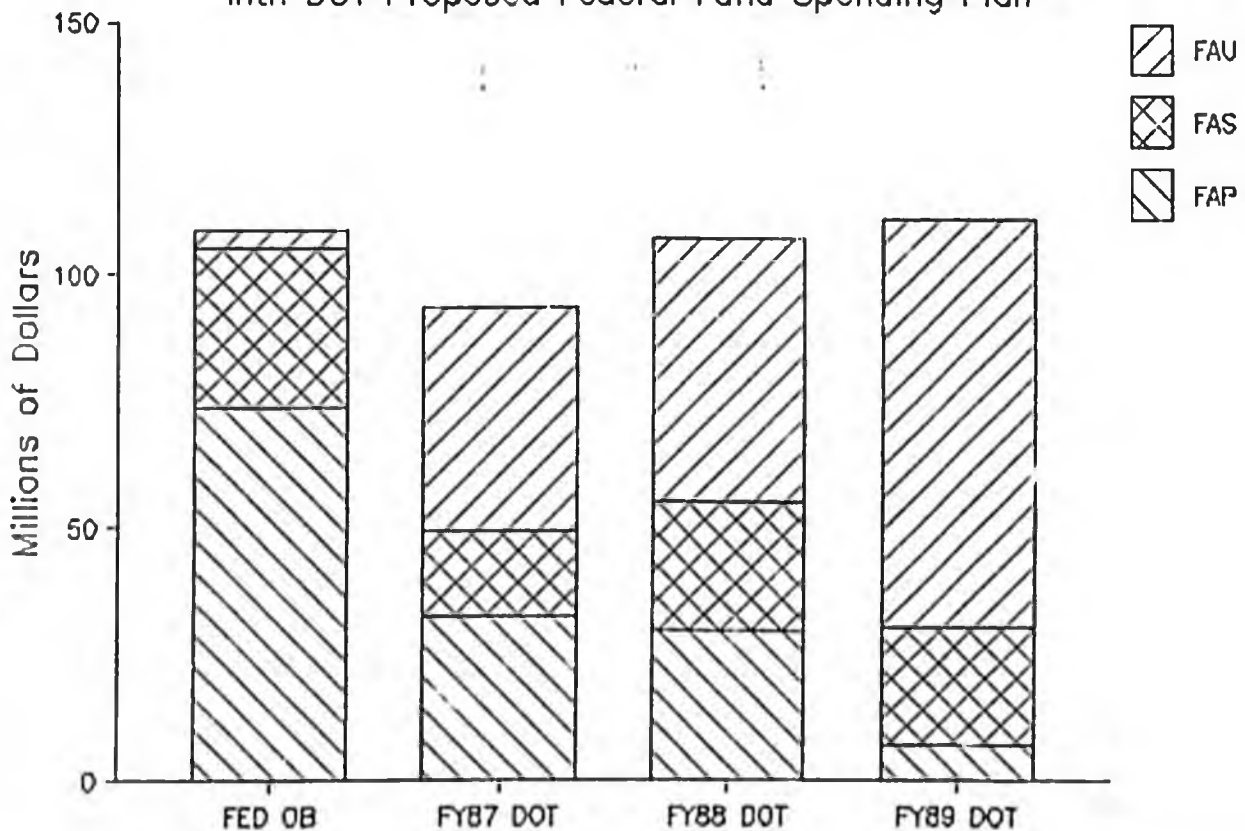
In the months ahead the Department will pursue reviewing and refining the way we select and rank projects in our capital improvement program. We recognize that we have not made a full transition to a capital improvement program that relies almost exclusively on federal funds to meet transportation needs, even in our most remote areas. We believe this effort is the best approach to meeting the improvement needs of our highway system, and urge the Legislature to give us time to allow it to proceed.

Comparison of Federal-Aid Highway Obligation with  
DOT/PF Proposed Federal Fund Spending Plan, FY 1987-89  
(Millions of Dollars)

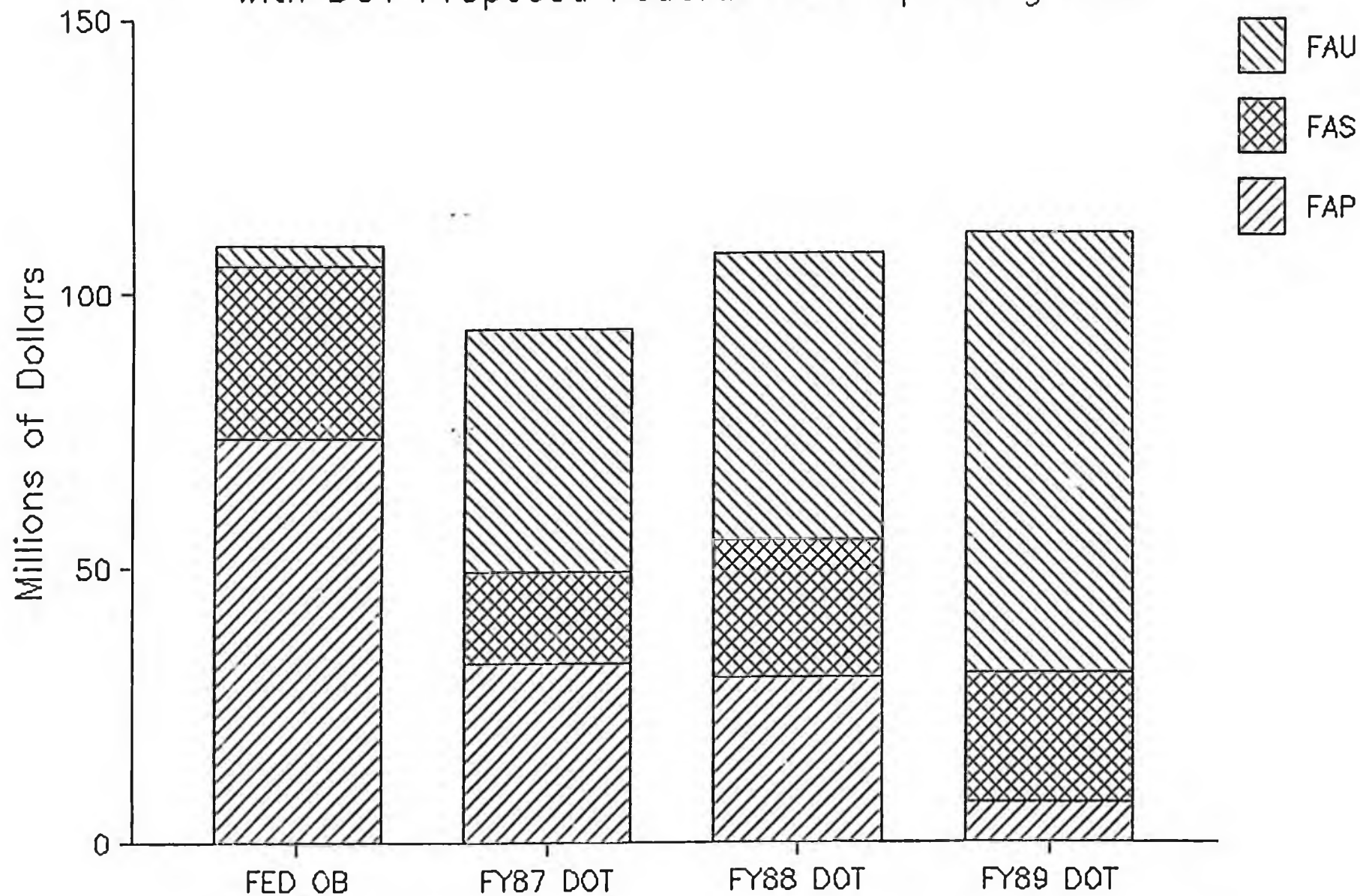
| Category a/  | Annual<br>Federal<br>Obligation | FY 87<br>DOT/PF | FY 88<br>DOT/PF | FY 89<br>DOT/PF |
|--------------|---------------------------------|-----------------|-----------------|-----------------|
| FAU          | 3.6                             | 44.2            | 52.3            | 80.4            |
| FAS          | 31.8                            | 16.8            | 25.2            | 23.5            |
| FAP          | 73.5                            | 32.5            | 29.9            | 7.2             |
| <b>Total</b> | <b>108.9</b>                    | <b>93.5</b>     | <b>107.4</b>    | <b>111.1</b>    |

a/ FAU - Federal Aid Urban  
FAS - Federal Aid Secondary  
FAP - Federal Aid Primary

Comparison of Federal-Aid Highway Obligation  
with DOT Proposed Federal Fund Spending Plan



# Comparison of Federal-Aid Highway Obligation with DOT Proposed Federal Fund Spending Plan



Original sponsors: Binkley, Eliason,  
Coghill, et al.

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 228 ( )

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to allocation of federal-aid highway  
7 funds; and providing for an effective date."

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

9 \* Section 1. AS 19.15 is amended by adding a new section to read:

10 Sec. 19.15.050. ALLOCATION OF FEDERAL AID. (a) The department  
11 shall allocate and expend nine percent of federal-aid highway funds  
12 received for federal-aid highway programs on qualified projects in the  
13 marine highway system. The department shall allocate and expend the  
14 balance of federal-aid highway funds received for federal-aid highway  
15 programs among the administrative regions of the department for qual-  
16 ified projects in the same proportion as the eligibility of each  
17 region bears to the total eligibility of the state to receive the  
18 funds. However, in determining the allocation of the balance of the  
19 funds utilizing the federal allocation formulas for the federal-aid  
20 primary system and the federal-aid secondary system, the department  
21 shall use designated federal primary system route mileage or desig-  
22 nated federal secondary system route mileage, as appropriate, instead  
23 of rural delivery route mileage.

24 (b) Subject to (c) of this section, the department may transfer  
25 surplus federal-aid highway funds allocated to a region under (a) of  
26 this section to qualified projects in another region if all qualified  
27 projects within the region to which the funds were allocated are  
28 funded.

29 (c) The department may not transfer federal-aid highway funds

1 among federal-aid highway programs unless a surplus of funds exists  
2 after all qualified projects within a federal-aid highway program are  
3 funded. The department shall allocate surplus funds within a fed-  
4 eral-aid highway program first to qualified projects within the feder-  
5 al-aid secondary system, then the federal-aid primary system, and then  
6 the federal-aid urban system. If all qualified projects eligible for  
7 funding under a federal-aid highway program are funded, the department  
8 may transfer surplus funds to qualified projects eligible for funding  
9 under the federal-aid interstate system.

10 (d) In this section

11 (1) "federal-aid highway program" means the federal-aid  
12 primary system, the federal-aid secondary system, or the federal-aid  
13 urban system;

14 (2) "qualified project" means a highway project eligible  
15 for federal-aid highway funds that receives points under the state  
16 ranking criteria for federal-aid highway projects.

17 \* Sec. 2. This Act takes effect July 1, 1987.  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: CSSB 228

Publish Date: \_\_\_\_\_

REQUEST \_\_\_\_\_

Revision Date: \_\_\_\_\_

Agency Affected: DOT&PF

Title: "An Act relating to allocation of federal-aid highway funds"

BRU: Statewide Plans, Programs and Budget

Sponsor: Binkley et al

Components: Plans, Programs and Budget

Requestor: Senate Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING         | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES |       |       |       |       |       |       |
| TRAVEL            |       |       |       |       |       |       |
| CONTRACTUAL       |       |       |       |       |       |       |
| SUPPLIES          |       |       |       |       |       |       |
| EQUIPMENT         |       |       |       |       |       |       |
| LAND & STRUCTURES |       |       |       |       |       |       |
| GRANTS, CLAIMS    |       |       |       |       |       |       |
| MISCELLANEOUS     |       |       |       |       |       |       |
| TOTAL OPERATING   | 0     | 0     | 0     | 0     | 0     | 0     |
| CAPITAL           | 0     | 0     | 0     | 0     | 0     | 0     |
| REVENUE           | 0     | 0     | 0     | 0     | 0     | 0     |

FUNDING: (Thousands of Dollars)

|               |  |  |  |  |  |  |
|---------------|--|--|--|--|--|--|
| GENERAL FUND  |  |  |  |  |  |  |
| FEDERAL FUNDS |  |  |  |  |  |  |
| OTHER (IARF)  |  |  |  |  |  |  |
| TOTAL         |  |  |  |  |  |  |

POSITIONS:

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

ANALYSIS: (SEE ATTACHED)

Prepared by: Ron B. Lind  
Division: Plans, Programs and Budget

Phone: 465-2171  
Date: May 6, 1987

Approved by Commissioner: M. L. S. H.  
Agency: Department of Transportation and Public Facilities

Date: May 6, 1987

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

FISCAL NOTE

Page 2

Bill Version: CSSB 228

Title: "An Act relating to allocation of federal-aid highway funds"

ANALYSIS: The Committee Substitute for Senate Bill 228 provides the department with enough flexibility to prevent the loss of federal obligation authority outlined in our previous fiscal note.

We assume that "qualified projects" are those projects which have all federally required documentation and are in the headquarters FHWA programming unit awaiting submission to FHWA. We would review the funding status within the federal category and region when a project is submitted for obligation. If there were not sufficient funding available we would review the status of other regions and federal categories compared to the projects that are pending. If there were not "qualified projects" pending at headquarters we would proceed with the programming action. The record keeping for these activities would be a slight increase in effort, however it would not be significant. If a more complicated review process is desired, we would require additional funding in the operating budget to carry it out.

# Senator Johne Binkley

Alaska State Senate

P.O. Box V • Juneau, Alaska 99811 • (907) 465-4985




Finance Committee  
Co-Chairman

## M E M O R A N D U M

April 15, 1987

TO: SENATOR LLOYD JONES, CHAIRMAN  
Senate Transportation Committee

FROM: SENATOR JOHN E BINKLEY, CO-CHAIRMAN  
Senate Finance Committee 

SUBJ: SB 228 "An Act relating to allocation of federal-aid  
highway funds."

Senate Bill 288 provides for a fair and equitable solution to the allocation and expenditure of federal-aid highway program funds throughout the state.

The "Federal-aid Highway Program" includes several distinct highway classifications. Federal-aid highway funds are allocated to states by the federal government based on such factors as area, population, road miles. The State Department of Transportation and Public Facilities currently transfers a major portion of certain federal-aid highway funds among different highway type classifications.

Federal law permits transfers to be made among certain funds. Funds apportioned to the federal-aid primary system, for example, may be transferred for use on the federal-aid secondary system and vice-versa. Primary system and urban system apportionments may be transferred from one category to the other in the same manner. However, the amount transferred may not increase or decrease the original apportionment for such systems by more than 50 percent. The law does not provide for direct transfer from the urban system fund to the secondary system fund or vice-versa and also prevents any indirect transfer between the two funds during a year.

Title 23 Section 8 paragraph (f) of the United States Codes specifically addresses Alaska's transferability of funds. The paragraph states, "Funds made available to the State of Alaska under this title may be expended for construction of access and development roads on a federal-aid system that will serve resource development, recreational, residential,

commercial, industrial, or other like purposes." The DOT&PF has interpreted this paragraph to mean that the state has greater flexibility in the transferability of federal-aid system funds than is allowed under federal guidelines. The DOT&PF has allowed transfers between primary and secondary system funds and primary and urban system funds that have decreased the original apportionment to the primary system fund by more than 50 percent.

The federal-aid highway program began in 1916, and distributed funds on essentially the same basis as today; that is, one-third based on area, one-third based on population, and one-third based on road miles. The intent of the legislation was to develop a system of roads radiating from the towns and railway stations out among the farms.

In 1944, the Congress allocated funds for the first time for urban areas. These funds were apportioned in the ratio that the state's urban populations (cities of over 5,000 population) had to the national urban population centers.

For Fiscal Year 1986, \$32.1 million was authorized for work on the urban system in Alaska. The Federal Highway Administration FY 86 apportionment for the urban system was \$3.7 million.

Under the provisions of SB 228, the DOT&PF would be required to allocate obligated federal-aid highway program funds within regions of the state according to the formulas that the federal government uses to allocate funds among the states. The DOT&PF would be required to fund each designated road classification (e.g., federal-aid primary, secondary, urban, etc.) according to the proportion identified under the federal-aid highway obligation. For example, federal-aid highway funds derived from federal-aid primary roads could not be transferred from primary to urban roads. However, the DOT&PF would be allowed to transfer up to 50 percent of the funds designated for one region into another region, thereby providing the Department the flexibility to construct major projects in certain areas of the state that require several years of funding.

#### SECTIONAL ANALYSIS:

Section 1. Section 1 of the bill adds a new section to AS 19.15 providing for the allocation and expenditure of federal funds received for certain federal-aid highway programs.

Subsection (a) requires the DOT&PF to allocate and expend federal funds received for certain federal-aid highway programs within each of the administrative regions of the Department in the proportion that the region contributes to the total eligibility of the state for federal funds. Federal funds are allocated to the states based on such factors as area, rural population, urban population, road miles, etc. This provision requires the department to allocate and expend the federal funds among the regions established by the Department according to the same formulas that the federal government uses to allocate funds among the states (see attachment 1).

Subsection (b) allows the Department to reallocate funds from one region of the state to another up to a maximum of 50 percent. Funds reallocated to another region may not be transferred to fund a different kind of highway program in the other region.

Subsection (c) prohibits the Department from transferring federal-aid funds from one kind of federal-aid highway program to another.

Subsection (d) defines the term "federal-aid highway program" to mean either the federal-aid primary system, the federal-aid secondary system, or the federal-aid urban system. This section does not apply to other federal-aid highway programs including the federal-aid interstate system, hazard elimination program, and highway safety program.

Section 2. Section 2 of this bill establishes July 1, 1987 as the effective date of this Act.

APPENDIX C-1

Apportionment Formulas

Formulas for apportioning authorized sums for certain classes of Federal-aid highways are specified by statute. These are shown below.

| <u>Fund</u>   | <u>Factors</u>   | <u>Weight</u> | <u>Statute*</u>       | <u>Minimum Apportionment</u>     |  |
|---|--|---------------|-----------------------|----------------------------------|--|
| Interstate System (for completion only)   | Relative Federal Share of Cost to Complete the System**  | 1             | 104(b)(5)(A)          | 1/2 percent (including Alaska)   |  |
| Interstate Resurfacing, Restoration, Rehabilitation, and Reconstruction         | Interstate System Lane Miles   | 55%           | 104(b)(5)(B)          | 1/2 percent                      |  |
|   | Vehicle Miles Traveled on Interstate System  | 45%           |                       |                                  |  |
| Interstate Highway Substitution (3/4 apportioned, 1/4 discretionary allocation) | Relative Federal Share of Cost to Complete Substitute Projects   | 1             | 103(e)(4)             | -----                            |  |
| Primary System  | <u>Formula A</u>   |               | 104(b)(1)             |                                  |  |
|   | Area   | 2/9           |                       |                                  |  |
|   | Rural Population   | 2/9           |                       |                                  |  |
|   | Rural Delivery Route Mileage and Intercity Mail Route Mileage  | 2/9           |                       |                                  |  |
|   | Urban Population*** (1/2 percent minimum (except D.C.))  | 1/3           |                       |                                  |  |
|   | <u>Formula B</u>   |               | Sec. 108, P.L. 97-424 |                                  |  |
|   | Rural Population   | 1/2           |                       |                                  |  |
|   | Urban Population***  | 1/2           |                       |                                  |  |
|   | For each State, determine greater of A or B, then:<br>Each State's apportionment equals:<br>$A \text{ or } B \times \frac{\text{Total Primary Authorization}}{\text{Sum of all States' A or B}}$ |               |                       |                                  | 1/2 percent (including territories as a whole) |
|   | Except that: the apportionment is not less than smaller of A or B  |               |                       |                                  |  |
| Secondary System  | Area   | 1/3           | 104(b)(2)             | 1/2 percent (except for D.C.)    |  |
|   | Rural Population   | 1/3           |                       |                                  |  |
|   | Rural Delivery Route Mileage and Intercity Mail Route Mileage  | 1/3           |                       |                                  |  |
|   | Urban Area***  | 1             |                       |                                  |  |
| Urban System  | Population   | 1             | 104(b)(6)             | 1/2 percent                      |  |
| Urban Transportation Planning   | Urbanized Area**** Population  | 1             | 104(f)(2)             | 1/2 percent                      |  |
| Bridge Replacement & Rehabilitation   | Relative share of total cost of deficient bridges  | 1             | 144(e)                | 1/4 percent (10 percent maximum) |  |

| <u>Fund</u>             | <u>Factors</u>  | <u>Weight</u> | <u>Statute #</u>                               | <u>Minimum Apportionment</u> |
|-------------------------|---|---------------|--|------------------------------|
| Hazard Elimination      | Total Population  | 3/4           | 152(e)   | 1/2 percent                  |
|                         | Public Road Mileage   | 1/4           |  |                              |
| Highway Safety Programs | Total Population  | 3/4           | 402(c)   | 1/2 percent                  |
|                         | Public Road Mileage   | 1/4           |  |                              |
| Rail-Highway Crossing   | Area  | 1/12          | Sec. 203(d) of the 1973 Highway Act as amended | 1/2 percent                  |
|                         | Rural Population  | 1/12          |  |                              |
|                         | Rural Delivery Route Mileage and Intercity Mail Route Mileage | 1/12          |  |                              |
|                         | Urban Population  | 1/4           |  |                              |
|                         | Number of Rail-Highway Crossings                              | 1/2           |  |                              |

Minimum Allocation

For fiscal years 1983-86, each State is guaranteed an amount so that its percentage of total apportionments in each fiscal year of Interstate, Interstate 4R, Interstate highway substitutes, primary, secondary, urban, bridge replacement and rehabilitation, hazard elimination and rail-highway crossings shall not be less than 85 percent of the percentage of estimated contributions to the Highway Trust Fund, not including the Mass Transit Account (23 U.S.C. 157).

- 
- \* Denotes appropriate section in Title 23, U.S.C., unless otherwise indicated.
  - \*\* Apportionment factors are contained in the periodic reports, "A Revised Estimate of the Cost of Completing the National System of Interstate and Defense Highways," submitted to Congress as required in 23 U.S.C. 104(b)(5)(A).
  - \*\*\* Places of 5,000 or more persons.
  - \*\*\*\* Usually places of 50,000 or more persons--definition contained in 23 U.S.C. 101(a).

S B

240

# ALASKA RAILROAD CORPORATION



P.O. Box 7-2111 • Anchorage, Alaska 99510-7069  
VIA TELECOPIER

February 19, 1988

Cheryl Fracas, Legislative Aide  
Office of Senator Rick Halford  
Pouch V, Room 516  
Juneau, Alaska 99811

Re: SB No. 240 and HB No. 485

Dear Cheryl,

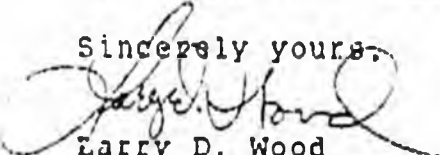
Thank you for your telephone call earlier today regarding SB 240. As you know, that bill proposes to delay a reporting requirement presently stated in the Alaska Railroad Corporation Act. Like its companion, HB 221, SB 240 would give the Alaska Railroad Corporation ("ARRC") additional time to analyze and document railroad sale proposals. You indicated that Senator Halford would like an update on last year's fiscal note because SB 240 is scheduled for hearing before the Senate Finance Committee on Monday. We regret that we have not previously informed you that a different approach to this problem has been proposed this session.

I've attached a copy of HB 485 which was filed recently. Although this legislation also extends the reporting requirement, it goes farther than SB 240 and is intended to replace HB 221 and its SB 240 companion. As you will note, HB 485 offers the added benefit of requiring consultation with state leaders and enhanced legislative action in the railroad disposal process. Although some Senate leaders such as Senator Faiks are aware of this new approach, I do not believe that Senator Halford has been briefed. In light of this recent development, please request Senator Halford to remove SB No. 240 from the hearing schedule. If he desires, we can provide the Senator with a much more detailed explanation of the new legislation immediately.

Unfortunately, Frank Turpin is out of town and unable to express his personal regards.

Thank you very much.

Sincerely yours,

  
Larry D. Wood  
General Counsel

cc: F. G. Turpin, President & CEO  
Rick Urion, ARRC Legislative Liaison

Attachment

6038L

Introduced: 4/8  
Referred: Transportation  
& Finance

5-0792A

1 IN THE SENATE BY THE TRANSPORTATION COMMITTEE

2 SENATE BILL NO. 240

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act suspending requirements for reports on ar-  
7 rangements and offers to sell the Alaska Railroad;  
8 and providing for an effective date."

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

10 " Section 1. Notwithstanding AS 42.40.260(b), the Alaska Railroad  
11 Corporation shall include the first analysis and documentation required  
12 under AS 42.40.260(b) in its annual report for fiscal year 1994.

13 " Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

1 IN THE HOUSE

2 HOUSE BILL NO. 485

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act amending provisions relating to a sollicita-  
7 tion for offers to purchase or operate the Alaska  
8 Railroad; and providing for an effective date."

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

10 \* Section 1. AS 42.40.260(b) is repealed and reenacted to read:

11 (b) By January 3, 1992, the corporation, in consultation with  
12 the governor and the legislature, shall request proposals from the  
13 private sector for the acquisition or operation of all or part of the  
14 assets of the Alaska Railroad Corporation. Prior to solicitation of  
15 proposals by the corporation, the legislature shall provide by law  
16 specific terms and conditions to be met before the corporation pro-  
17 ceeds with a proposal under this section. Any disposal under this  
18 section shall be made in accordance with AS 42.40.940.

19 \* Sec. 2. This Act takes effect immediately under AS 01.10.070(c).

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

Bill Version: SB 240  
Publish Date: 4-8-87

REQUEST: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An Act Suspending Requirements for Reports on Arrangements and Offers to Sell the Alaska Railroad

Agency Affected: Alaska Railroad Corporation  
BRU: \_\_\_\_\_

Sponsor: Transportation Committee  
Requestor: Transportation Committee

Components: \_\_\_\_\_

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

| OPERATING         | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES |       |       |       |       |       |       |
| TRAVEL            |       |       |       |       |       |       |
| CONTRACTUAL       |       |       |       |       |       |       |
| SUPPLIES          |       |       |       |       |       |       |
| EQUIPMENT         |       |       |       |       |       |       |
| LAND & STRUCTURES |       |       |       |       |       |       |
| GRANT CLAIMS      |       |       |       |       |       |       |
| MISCELLANEOUS     |       |       |       |       |       |       |
| TOTAL OPERATING   | -0-   |       |       |       |       |       |

|         |     |  |  |  |  |  |
|---------|-----|--|--|--|--|--|
| CAPITAL | -0- |  |  |  |  |  |
|---------|-----|--|--|--|--|--|

|         |   |  |  |  |  |  |
|---------|---|--|--|--|--|--|
| REVENUE | * |  |  |  |  |  |
|---------|---|--|--|--|--|--|

**FUNDING: (Thousands of Dollars)**

|               |     |  |  |  |  |  |
|---------------|-----|--|--|--|--|--|
| GENERAL FUND  | -0- |  |  |  |  |  |
| FEDERAL FUNDS |     |  |  |  |  |  |
| OTHER         |     |  |  |  |  |  |
| TOTAL         | -0- |  |  |  |  |  |

**POSITIONS:**

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

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

\*As the position paper submitted by the Alaska Railroad Corporation explains, delaying efforts to sell the railroad beyond January 5, 1990, will mean that the State of Alaska, not the United States, will enjoy sale profits. Although delayed beyond this first five year period, costs related to efforts to sell the railroad should remain relatively unchanged.

Prepared by: Larry D. Wood, General Counsel *LW* Phone: 265-2461  
Division: Alaska Railroad Corporation Date: 4-23-87

Approved by Commissioner: *C. P. ...* Date: 4-23-87  
Agency: F. G. Turpin, President and CEO

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Manager

THE ALASKA RAILROAD DEVELOPMENT COMMISSION  
POSITION ON THE ATTEMPT TO SELL THE ALASKA RAILROAD

We are opposed to any legislation designed to delay the attempted sale of the Alaska Railroad. We hope you will give serious consideration to our reasons outlined below before passing legislation to delay attempted sale.

Alaska Railroad Transfer Act 1209 Reversion Subsection B, virtually eliminates the sale of 'right-of-way land' as reversion is automatic if it ceases to operate as a railroad. It is anticipated that all lands not contiguous to the railroad would be withheld from a sale (Juneau, Kodiak, Valdez and Glenn Allen). It would further be assumed the industrial lands in the railbelt not essential to rail operation would be withheld. Thus the rolling stock, buildings and 500 to 600 acres of land would be put up for sale. If the sale price did not exceed sixty million dollars 1209 E would not be violated. This would be a small portion of the total assets of the Alaska Railroad.

One reason given for the delay of sale is the cost of an appraisal of the land. There have been estimates from 50 million to 1 billion as the value of the industrial land. An appraisal is necessary to determine the value of the land not needed for the operation of the railroad. The value of land needed for railroad operation must be determined. It is good business to have up-to-date appraisals of real property and equipment. Most lending institutes require appraisals if money is to be borrowed.

The sale does not have to be all or nothing and an attempt to sell the railroad would involve various plans and proposals. Some of the obvious has been outlined above. With these options a sale could be made that meets Federal Requirements or at the least lay the ground work for future sales.

We doubt any sale will be consummated on the first try regardless of the timing of attempted sale.

FOR THESE REASONS AND ATTEMPTED SALE SHOULD BE MADE AND IF A SATISFACTORY PROPOSAL IS ADVANCED, MAKE THE SALE.

# ALASKA STATE LEGISLATURE

Sen. Lloyd Jones, Chairman  
Sen. John B. "Jack" Coghill, Vice Chairman  
Sen. Mitch Abood  
Sen. Bettye Fahrenkamp  
Sen. Tim Kelly

P.O. Box V  
Juneau, AK 99811

907-465-4921

## Senate Transportation Committee

### MEMORANDUM

TO: The Senate Transportation Committee

FROM: Senate Transportation Committee Staff

DATE: April 23, 1987

SUBJECT: Senate Bill 240, suspending requirements for reports on arrangements and offers to sell the Alaska Railroad.

---

This bill is the result of the Senate Transportation Committee's expressed interest in delaying the requirement that the first analysis and documentation of potential railroad sale arrangements appear in the corporation's annual report for fiscal year 1994.

The bill extends the due date for the first analysis of potential sale arrangements to fiscal year 1994 which is outside the federal protection period. This action will guarantee that the State will receive the entire proceeds of any sale or transfer of the line. This modification of ARCA will serve the State's best interests. In addition, the Alaska Railroad will be allowed sufficient time following the end of this first five-year period to meaningfully research, prepare, and negotiate sale offers and terms. The growing number of recent disposals of short lines outside emphasizes that such transactions are extremely complex and require a substantial investment of time and money.

Finally, although out-of-pocket expenses associated with any sale of the railroad may be deducted from sale proceeds which must be paid to the United States, there is less certainty about the deductibility of sale costs directly attributed to hundreds of hours of State and Railroad staff time. In light of that uncertainty, it seems most prudent to delay such activities until all costs associated with the State's disposal of the railroad can be fully realized by its sale.

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of April 16, 1987 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

\*\*FISCAL NOTE(S) ATTACHED \_\_\_\_\_ \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

4/8/87

DATE TURNED INTO OFFICE April 23, 1987

Mr. President:

TRANSPORTATION

Committee considered SB 240

suspending requirements for reports on arrangements and offers to  
sell the Alaska Railroad; efd

and recommended:

replace with CS \_\_\_\_\_  same title  
 attached amendment(s) and  new title

do pass

do not pass

no recommendation

individual recommendations

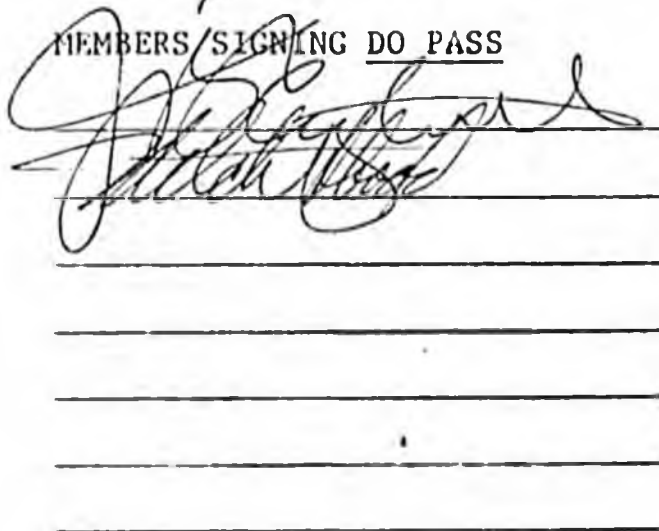
further referral to \_\_\_\_\_

letter of intent adopted and attached

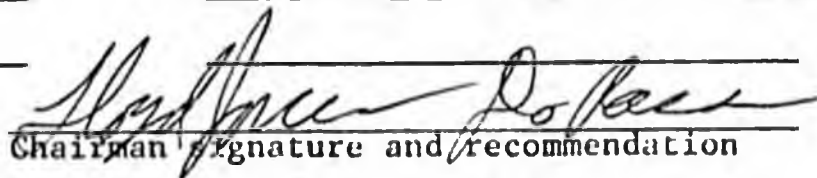
\*\* Committee  attached or  adopted fiscal note(s)  
 zero  fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS



\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
Chairman's signature and recommendation

Committee Backup Attached

# ALASKA RAILROAD CORPORATION



P.O. Box 7-2111 • Anchorage, Alaska 99510-7069

VIA TELECOPIER

April 23, 1987

APR 27 1987

Honorable Lloyd Jones, Chairman  
Senate Transportation Committee  
P.O. Box V, Room 15  
Juneau, Alaska 99811

Re: SB No. 240, An Act Suspending Requirements for Reports  
on Arrangements and Offers to Sell the Alaska Railroad

Dear Senator Jones,

Thank you for providing this opportunity for the Alaska Railroad Corporation ("ARRC") to comment on SB No. 240. As you know, the bill proposes to amend the Alaska Railroad Corporation Act and will require that the first analysis and documentation of potential railroad sale arrangements appear in the corporation's annual report for fiscal year 1994.

For the reasons stated in enclosed position paper, we strongly support this legislation. Should the railroad be sold, delay of mandatory sale arrangements beyond 1990 will avoid federal legal requirements that sale profits be paid to the United States. This action will clearly serve the State's best interests.

Unfortunately, Frank Turpin is on the line this week meeting with employees to discuss various aspects of new labor agreements. However, I know that he would want me to extend his personal greetings and to thank you for your active consideration of this important legislation.

Sincerely,

Larry D. Wood  
General Counsel

cc: F. G. Turpin  
President and Chief Executive Officer

4112L

SENATE BILL NO. 240

AN ACT SUSPENDING REQUIREMENTS FOR REPORTS  
ON ARRANGEMENTS AND OFFERS TO SELL THE  
ALASKA RAILROAD

I. INTRODUCTION

SB No. 240 proposes that the first analysis and documentation required under AS 42.40.260(b) (part of the Alaska Railroad Corporation Act ("ARCA")) be included in the corporation's annual report for fiscal year 1994.

The Alaska Railroad Corporation ("ARRC") strongly supports this legislation.

II. DISCUSSION

When the State of Alaska purchased the Alaska Railroad in January, 1985, it agreed to many sale terms. These terms include a provision in the federal Alaska Railroad Transfer Act ("ARTA") which requires the State to turn over any profits of a subsequent sale or transfer of the railroad to the United States, if the sale occurs within the first five years of state ownership. 45 USC § 1209(e). This period expires on January 5, 1990.

In the face of this restriction, ARCA presently requires ARRC to include in its annual report an analysis of potential arrangements to sell the railroad every five years, including documentation of at least three offers to sell the railroad. These offers must be bona fide attempts by the state-owned railroad to sell all or part of its assets and operations.

The combination of ARTA's requirement that the State turn over any profits to the federal government if the railroad is sold before January 5, 1990, and the great cost of researching, preparing, soliciting, and negotiating meaningful sale offers does justify delay of ARCA's mandate that sale offers be solicited by ARRC before 1990. This will be simply accomplished by SB No. 240.

The bill extends the due date for the first analysis of potential sale arrangements to fiscal year 1994 which is outside the federal protection period. This action will guarantee that the State will properly enjoy the entire

proceeds of any sale or transfer of the line. This modification of ARCA will clearly serve the State's best interests. In addition, the State-owned railroad will be allowed sufficient time following the end of this first five-year period to meaningfully research, prepare, and negotiate sale offers and terms. The growing number of recent disposals of short lines Outside emphasizes that such transactions are extremely complex and require a substantial investment of time and money.

Finally, although out-of-pocket expenses associated with any sale of the railroad may be deducted from sale proceeds which must be paid to the United States, there is less certainty about the deductibility of sale costs directly attributed to hundreds of hours of State and Railroad staff time. In light of that uncertainty, it is most prudent to delay such activities until all costs associated with the State's disposal of the railroad can be fully realized by its sale.

### III. CONCLUSION

ARRC views SB 240 as an important modification of the Alaska Railroad Corporation Act and urges that it be favorably considered.

4114L

Anchorage, Alaska  
April 23, 1987

Memorandum to File

To: SB 240 File

From: Larry D. Wood  
General Counsel  
Alaska Railroad Corporation

Re: Testimony before Senate Transportation Committee  
4-23-87

Although I did not have prepared comments other than the ARRC position paper, the following notes reflect my recollection of my statements at today's hearing.

I explained that one of the important terms of the sale of the Alaska Railroad to the State of Alaska included a provision directing that all proceeds of any sale of the railroad occurring within the first five years of state ownership be turned over to the United States. Despite this agreement, the Alaska Railroad Corporation Act requires that every five years the corporation's annual report must include an analysis of potential sale arrangements. Documentation of at least three offers to sell the corporation must be included. Hence, this mandate would require that the corporation attempt to sell all or part of the railroad during the very period of time when the State would not enjoy the benefits of its sale.

SB 240 proposed to delay the three offers to sell requirement beyond the federal protection period and this action clearly served the State's best interests.

Responding to a comment by a trucking interest speaker, I also explained that the bill would not prevent a sale before 1994, it would simply not require bona fide sale efforts during a very inopportune period. In fact, the enabling legislation provides for sale or lease of the railroad at any time if certain conditions are met. AS 42.40.940.

S B

247

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: SB 247

Publish Date: \_\_\_\_\_

REQUEST

Revision Date: \_\_\_\_\_

Title: "An Act relating to citations for vehicle and traffic offenses."

Sponsor: Judiciary Committee

Requestor: Senate State Affairs

Agency Affected: Public Safety

BRU: Alaska State Troopers

Components: Detachments & CIR

| EXPENDITURES/REVENUES: (Thousands of Dollars) |       |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|-------|
| OPERATING                                     | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
| PERSONAL SERVICES                             |       |       |       |       |       |       |
| TRAVEL  |       |       |       |       |       |       |
| CONTRACTUAL                                   |       |       |       |       |       |       |
| SUPPLIES                                      |       |       |       |       |       |       |
| EQUIPMENT                                     |       |       |       |       |       |       |
| LAND & STRUCTURES                             |       |       |       |       |       |       |
| GRANTS, CLAIMS                                |       |       |       |       |       |       |
| MISCELLANEOUS                                 |       |       |       |       |       |       |
| TOTAL OPERATING                               |       | 0     | 0     | 0     | 0     | 0     |
| CAPITAL                                       |       |       |       |       |       |       |
| REVENUE                                       |       |       |       |       |       |       |

FUNDING:: (Thousands of Dollars)

|               |  |   |   |   |   |   |
|---------------|--|---|---|---|---|---|
| GENERAL FUNDS |  | 0 | 0 | 0 | 0 | 0 |
| FEDERAL FUNDS |  |   |   |   |   |   |
| OTHER         |  |   |   |   |   |   |
| TOTAL         |  |   |   |   |   |   |

POSITIONS:

|           |  |   |   |   |   |   |
|-----------|--|---|---|---|---|---|
| FULL-TIME |  | 0 | 0 | 0 | 0 | 0 |
| PART-TIME |  |   |   |   |   |   |
| TEMPORARY |  |   |   |   |   |   |

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Prepared by: Francis C. Allan *F.C.A.*  
Division: Alaska State Troopers

Phone: 269-5691

Date: 4/15/87

Approved by Commissioner: \_\_\_\_\_  
Agency: Public Safety

Date: 4/16/87

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

page \_\_\_\_\_ of \_\_\_\_\_

Fiscal Note

# **CORRECTION**

**THIS DOCUMENT  
HAS BEEN REPHOTOGRAPHED  
TO ASSURE LEGIBILITY**

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: SB 247

REQUEST  
 Revision Date: \_\_\_\_\_  
 Title: "An Act relating to citations for vehicle and traffic offenses."  
 Sponsor: Judiciary Committee  
 Requestor: Senate State Affairs

Publish Date: \_\_\_\_\_  
 Agency Affected: Public Safety  
 BRU: Alaska State Troopers  
 Components: Detachments & CIB

EXPENDITURES/REVENUES: (Thousands of Dollars)

|                   | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
|-------------------|-------|-------|-------|-------|-------|-------|
| OPERATING         |       |       |       |       |       |       |
| PERSONAL SERVICES |       |       |       |       |       |       |
| TRAVEL            |       |       |       |       |       |       |
| CONTRACTUAL       |       |       |       |       |       |       |
| SUPPLIES          |       |       |       |       |       |       |
| EQUIPMENT         |       |       |       |       |       |       |
| LAND & STRUCTURES |       |       |       |       |       |       |
| GRANTS, CLAIMS    |       |       |       |       |       |       |
| MISCELLANEOUS     |       |       |       |       |       |       |
| TOTAL OPERATING   |       | 0     | 0     | 0     | 0     | 0     |
| CAPITAL           |       |       |       |       |       |       |
| REVENUE           |       |       |       |       |       |       |

FUNDING: (Thousands of Dollars)

|               |   |   |   |   |   |
|---------------|---|---|---|---|---|
| GENERAL FUNDS | 0 | 0 | 0 | 0 | 0 |
| FEDERAL FUNDS |   |   |   |   |   |
| OTHER         |   |   |   |   |   |
| TOTAL         |   |   |   |   |   |

POSITIONS:

|           |   |   |   |   |   |
|-----------|---|---|---|---|---|
| FULL-TIME | 0 | 0 | 0 | 0 | 0 |
| PART-TIME |   |   |   |   |   |
| TEMPORARY |   |   |   |   |   |

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact is anticipated.

Prepared by: Francis C. Allan *G.C.A.* Phone: 269-5691  
 Division: Alaska State Troopers Date: 4/15/87

Approved by Commissioner: *Jimmie* Date: 4/16/87  
 Agency: Public Safety

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)  
 Senate Secretary

page \_\_\_\_ of \_\_\_\_

*Fiscal Note*

SENATE COMMITTEE REPORT

FURTHER: JUDICIARY

4/23/87

DATE TURNED INTO OFFICE May 7, 1987

Mr. President:

TRANSPORTATION Committee considered SB 247

citations for vehicle and traffic offenses.

and recommended:

[ ] replace with CS FOR \_\_\_\_\_ ) [ ] same title  
[ ] or adopt \_\_\_\_\_ CS FOR \_\_\_\_\_ ) [ ] new title

[ ] attached amendment(s) and

do pass

[ ] do not pass

[ ] no recommendation

[ ] individual recommendations

[ ] further referral to \_\_\_\_\_

[ ] letter of intent adopted \_\_\_\_\_

Committee  attached or [ ] adopted fiscal note(s)

[ ] new [ ] updated or  previous

zero [ ] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Terry Kelly - D. Pan  
[Signature]  
[Signature]  
[Signature]

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[Signature] (Do Pass)  
Chairman signature and recommendation

[ ] Committee Backup Attached

BILL NO: SB 247

DATE: 4/21/87

TITLE: "An Act relating to citations for vehicle and traffic offenses."

CONTACT: James D. Vaden  
Deputy Commissioner

DEPARTMENT OF PUBLIC SAFETY

Provides uniformity of procedures involving disposition of vehicle or traffic offenses issued under municipal ordinances.

This proposed legislation will not affect the Division of Alaska State Troopers since municipal ordinances are not enforced by A.S.T.

The Division of Alaska State Troopers is neutral on this legislation.

  
Arthur English  
Commissioner

POSITION PAPER

Position Paper: Dept of  
- Public Safety -

## SECTIONAL ANALYSIS

SB 247: An act relating to issuance of citations for vehicle and traffic offenses

Section 1: This section provides that citations charging a vehicle or traffic offense under a municipal ordinance for which imprisonment is not a penalty will be deposited for processing with the clerk of the municipality which issued the citation, rather than the court, unless otherwise provided by the supreme court. It is anticipated that local courts will continue to process municipal citations in those municipalities which issue relatively few traffic citations. Traffic offenses charged under state law would continue to be processed through the court.

Section 2: This section provides that a person charged with a traffic offense under municipal ordinance for which imprisonment is not a penalty will return the citation to the municipality for processing. Persons charged with traffic and vehicle offenses under state law would continue to return citations to the court.

Section 3: This section provides that a municipality will notify the department of public safety of bail forfeitures processed through the municipality so that the department can assess points under its regulations. The courts would continue to notify the department of convictions on contested traffic offenses adjudicated by the court, and also of bail forfeitures in conjunction with offenses charged under state law.



Alaska Court System  
State of Alaska

OFFICE OF ADMINISTRATIVE DIRECTOR

KARLA L. FORBYTHE  
STAFF COUNSEL

303 K Street  
Anchorage, Alaska 99501

(907) 264-8228

April 22, 1987

Senator Mitch Abood  
Alaska State Legislature  
P. O. Box V  
Juneau, Alaska 99811

Dear Senator Abood:

I am writing to provide background about SB 247, which was introduced at the request of the Alaska Court System. This bill would require municipalities to process uncontested traffic citations issued by their enforcement officers.

In most court locations, citations issued by state enforcement officials and also by municipal enforcement officials are filed with courts. Many of these citations are resolved by a bail forfeiture and plea of no contest. Processing consists of accepting payment from a defendant, either in person or by mail. If a defendant wishes to plead not guilty, a court trial is scheduled. If a defendant does not respond to the citation, a bench warrant or an order to show cause must be issued. However, the vast majority of these matters are resolved by the forfeited payment, without a court appearance.

If an offense is cited under provisions of state law, the resulting fine or forfeiture is paid to the general fund of the State of Alaska. However, under AS 22.15.270, forfeitures resulting from violations of ordinances of municipalities are returned to the political subdivision.

As a practical consequence, this means that court staff, who are funded by the state, perform what is essentially an accounting function for municipalities. The court system proposes that municipalities take over the responsibility for processing these uncontested citation payments. This procedure is currently in place in Juneau, based on a voluntary agreement between the Juneau court and Juneau enforcement officials, and works quite effectively.

*Letter of Explanation:  
- Alaska Court System.*

Senator Mitch Abood  
April 22, 1987  
Page Two

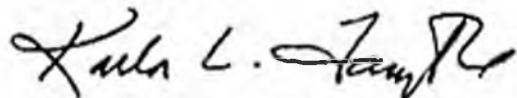
This procedure would benefit the courts, because resources now devoted to processing these payments could be focused on other functions which would benefit both the state and localities, such as pre-trial screening to determine which defendants are able to bear the costs of counsel appointed at public expense. Stepped-up efforts by the court to screen these defendants would result in decreased costs to municipalities because of the decreased burden of payment for costs of defense.

Municipalities would also benefit by assuming direct control over this process. Along these lines, the court system would not object to a provision authorizing municipalities to enact mail-in fine schedules. This would give municipalities the ability to determine appropriate fine payments in conjunction with specific enforcement goals, instead of relying on the supreme court to adopt bail forfeiture schedules.

Some smaller political subdivisions may not have the capability to process these citations. If a municipality can demonstrate that the system as a whole will benefit from retaining this function within the court system, the court system would continue to process these citations for that municipality. It is anticipated that this exemption would apply primarily to outlying communities which issue very few traffic citations.

I hop this information is helpful to the committee. I have also attached a sectional analysis of the bill, an estimate of municipal revenues derived from these offenses, and an explanation of how traffic tickets are processed in Juneau. If I can provide additional background, please let me know.

Sincerely,



Karla L. Foraythe  
Staff Counsel

KLF:bs

Att.

cc: Arthur H. Snowden, II  
Administrative Director

4/22/87-3

## TRAFFIC TICKETS IN JUNEAU

When a defendant is charged with a traffic offense by the Juneau Police Department, the envelope is addressed to the police department.

Municipal offenders make bail payments directly to the police department. If the bail is paid, the yellow copy of the citation is forwarded to the court (usually hand-carried on the day it is paid). The court enters information about the citation and the points into ASPIN. Bail for municipal violations is retained by the police department.

If the defendant pleads not guilty, the original of the citation, the yellow copy and bail are hand-carried to the court to set a court trial date. The court sets up the traffic calendar for both state and municipal violations. Traffic court is held every Wednesday. Payment after the court finds the defendant guilty is made directly to the court. A person from the Juneau Police Department attends traffic court to record dispositions.

If there is no response to the citation, the police department first sends a letter to the defendant. If there is still no response, the police department attempts to call the defendant and notes the attempts on the letter. If there is no contact or response within two to three weeks after the citation is issued, the police department hand-carries the citation to the court along with a copy of the bench warrant which the police department has prepared. The citation is accompanied by the letter which notes the attempts at contact. The court signs the warrant and it is served by city police officers. If a state offense is involved, the court issues an order to show cause.

If the defendant appears at the police department to pay bail or to plead guilty after the court date, the police department accepts the money. If an arrest warrant has been issued, the defendant is referred to court to post bail. If the defendant wants to plead not guilty, the court quashes the bench warrant and sets up a court trial date.

The police department and court system computers operate independently. The city has developed a special program called Police Citation Subsystem to track the citations. Neither the city or the court is involved with a defensive driving program.

The court stores copies of any citations it has adjudicated. For those citations which remain with the city, the city keeps a copy for seven years. The city uses bench warrant and order to show cause forms which the court has developed.

For calendar year 1986, the Juneau Police Department processed 1,151 moving violation tickets, 12,831 parking tickets, 508 equipment violation tickets, and 825 tickets at the airport. Other minor offenses processed by the police include 1,367 harbor offenses, 546 canine offenses, 22 litter offenses, and 25 smoke hazard offenses. According to Connie Krebs at the police department, the present staff consists of two (one of whom processes criminal citations not covered by this bill). The department will be receiving an additional clerk position due to the number of citations which are being processed.

Municipality of Juneau

# Memorandum

Alaska Court System

TO:  Karla Forsythe  
General Counsel

DATE : February 26, 1987

FROM: Robert G. Fisher *RF*  
Manager of Fiscal Operations

SUBJECT: Estimate of Municipal Revenues

You asked for an estimate of revenues from uncontested municipal citations.

This information is not readily available from Administrative or trial court accounting records. Information is available on total municipal traffic revenues for Anchorage and Fairbanks. These courts deposit municipal revenues directly into municipal accounts. The accounts contain both uncontested and contested citation revenues. Bail for contested citations is initially deposited in a court trust account. Upon disposition of a citation in favor of a municipality, bail funds are deposited into the municipal revenue accounts.

To estimate the amount of uncontested municipal traffic citation revenues for Anchorage and Fairbanks, the transferred bail funds were deducted from the total deposits. The following schedule summarizes these calculations.

Municipal Traffic Revenues  
1986

|                                | Anchorage        |           | Fairbanks       |           |
|--------------------------------|------------------|-----------|-----------------|-----------|
|                                | \$               | ¢         | \$              | ¢         |
| Total Deposits                 | \$533,300        | 100       | \$86,500        | 100       |
| Contested Revenues             | <u>75,100</u>    | <u>14</u> | <u>8,400</u>    | <u>10</u> |
| Estimated Uncontested Revenues | <u>\$458,200</u> | <u>86</u> | <u>\$78,100</u> | <u>90</u> |

If you need further information, please let me know.

2-26-87a

*Uncontested Citation Revenue*

S B

265

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

Bill Version: SB 265

Publish Date: \_\_\_\_\_

REQUEST  
Revision Date: \_\_\_\_\_  
Title: An Act relating to boat numbering...  
Sponsor: Sen. Sturgulewski  
Requestor: Senate Transportation

Agency Affected: Public Safety  
BRU: DPS Administration

Components: Boating & Water Safety

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING         | FY 87 | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES |       | 192.2 | 395.8 | 407.7 | 419.9 | 432.5 |
| TRAVEL            |       | 19.9  | 41.0  | 42.2  | 43.5  | 44.8  |
| CONTRACTUAL       |       | 113.5 | 117.0 | 120.5 | 124.1 | 127.8 |
| SUPPLIES          |       | 49.5  | 51.0  | 52.5  | 54.1  | 55.7  |
| EQUIPMENT         |       | 132.0 | 7.2   | 7.4   | 7.6   | 7.8   |
| LAND & STRUCTURES |       |       |       |       |       |       |
| GRANTS, CLAIMS    |       |       |       |       |       |       |
| MISCELLANEOUS     |       |       |       |       |       |       |
| TOTAL OPERATING   | 0     | 507.1 | 612.0 | 630.3 | 649.2 | 668.6 |
| CAPITAL           |       |       |       |       |       |       |
| REVENUE           | 0     | 515.0 | 515.0 | 515.0 | 515.0 | 515.0 |

FUNDING: (Thousands of Dollars)

|               |   |       |       |       |       |       |
|---------------|---|-------|-------|-------|-------|-------|
| GENERAL FUNDS | 0 | 257.1 | 322.0 | 340.3 | 359.2 | 378.6 |
| FEDERAL FUNDS |   | 250.0 | 290.0 | 290.0 | 290.0 | 290.0 |
| OTHER         |   |       |       |       |       |       |
| TOTAL         | 0 | 507.1 | 612.0 | 630.3 | 649.2 | 668.6 |

POSITIONS:

|           |   |    |    |    |    |    |
|-----------|---|----|----|----|----|----|
| FULL-TIME | 0 | 4  | 4  | 4  | 4  | 4  |
| PART-TIME |   | 13 | 13 | 13 | 13 | 13 |
| TEMPORARY |   |    |    |    |    |    |

ANALYSIS: (Attach a separate page if necessary)

This fiscal note contains a 3% inflation factor. Equipment costs on five boats are one-time costs and will not continue beyond FY 88.

FY 88 funding level in Personal Services and Travel lines assumes start-up of January 1, 1988.

Prepared by: Gretchen Derr, Special Ass't Phone: 465-4322  
Division: Commissioner's Office Date: 4/27/87

Approved by Commissioner: [Signature] Date: 4/27/87  
Agency: Public Safety

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

JNR  
4/27/87

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 265

\* FY 88 - with program implementation effective on January 1, 1988 - budget estimates include start-up costs for equipment: 5 boats, \$125.0; 5 vehicles, \$41.4; enforcement and training position costs, \$192.2. FY 89 (and each fiscal year continuing) salary and benefit costs are summarized: Administrative Officer, Accounting Clerk, Education Specialist, Publication Specialist, 2 Data Processing Clerks, Clerk Typist; and 10 Compliance Officers (Seasonal): \$395.8. Space will come from currently available facilities; utilities, communications, travel, commodities, and office equipment needs are estimated for each position.

Costs are derived from broad-brush estimates due to short time-frame preparation. A 3% inflation rate is added.

I. Restricted

Federal funds for boat safety training may be available in the sum of \$250.0 for the first year and approximately \$290.0 for subsequent years.

II. Unrestricted Revenues (see chart pg. 3)

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. SB 265

Revenue estimates:

II. Unrestricted

| Number of Boats to Register<br>By Year | Registered Boats | Boats Currently Not Registered<br>Carried Through the Triennial Cycle |                           |                           |                           |                           | Fines<br>Aprox.<br>\$17.0<br>Year | TOTAL<br>REVENUE |
|--|------------------|---|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------------|------------------|
|  | 30,000<br>\$30 X | 6,600<br>1st Yr<br>\$30 X   | 6,600<br>2nd Yr<br>\$30 X | 6,600<br>3rd Yr<br>\$30 X | 6,600<br>4th Yr<br>\$30 X | 6,600<br>5th Yr<br>\$30 X |                                   |                  |
| 1st Year (88) 10000+6600               | \$300.0          | \$198.0   | - - -                     | - - -                     | - - -                     | - - -                     | \$17.0                            | \$515.0          |
| 2nd Year (89) 10000+6600               | 300.0            | - - -   | \$198.0                   | - - -                     | - - -                     | - - -                     | 17.0                              | 515.0            |
| 3rd Year (90) 10000+6600               | 300.0            | - - -   | - - -                     | \$198.0                   | - - -                     | - - -                     | 17.0                              | 515.0            |
| 4th Year (91) 10000+6600               | 300.0            | - - -   | - - -                     | - - -                     | \$198.0                   | - - -                     | 17.0                              | 515.0            |
| 5th Year (92) 10000+6600               | 300.0            | - - -   | - - -                     | - - -                     | - - -                     | \$198.0                   | 17.0                              | 515.0            |

Notes:

1. Boat registration fee, average, is \$30 triennial.
2. According to our estimates, by the fourth year there will be approximately 50,000 boats registered.
3. Of the 30,000 boats already registered, we estimate 33 1/3% (or 10000 boats) will register during the 1st year, 10000 in the 2nd year, and the remainder (10000) in the 3rd year.
4. Register 6,600 boats currently not registered during each year for three years (Coast Guard estimates 20,000 boats not registered). Anticipate three-year period before majority of citizens would be in compliance.
5. Estimate \$17.0 in fines levied per year.



|  |                                      |                                      |                  |                        |
|--|--------------------------------------|--------------------------------------|------------------|------------------------|
| Position Title<br>Data Processing Clerk II |                                      | No. of Positions<br>2                | Range/Step<br>9A | Barg. Unit<br>GGU      |
| Time Status<br>PFT                         | Staff Months<br>12.0                 | Location<br>Juneau                   |                  | Election District<br>4 |
| ////////////////////////////////////       |                                      | Justification                        |                  |                        |
| Type of Expenditure                        |                                      | Amount                               |                  |                        |
| 1  | 2                                    | 3                                    |                  |                        |
| Salary                                     | 41.5                                 | //////////////////////////////////// |                  |                        |
| Benefits                                   | 13.5                                 | //////////////////////////////////// |                  |                        |
| Premium Pay                                |                                      | //////////////////////////////////// |                  |                        |
| Other                                      |                                      | //////////////////////////////////// |                  |                        |
| Other Personal Services                    | //////////////////////////////////// | 55.0                                 |                  |                        |
| Travel                                     |                                      |                                      |                  |                        |
| Contractual                                |                                      | 6.0                                  |                  |                        |
| Commodities                                |                                      | 2.0                                  |                  |                        |
| Equipment                                  |                                      |                                      |                  |                        |
| Other                                      |                                      |                                      |                  |                        |
| Total Cost                                 |                                      | 63.0                                 |                  |                        |
| ////////////////////////////////////       |                                      |                                      |                  |                        |
| Funding Source for Total Cost              |                                      |                                      |                  |                        |
| Federal Receipts                           | 1002                                 | 31.1                                 |                  |                        |
| G.F. Match                                 | 1003                                 |                                      |                  |                        |
| General Fund                               | 1004                                 | 31.9                                 |                  |                        |
| I-A Receipts                               | 1006                                 |                                      |                  |                        |
| CIP Receipts                               | 1061                                 |                                      |                  |                        |
| Other                                      |                                      |                                      |                  |                        |
| ////////////////////////////////////       |                                      |                                      |                  |                        |
| ////////////////////////////////////       |                                      |                                      |                  |                        |
| ////////////////////////////////////       |                                      |                                      |                  |                        |
| ////////////////////////////////////       |                                      |                                      |                  |                        |
| ////////////////////////////////////       |                                      |                                      |                  |                        |
| ////////////////////////////////////       |                                      |                                      |                  |                        |

These positions will be responsible for the accepting and processing data on boating and watercraft material, i.e. registration and accident data. These positions will also be responsible for maintenance of data.

Support costs include minimal contractual and supply costs.

REQUEST FOR  
NEW POSITION

Agency Public Safety  
 BRU DPS Administration  
 Component Boating and Watercraft Safety

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|                                       |                            |            |  |                        |                   |
|---------------------------------------|----------------------------|------------|--|------------------------|-------------------|
| Position Title<br>Compliance Officers |                            |            | No. of Positions<br>4  | Range/Step<br>12A      | Barg. Unit<br>GCU |
| Time Status<br>S                      | Staff Months<br>6.0 months |            | Location<br>Juneau   | Election District<br>4 |                   |
| Type of Expenditure                   |                            |            | Justification  |                        |                   |
| 1                                     | 2                          | 3          | <p>These positions will be responsible for the seasonal enforcement of the statutes modified by HB 94. These positions will verify compliance with registration requirements; participate in safety and educational programs, followup on boating accident reports, investigating accidents as necessary; inspect boats for required safety equipment and navigation lights; verify compliance with ski observer requirements; patrol marine events; investigate reports of reckless or negligent vessel operation; and, cite suspected violators.</p> <p>Approximately 10 hours of overtime for each month of position funding will be required.</p> <p>Support costs include travel funds necessary to aid investigations, etc. Contractual costs include funds for 5 HICF pickup expenses. Commodities include funding for uniforms, fuel for trucks and patrol vessels, and food essentials. Costs include purchase of 5 18-21' Boston Whaler type boats to be used by Compliance Officers (one-time expense).</p> |                        |                   |
| Salary                                | 49.7                       | ////////// |  |                        |                   |
| Benefits                              | 18.8                       | ////////// |  |                        |                   |
| Premium Pay                           | 8.0                        | ////////// |  |                        |                   |
| Other                                 |                            | ////////// |  |                        |                   |
| Other Personal Services               | //////////                 | 76.5       |  |                        |                   |
| Travel                                |                            | 12.0       |  |                        |                   |
| Contractual                           |                            | 20.6       |  |                        |                   |
| Commodities                           |                            | 14.0       |  |                        |                   |
| Equipment                             |                            | 50.0       |  |                        |                   |
| Other                                 |                            |            |  |                        |                   |
| Total Cost                            |                            | 173.1      |  |                        |                   |
| Funding Source for Total Cost         |                            |            |  |                        |                   |
| Federal Receipts                      | 1002                       | 85.3       |  |                        |                   |
| G.F. Match                            | 1003                       |            |  |                        |                   |
| General Fund                          | 1004                       | 87.8       |  |                        |                   |
| I-A Receipts                          | 1006                       |            |  |                        |                   |
| CIP Receipts                          | 1061                       |            |  |                        |                   |
| Other                                 |                            |            |  |                        |                   |

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|                                       |                            |            |  |                   |                        |            |
|---------------------------------------|----------------------------|------------|--|-------------------|------------------------|------------|
| Position Title<br>Compliance Officers |                            |            | No. of Positions<br>2  | Range/Step<br>12A | Gary. Unit<br>GGU      |            |
| Time Status<br>S                      | Staff Months<br>6.0 months |            | Location<br>Soldotna   |                   | Election District<br>5 |            |
| Type of Expenditure                   |                            |            | Justification  |                   |                        |            |
|                                       |                            |            | <p>These positions will be responsible for the seasonal enforcement of the statutes modified by HB 94. These positions will verify compliance with registration requirements; participate in safety and educational programs; followup on boating accident reports, investigating accidents as necessary; inspect boats for required safety equipment and navigation lights; verify compliance with ski observer requirements; patrol marine events; investigate reports of reckless or negligent vessel operation; and, cite suspected violators.</p> <p>Approximately 10 hours of overtime for each month of position funding will be required.</p> <p>Support costs include travel funds necessary to aid investigations, etc. Contractual costs include funds for 5 M&amp;CF pickup expenses. Commodities include funding for uniforms, fuel for trucks and patrol vessels, and food essentials. Costs include purchase of 5 18-21' Boston Whaler type boats to be used by Compliance Officers (one-time expense).</p> |                   |                        |            |
| 1                                     |                            | 2          |  |                   |                        | 3          |
| Salary                                |                            | 26.5       |  |                   |                        | ////////// |
| Benefits                              |                            | 9.9        |  |                   |                        | ////////// |
| Premium Pay                           |                            | 4.0        |  |                   |                        | ////////// |
| Other                                 |                            |            |  |                   |                        | ////////// |
| Other Personal Services               |                            | ////////// |  |                   |                        | 40.4       |
| Travel                                |                            |            |  |                   |                        | 4.0        |
| Contractual                           |                            |            |  |                   |                        | 10.3       |
| Commodities                           |                            |            |  |                   |                        | 7.0        |
| Equipment                             |                            |            |  |                   |                        | 25.0       |
| Other                                 |                            |            |  |                   |                        |            |
| Total Cost                            |                            |            |  |                   |                        | 86.7       |
| Funding Source for Total Cost         |                            |            |  |                   |                        |            |
| Federal Receipts 1002                 |                            |            | 42.7   |                   |                        |            |
| G.F. Match 1003                       |                            |            |  |                   |                        |            |
| General Fund 1004                     |                            |            | 44.0   |                   |                        |            |
| I-A Receipts 1006                     |                            |            |  |                   |                        |            |
| CIP Receipts 1061                     |                            |            |  |                   |                        |            |
| Other                                 |                            |            |  |                   |                        |            |

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|  |                      |                       |                   |   |
|--|----------------------|-----------------------|-------------------|---|
| Position Title<br>Publication Specialist I |                      | No. of Positions<br>1 | Range/Step<br>13A | Barg. Unit<br>CGI   |
| Time Status<br>PPT                         | Staff Months<br>6.0  | Location<br>Juneau    |                   | Election District<br>4  |
| Type of Expenditure                        |                      |                       | Justification     |   |
| 1  | 2                    | Amount                |                   | This position would be responsible for assisting in designing a boating safety printed program in coordination with Federal, State and local authorities, as well as with private organizations. Contractual costs include funds needed for video and printed material for the boating safety program. Additional minimal support costs are included. |
| Salary                                     | 13.2                 | ////////////////////  |                   |   |
| Benefits                                   | 4.3                  | ////////////////////  |                   |   |
| Premium Pay                                |                      | ////////////////////  |                   |   |
| Other                                      |                      | ////////////////////  |                   |   |
| Other Personal Services                    | //////////////////// | 17.5                  |                   |   |
| Travel                                     |                      |                       |                   |   |
| Contractual                                |                      | 31.0                  |                   |   |
| Commodities                                |                      | 3.0                   |                   |   |
| Equipment                                  |                      | 1.0                   |                   |   |
| Other                                      |                      |                       |                   |   |
| Total Cost                                 |                      | 52.5                  |                   |   |
| ////////////////////                       |                      |                       |                   |   |
| Funding Source for Total Cost              |                      |                       |                   |   |
| Federal Receipts                           | 1002                 | 25.9                  |                   |   |
| G.F. Match                                 | 1003                 |                       |                   |   |
| General Fund                               | 1004                 | 26.6                  |                   |   |
| I-A Receipts                               | 1006                 |                       |                   |   |
| CIP Receipts                               | 1061                 |                       |                   |   |
| Other                                      |                      |                       |                   |   |
| ////////////////////                       |                      |                       |                   |   |
| ////////////////////                       |                      |                       |                   |   |
| ////////////////////                       |                      |                       |                   |   |
| ////////////////////                       |                      |                       |                   |   |
| ////////////////////                       |                      |                       |                   |   |

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|  |                      |  |                   |                        |
|--|----------------------|--|-------------------|------------------------|
| Position Title<br>Education Specialist I |                      | No. of Positions<br>1  | Range/Step<br>19A | Barg. Unit<br>GGU      |
| Time Status<br>PFT                       | Staff Months<br>12.0 | Location<br>Juneau   |                   | Election District<br>4 |
| Type of Expenditure                      |                      |  | Justification     |                        |
| 1  | 2                    | 3  |                   |                        |
| Salary                                   | 40.0                 | The Education Specialist would be responsible for designing a boating safety program in coordination with Federal, State, and local authorities, as well as with private organizations. This position would be responsible for traveling to many of the cities throughout the state in order to put on training classes each year. |                   |                        |
| Benefits                                 | 13.0                 | This position will train other departmental employees on how to conduct boating safety education training. This individual will be the unit supervisor.  |                   |                        |
| Premium Pay                              |                      |  |                   |                        |
| Other                                    |                      |  |                   |                        |
| Other Personal Services                  | 53.0                 |  |                   |                        |
| Travel                                   | 15.0                 |  |                   |                        |
| Contractual                              | 15.0                 |  |                   |                        |
| Commodities                              | 3.0                  |  |                   |                        |
| Equipment                                | 1.0                  |  |                   |                        |
| Other                                    |                      |  |                   |                        |
| Total Cost                               |                      | 87.0   |                   |                        |
| Funding Source for Total Cost            |                      |  |                   |                        |
| Federal Receipts                         | 1002                 | 42.9   |                   |                        |
| G.F. Match                               | 1003                 |  |                   |                        |
| General Fund                             | 1004                 | 44.1   |                   |                        |
| I-A Receipts                             | 1006                 |  |                   |                        |
| CIP Receipts                             | 1061                 |  |                   |                        |
| Other                                    |                      |  |                   |                        |

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|  |                     |      |  |                  |                        |
|--|---------------------|------|--|------------------|------------------------|
| Position Title<br>Accounting Clerk III |                     |      | No. of Positions<br>1  | Range/Step<br>9A | Barg. Unit<br>CGU      |
| Time Status<br>PPT                     | Staff Months<br>6.0 |      | Location<br>Juneau   |                  | Election District<br>4 |
| Type of Expenditure                    |                     |      | Amount   |                  |                        |
| 1                                      | 2                   | 3    |  |                  |                        |
| Salary                                 | 10.4                | //// | Justification<br><br>This part-time position will perform all accounting duties for the boating safety unit. Duties will include vendor payments, research and communications, document filing, petty cash, reconciliation of statements, travel payments, record keeping and reports required for adequate administrative controls. |                  |                        |
| Benefits                               | 3.4                 | //// |  |                  |                        |
| Premium Pay                            |                     | //// |  |                  |                        |
| Other                                  |                     | //// |  |                  |                        |
| Other Personal Services                | ////                | 13.8 |  |                  |                        |
| Travel                                 |                     |      |  |                  |                        |
| Contractual                            |                     | 1.0  |  |                  |                        |
| Commodities                            |                     | 2.0  |  |                  |                        |
| Equipment                              |                     | 1.0  |  |                  |                        |
| Other                                  |                     |      |  |                  |                        |
| Total Cost                             |                     | 17.8 |  |                  |                        |
| Funding Source for Total Cost          |                     |      |  |                  |                        |
| Federal Receipts                       | 1002                | 8.7  |  |                  |                        |
| G.F. Match                             | 1003                |      |  |                  |                        |
| General Fund                           | 1001                | 9.1  |  |                  |                        |
| I-A Receipts                           | 1006                |      |  |                  |                        |
| CIP Receipts                           | 1061                |      |  |                  |                        |
| Other                                  |                     |      |  |                  |                        |
| ////                                   |                     |      |  |                  |                        |

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NEW POSITION

Agency Department of Public Safety  
BRU DPS Administration  
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|  |                          |   |                   |                        |
|--|--------------------------|---|-------------------|------------------------|
| Position Title<br>Administrative Officer I |                          | No. of Positions<br>1   | Range/Step<br>17A | Barg. Unit<br>GGU      |
| Time Status<br>PPT                         | Staff Months<br>6 Months | Location<br>Jureau  |                   | Election District<br>4 |
| Type of Expenditure                        |                          | Justification   |                   |                        |
|  |                          | This position will manage all aspects of contracting with other agencies for performance of registration and record keeping; will provide oversight of activity, reporting statistics, federal training grants, accounting and other fiscal responsibilities of the new division. The Administrative Officer I will supervise the Accounting Clerk III and the Data Entry Clerk II and be responsible for the collection and analyzing of data and the preparation of annual reports. |                   |                        |
|  | Amount                   |   |                   |                        |
| 1  | 2                        | 3   |                   |                        |
| Salary                                     | 17.4                     | //////////  |                   |                        |
| Benefits                                   | 5.6                      | //////////  |                   |                        |
| Premium Pay                                |                          | //////////  |                   |                        |
| Other                                      |                          | //////////  |                   |                        |
| Other Personal Services                    | //////////               | 23.0  |                   |                        |
| Travel                                     |                          | .8  |                   |                        |
| Contractual                                |                          | 3.0   |                   |                        |
| Commodities                                |                          | 2.0   |                   |                        |
| Equipment                                  |                          | 2.0   |                   |                        |
| Other                                      |                          |   |                   |                        |
| Total Cost                                 |                          | 30.8  |                   |                        |
| Funding Source for Total Cost              |                          |   |                   |                        |
| Federal Receipts                           | 1002                     | 15.2  |                   |                        |
| G.F. Match                                 | 1003                     |   |                   |                        |
| General Fund                               | 1004                     | 15.6  |                   |                        |
| I-A Receipts                               | 1006                     |   |                   |                        |
| CIP Receipts                               | 1061                     |   |                   |                        |
| Other                                      |                          |   |                   |                        |
| //////////                                 |                          |   |                   |                        |
| //////////                                 |                          |   |                   |                        |
| //////////                                 |                          |   |                   |                        |
| //////////                                 |                          |   |                   |                        |
| //////////                                 |                          |   |                   |                        |
| //////////                                 |                          |   |                   |                        |

REQUEST FOR  
NEW POSITION

Agency Department of Public Safety  
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MAR 24 1988



# KACHEMAK GEAR SHED

A DIVISION OF REDDEN NET

COMMERCIAL  
FISHING GEAR  
MARINE SUPPLIES

41980 Kachemak Drive  
P.O. Box 339  
Homer, Alaska 99603  
Phone (907) 235-8268  
or 235-8612

March 21, 1988

Alaska State Legislature  
P.O. Box V (MS 3100)  
Juneau, AK 99811

Dear Senator Jones:

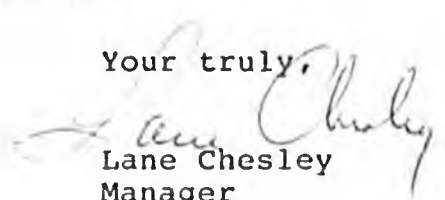
Kachemak Gear Shed recognizes the high marine accident rate that exists in Alaska. Alaska, the only state without a Safe Boating Act., also has the dubious distinction of having a marine mortality rate that is 40 times the national average. We believe this is not a coincidence.

We also recognize that this bill would only mandate safety requirements already in existence under federal law, yet would allow for the state to assume registration fees and keep the revenue within the state.

We also welcome the education programs that would be available through this Act.

We therefore encourage passage of HB94 and SB265 during the current session, so that the benefits of this act may be realized as soon as possible.

Your truly,

  
Lane Chesley  
Manager

LC:ar

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 2/25/88 5-DAY NOTICE  
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

\*\*FISCAL NOTE(S) ATTACHED  \*\*  
IN ACCORDANCE WITH AS 24.08.035  
(see below)

4/21/87

DATE TURNED INTO OFFICE 3-2-88

Mr. President:

TRANSPORTATION Committee considered SB 265

boat numbering, accidents, and safety; efd.

and recommended:

replace with CS FOR SB 265 (TRSP)  same title  
 new title

attached amendment(s) and

do pass

do not pass

no recommendation

individual recommendations

further referral to \_\_\_\_\_

letter of intent adopted and attached

\*\* Committee  attached or  adopted fiscal note(s)  
 zero  fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

*[Handwritten signatures]*

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*[Handwritten signature]* (Do Pass)  
Chairman signature and recommendation

Committee Backup Attached

FISCAL NOTE

REQUEST

Revision Date: 3/1/88 Agency Affected: Public Safety  
 Title: "An Act relating to boat numbering..." BRU: DPS Administration  
 Sponsor: Senator Sturgulewski Components: Boating & Water Safety  
 Requestor: Senate Transportation

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING         | FY 88 | FY 89 | FY 90 | FY 91 | FY 92 | FY 93 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES |       | 192.2 | 384.3 | 384.3 | 384.3 | 384.3 |
| TRAVEL            |       | 19.9  | 39.8  | 39.8  | 39.8  | 39.8  |
| CONTRACTUAL       |       | 113.5 | 113.5 | 113.5 | 113.5 | 113.5 |
| SUPPLIES          |       | 49.5  | 49.5  | 49.5  | 49.5  | 49.5  |
| EQUIPMENT         |       | 132.0 | 7.0   | 7.0   | 7.0   | 7.0   |
| LAND & STRUCTURES |       |       |       |       |       |       |
| GRANTS, CLAIMS    |       |       |       |       |       |       |
| MISCELLANEOUS     |       |       |       |       |       |       |
| TOTAL OPERATING   |       | 507.1 | 594.1 | 594.1 | 594.1 | 594.1 |
| CAPITAL           |       |       |       |       |       |       |
| REVENUE           |       | 515.0 | 515.0 | 515.0 | 515.0 | 515.0 |

FUNDING: (Thousands of Dollars)

|               |  |       |       |       |       |       |
|---------------|--|-------|-------|-------|-------|-------|
| GENERAL FUNDS |  | 257.1 | 304.1 | 304.1 | 304.1 | 304.1 |
| FEDERAL FUNDS |  | 250.0 | 290.0 | 290.0 | 290.0 | 290.0 |
| OTHER         |  |       |       |       |       |       |
| TOTAL         |  | 507.1 | 594.1 | 594.1 | 594.1 | 594.1 |

POSITIONS:

|           |  |    |    |    |    |    |
|-----------|--|----|----|----|----|----|
| FULL-TIME |  | 4  | 4  | 4  | 4  | 4  |
| PART-TIME |  | 13 | 13 | 13 | 13 | 13 |
| TEMPORARY |  |    |    |    |    |    |

ANALYSIS: (Attach a separate page if necessary)

No inflation factors are included in these cost calculations. Assume start-up date of January 1, 1989. Equipment costs are one-time costs and will not continue beyond FY 89.

Prepared by: Gretchen Derr, Special Assistant Phone: 465-4322  
 Division: Commissioner's Office Date: 3/1/88

Approved by Commissioner: *Wesley H. ...* Date: 3-1-88  
 Agency: Public Safety

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 265 (Trsp)

\* FY 89- with program implementation effective on January 1, 1989- budget estimates include start-up costs for equipment: 5 boats, \$125.0; 5 vehicles, \$41.4; enforcement and training position costs, \$192.2. FY 90 (and each fiscal year continuing) salary and benefit costs are summarized: Administrative Officer, Accounting Clerk, Education Specialist, Publication Specialist, 2 Data Processing Clerks, Clerk Typist; and 10 Compliance Officers (Seasonal): \$384.3. Space will come from currently available facilities; utilities, communications, travel, commodities, and office equipment needs are estimated for each position.

I. Restricted

Federal grant award funds up to 50 percent of total appropriation. Anticipate \$250.0 in federal funds for the first year, and approximately \$290.0 for subsequent years.

II. Unrestricted Revenues (see chart pg. 3)

CONTINUATION OF FISCAL NOTE ANALYSIS

For Bill/Resolution No. CSSB 265 (Trsp)

Revenue estimates:

II. Unrestricted

| Number of Boats to Register<br>By Year | Registered Boats<br>30,000<br>\$30 X | Boats Currently Not Registered<br>Carried Through the Triennial Cycle |                           |                           |                           |                           | Fines<br>Aprox.<br>\$17.0<br>Year | TOTAL<br>REVENUE |
|--|--------------------------------------|---|---------------------------|---------------------------|---------------------------|---------------------------|-----------------------------------|------------------|
|  |                                      | 6,600<br>1st Yr<br>\$30 X   | 6,600<br>2nd Yr<br>\$30 X | 6,600<br>3rd Yr<br>\$30 X | 6,600<br>4th Yr<br>\$30 X | 6,600<br>5th Yr<br>\$30 X |                                   |                  |
| 1st Year (89) 10000+6600               | \$300.0                              | \$198.0   | - - -                     | - - -                     | - - -                     | - - -                     | \$17.0                            | \$515.0          |
| 2nd Year (90) 10000+6600               | 300.0                                | - - -   | \$198.0                   | - - -                     | - - -                     | - - -                     | 17.0                              | 515.0            |
| 3rd Year (91) 10000+6600               | 300.0                                | - - -   | - - -                     | \$198.0                   | - - -                     | - - -                     | 17.0                              | 515.0            |
| 4th Year (92) 10000+6600               | 300.0                                | - - -   | - - -                     | - - -                     | \$198.0                   | - - -                     | 17.0                              | 515.0            |
| 5th Year (93) 10000+6600               | 300.0                                | - - -   | - - -                     | - - -                     | - - -                     | \$198.0                   | 17.0                              | 515.0            |

Notes:

1. Boat registration fee, average, is \$30 triennial.
2. According to our estimates, by the fourth year there will be approximately 50,000 boats registered.
3. Of the 30,000 boats already registered, we estimate 33 1/3% (or 10000 boats) will register during the 1st year, 10000 in the 2nd year, and the remainder (10000) in the 3rd year.
4. Register 6,600 boats currently not registered during each year for three years (Coast Guard estimates 20,000 boats not registered). Anticipate three-year period before majority of citizens would be in compliance.
5. Estimate \$17.0 in fines levied per year.

|                                   |                             |  |                  |                        |            |
|-----------------------------------|-----------------------------|--|------------------|------------------------|------------|
| Position Title<br>Clerk Typist II |                             | No. of Positions<br>1  | Range/Step<br>7A | Barg. Unit<br>GCU      |            |
| Time Status<br>PFT                | Staff Months<br>12.0 months | Location<br>Juneau   |                  | Election District<br>4 |            |
| Type of Expenditure               |                             | Justification  |                  |                        |            |
| Amount                            |                             | <p>This position will provide clerical support needed through the typing and filing of correspondence, training materials and related documents.</p> |                  |                        |            |
| 1                                 | 2                           |  |                  |                        | 3          |
| Salary                            | 18.5                        |  |                  |                        | ////////// |
| Benefits                          | 6.0                         |  |                  |                        | ////////// |
| Premium Pay                       |                             |  |                  |                        | ////////// |
| Other                             |                             |  |                  |                        | ////////// |
| Other Personal Services           | //////////                  |  |                  |                        | 24.5       |
| Travel                            |                             |  |                  |                        |            |
| Contractual                       |                             |  |                  |                        | 6.0        |
| Commodities                       |                             |  |                  |                        | 2.5        |
| Equipment                         |                             |  |                  |                        | 2.0        |
| Other                             |                             |  |                  |                        |            |
| Total Cost                        |                             | 35.0   |                  |                        |            |
| Funding Source for Total Cost     |                             |  |                  |                        |            |
| Federal Receipts                  | 1002                        | 17.3   |                  |                        |            |
| G.F. Match                        | 1003                        |  |                  |                        |            |
| General Fund                      | 1004                        | 17.7   |                  |                        |            |
| CF Program Receipts               | 1005                        |  |                  |                        |            |
| CIP Receipts                      | 1061                        |  |                  |                        |            |
| Other                             |                             |  |                  |                        |            |
| //////////                        |                             |  |                  |                        |            |
| //////////                        |                             |  |                  |                        |            |
| //////////                        |                             |  |                  |                        |            |
| //////////                        |                             |  |                  |                        |            |
| //////////                        |                             |  |                  |                        |            |
| //////////                        |                             |  |                  |                        |            |

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|                                       |                                      |   |                        |                   |
|---------------------------------------|--------------------------------------|---|------------------------|-------------------|
| Position Title<br>Compliance Officers |                                      | No. of Positions<br>4   | Range/Step<br>12A      | Barg. Unit<br>CCU |
| Time Status<br>S                      | Staff Months<br>6.0 months           | Location<br>Juneau  | Election District<br>4 |                   |
| ////////////////////////////////////  |                                      | Justification   |                        |                   |
| Type of Expenditure                   |                                      | Amount  |                        |                   |
| 1                                     | 2                                    | 3   |                        |                   |
| Salary                                | 49.7                                 | ////////////////////////////////////  |                        |                   |
| Benefits                              | 18.8                                 | ////////////////////////////////////  |                        |                   |
| Premium Pay                           | 8.0                                  | ////////////////////////////////////  |                        |                   |
| Other                                 |                                      | ////////////////////////////////////  |                        |                   |
| Other Personal Services               | //////////////////////////////////// | 76.5  |                        |                   |
| Travel                                |                                      | 12.0  |                        |                   |
| Contractual                           |                                      | 20.6  |                        |                   |
| Commodities                           |                                      | 14.0  |                        |                   |
| Equipment                             |                                      | 50.0  |                        |                   |
| Other                                 |                                      |   |                        |                   |
| Total Cost                            |                                      | 173.1   |                        |                   |
| ////////////////////////////////////  |                                      |   |                        |                   |
| Funding Source for Total Cost         |                                      |   |                        |                   |
| Federal Receipts                      | 1002                                 | 85.3  |                        |                   |
| G.F. Match                            | 1003                                 |   |                        |                   |
| General Fund                          | 1004                                 | 87.8  |                        |                   |
| GF Program Receipts                   | 1005                                 |   |                        |                   |
| Other                                 |                                      |   |                        |                   |
| ////////////////////////////////////  |                                      | These positions will be responsible for the seasonal enforcement of the statutes modified by CSSB 265 (Trsp). These positions will verify compliance with registration requirements; participate in safety and educational programs; followup on boating accident reports, investigating accidents as necessary; inspect boats for required safety equipment and navigation lights; verify compliance with ski observer requirements; patrol marine events; investigate reports of reckless or negligent vessel operation; and, cite suspected violators. |                        |                   |
| ////////////////////////////////////  |                                      | Approximately 10 hours of overtime for each month of position funding will be required.   |                        |                   |
| ////////////////////////////////////  |                                      | Support costs include travel funds necessary to aid investigations, etc. Contractual costs include funds for 5 HWC pickup expenses. Commodities include funding for uniforms, fuel for trucks and patrol vessels, and food essentials. Costs include purchase of 5 18-21' Boston Whaler type boats to be used by Compliance Officers (one-time expense).  |                        |                   |
| ////////////////////////////////////  |                                      |   |                        |                   |
| ////////////////////////////////////  |                                      |   |                        |                   |
| ////////////////////////////////////  |                                      |   |                        |                   |
| ////////////////////////////////////  |                                      |   |                        |                   |
| ////////////////////////////////////  |                                      |   |                        |                   |

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|                                       |                                      |                                      |                       |  |                   |
|---------------------------------------|--------------------------------------|--------------------------------------|-----------------------|--|-------------------|
| Position Title<br>Compliance Officers |                                      |                                      | No. of Positions<br>2 | Range/Step<br>12A  | Barg. Unit<br>CGU |
| Time Status<br>S                      | Staff Months<br>6.0 months           |                                      | Location<br>Fairbanks | Election District<br>20  |                   |
| ////////////////////////////////////  |                                      |                                      | Justification         |  |                   |
| Type of Expenditure                   |                                      | Amount                               |                       | <p>These positions will be responsible for the seasonal enforcement of the statutes modified by CSSB 265 (Trsp). These positions will verify compliance with registration requirements; participate in safety and educational programs; followup on boating accident reports, investigating accidents as necessary; inspect boats for required safety equipment and navigation lights; verify compliance with ski observer requirements; patrol marine events; investigate reports of reckless or negligent vessel operation; and, cite suspected violators.</p> <p>Approximately 10 hours of overtime for each month of position funding will be required.</p> <p>Support costs include travel funds necessary to aid investigations, etc. Contractual costs include funds for 5 HWCF pickup expenses. Commodities include funding for uniforms, fuel for trucks and patrol vessels, and food essentials. Costs include purchase of 5 18-21' Boston Whaler type boats to be used by Compliance Officers (one-time expense).</p> |                   |
| 1                                     | 2                                    | 3                                    |                       |  |                   |
| Salary                                | 28.2                                 | //////////////////////////////////// |                       |  |                   |
| Benefits                              | 10.5                                 | //////////////////////////////////// |                       |  |                   |
| Premium Pay                           | 4.0                                  | //////////////////////////////////// |                       |  |                   |
| Other                                 |                                      | //////////////////////////////////// |                       |  |                   |
| Other Personal Services               | //////////////////////////////////// | 42.7                                 |                       |  |                   |
| Travel                                |                                      | 4.0                                  |                       |  |                   |
| Contractual                           |                                      | 10.3                                 |                       |  |                   |
| Commodities                           |                                      | 7.0                                  |                       |  |                   |
| Equipment                             |                                      | 25.0                                 |                       |  |                   |
| Other                                 |                                      |                                      |                       |  |                   |
| Total Cost                            |                                      | 89.0                                 |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |
| Funding Source for Total Cost         |                                      |                                      |                       |  |                   |
| Federal Receipts                      | 1002                                 | 43.9                                 |                       |  |                   |
| G.F. Match                            | 1003                                 |                                      |                       |  |                   |
| General Fund                          | 1004                                 | 45.1                                 |                       |  |                   |
| GF Program Receipts                   | 1005                                 |                                      |                       |  |                   |
| Other                                 |                                      |                                      |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |
| ////////////////////////////////////  |                                      |                                      |                       |  |                   |

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