

ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6210 SENATE C&RA

614

In 1987, the Alaska Legislature amended the revenue sharing formula for the fisheries business tax to provide for a phased implementation of the full share of revenues to be returned to newly formed boroughs for monies collected from organized municipalities within the boundaries of those boroughs. Under normal circumstances such monies are split evenly (25%/25%) between the community of origin and the encompassing borough. SB 162 altered the formula in AS 43.75.130 to give new boroughs a 5% share of revenue in the first year of operation, with the city retaining 45%. In each succeeding year, the borough share would increase by 5% and the city share decrease by 5% until the standard division came into effect at the commencement of the fifth calendar year of the borough's existence.

Only one borough, Aleutians East, has been incorporated since the effective date of the formula change. The Aleutians East Borough was incorporated on October 23, 1987, so the formula was applied only to the last quarter's tax receipts from the affected cities (Akutan, King Cove, and Sand Point). The borough has thus far received 5% of the revenues generated within those cities for just that final quarter of 1987. The formula amount was reduced further by the FY 1988 funding shortfall. Other municipalities received 70.39% of the revenue sharing funds due them; the Aleutians East Borough (and its constituent communities) received only 64.88% of the full entitlement as a result of their delayed submission of tax information to ADOR. Insufficient funding remained by that time to return the same portion of full funding to Aleutians East municipalities that was provided to the remainder of the state. The division of tax revenues (in thousands) generated in the borough for FY 1988 was as follows:

Aleutians East Borough	-	\$ 6.2	(shortfall - \$ 3.3)
City of Akutan	-	244.3	(shortfall - 132.2)
City of King Cove	-	372.4	(shortfall - 201.6)
City of Sand Point	-	108.5	(shortfall - 58.7)
Total	-	\$731.4	(shortfall - \$395.8)

It may appear as though the borough's share is substantially less than a 5% share of one quarter's tax collections. This impression is the result of the seasonal nature of fishery harvests. The bulk of the value of harvests are taken during the spring and summer quarters. In the last quarter of 1987, raw fish sales in these three cities amounted to only 13% of the year's sum.

Please inform us if there is any additional information you wish on this topic.



LAWS OF ALASKA

1986

Source

SCS_CSHB_58(Fin) and S

Chapter No.

79

AN ACT

Relating to the fisheries business tax; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 5, 1986
Actual Effective Date: Sections 1, 2, and 4 - 8 take effect
July 1, 1986; section 3 takes effect January 1, 1992

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AN ACT

Relating to the fisheries business tax, and providing for an effective date.

* Section 1. AS 43.75.015(a) is amended to read:

(a) A person engaged in a fisheries business is liable for and shall pay the tax levied by this section on the value of each of the following fisheries resources processed during the year at the rate set out after each:

(1) salmon canned at a shore-based fisheries business [CANNERY] - four and one-half percent;

(2) salmon processed by a shore-based fisheries business, except salmon for which the tax is due under (1) of this subsection, and all other fisheries resources processed by a shore-based fisheries business - three percent;

(3) fisheries resources processed by a floating fisheries business - five percent.

* Sec. 2. AS 43.75 is amended by adding new sections to read:

Sec. 43.75.032. FISHERIES BUSINESS TAX CREDITS. (a) A fisheries business is entitled to a credit of not more than 50 percent of the business tax liability under AS 43.75.015 for capital expenditures made during the tax year that (1) increase product diversity, or production efficiency and capacity, or improve product quality, at a shore-based fisheries business facility in the state, or (2) contribute to the development of a cooperative seafood industrial park in the

state, if an application for the credit is approved by the department in advance of the capital expenditure. A fisheries business may claim a credit under this subsection for a maximum period of three consecutive years. An applicant for the credit may elect to begin the three-year period with any tax year from 1987 through 1989. A tax credit under this subsection may not be approved for more than 50 percent of a capital expenditure, plus any increase required under (b) of this section.

(b) The amount of a credit under (a) of this section for a capital expenditure involving a shore-based fisheries business facility or cooperative seafood industrial park located or to be located in a municipality shall be increased by the amount by which the municipality's fisheries business tax refund is reduced under AS 43.75.130(c). The total amount of a credit increase under this subsection during a three-year period may not exceed 25 percent of the amount of the capital expenditure.

(c) The portion of a capital expenditure that is eligible for a credit under this section but is not claimed during a single tax year may not be carried back to a prior tax year but is available for the computation as a credit under this section for a subsequent tax year within the three-year period elected under (a) of this section.

(d) Within 10 days after submitting an application for a credit under (a) of this section the applicant shall send a copy of the application to the municipality, if any, in which the shore-based fisheries business facility or cooperative seafood industrial park for which the expenditure is to be made is located or is to be located.

(e) A fisheries business is entitled to a credit of not more than five percent of the business tax liability under AS 43.75.015 for contributions made during the tax year to the A. W. "Winn" Brindle

memorial scholarship account (AS 14.43.250). A fisheries business may claim a credit under this subsection for the 1987 tax year and subsequent tax years. A tax credit under this subsection may not be approved for more than 100 percent of a scholarship contribution.

(f) The total tax credits that may be claimed under this section for a tax year for capital expenditures and scholarship contributions combined may not exceed 50 percent of the taxpayer's business tax liability under AS 43.75.015 for that tax year.

(g) The department may not approve a tax credit under this section if

(1) the property for which the capital expenditure was made was the subject of a previous capital expenditure by another taxpayer for whom a corresponding tax credit under this section has been approved;

(2) the property for which the capital expenditure was made was sold or transferred between fisheries businesses having substantial common ownership; or

(3) the fisheries business claiming the credit is in arrears in the payment of a fisheries business tax under AS 43.75.015; for purposes of this paragraph, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

(h) The department shall prepare an application form for a credit under this section.

(i) The department shall approve or disapprove an application for a credit under this section not later than 60 days after receiving the application.

(j) In this section

(1) "cooperative" has the meaning given in AS 10.15.595.

(2) "seafood industrial park" means a seafood processing

center with facilities to land, handle, and process or to ship or transship to any location all marketable species of seafood; a seafood industrial park may contain commercial facilities to support the activities of the park, and the labor force and vessels that operate at or from the park;

Sec. 43.75.034. TAX CREDIT REPORT. Not later than the 15th legislative day of each regular legislative session the Department of Revenue, in conjunction with the Department of Commerce and Economic Development, shall submit to the legislature a report on the fisheries business tax credit program under AS 43.75.032. The report shall describe the expenditures for which a credit was approved during the previous tax year and, if possible, the increase in employment and processing capacity by the fisheries businesses for which the credit was approved.

* Sec. 3. AS 43.75.032 is repealed and reenacted to read:

Sec. 43.75.032. TAX CREDIT FOR SCHOLARSHIP CONTRIBUTIONS. (a) A fisheries business is entitled to a credit of not more than five percent of the business tax liability under AS 43.75.015 for contributions made during the tax year to the A. W. "Winn" Brindle memorial scholarship account (AS 14.43.250). A tax credit under this section may not be approved for more than 100 percent of a scholarship contribution.

(b) The department may not approve a tax credit under this section if the fisheries business claiming the credit is in arrears in the payment of a fisheries business tax under AS 43.75.015; for purposes of this subsection, a taxpayer is not in arrears if the payment is under administrative or judicial appeal.

(c) The department shall prepare an application form for a credit under this section.

(d) The department shall approve or disapprove an application for a credit under this section not later than 60 days after receiving the application.

* Sec. 4. AS 43.75.130 is amended by adding new subsections to read:

(b) For purposes of this section, tax revenue collected under AS 43.75.015 from a person entitled to a credit under AS 43.75.032 shall be calculated as if the person's tax had been collected without applying the credit.

(c) Within 60 days after a credit is approved under AS 43.75.032 for a capital expenditure involving a shore-based fisheries business facility or cooperative seafood industrial park located or to be located in a municipality, the municipality may adopt an ordinance directing the department to reduce the municipality's refund under this section over a period of not more than three years by an amount not exceeding 25 percent of the capital expenditure.

* Sec. 5. AS 43.75.140 is amended by adding new paragraphs to read:

(9) "capital expenditures" includes the price paid for equipment and the cost of improvements made to depreciable property, but does not include expenditures that are deducted entirely for federal income tax purposes in the year in which they accrued or were paid; in this paragraph, "equipment" and "depreciable property" have the meaning given in regulations adopted by the commissioner of commerce and economic development;

(10) "product diversity" means the processing of nontraditional fish or other seafood species or products;

(11) "product quality" means the handling of fish or other seafood species or products in order to increase product sales or value.

* Sec. 6. The first tax credit report under AS 43.75.034, enacted by

Chapter 79

1 sec. 2 of this Act, is due February 2, 1987, and shall describe the expen-
2 ditures for which a credit was approved during 1986 for the 1987 tax year.

3 * Sec. 7. AS 43.75.130(c) and 43.75.140(9) - (11) are repealed
4 January 1, 1992.

5 * Sec. 8. AS 43.75.034 is repealed February 15, 1992.

6 * Sec. 9. Sections 1, 2, and 4 - 8 of this Act take effect July 1,
7 1986.

8 * Sec. 10. Section 3 of this Act takes effect January 1, 1992.

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SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE 4.06.89
IN ACCORDANCE WITH UNIFORM RULE 23

**FISCAL NOTE(S) MUST BE ATTACHED
IN ACCORDANCE WITH AS 24.08.035

FURTHER RESOURCES
FINANCE

1/9/89

DATE TURNED INTO OFFICE 4.11.89

Mr. President:

C&RA Committee considered SB 74

amending and extending the fisheries business tax credit; relating to fisheries business tax refunds to municipalities; efd.

and recommended:

- replace with CS _____ same title
- attached amendment(s) and new title
- _____ letter of intent adopted
- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

FISCAL NOTE(S) attached zero
 appropriation no FN attached

^{REVENUE}
 fiscal impact
 Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Mike Symadli

Do NOT PASS

Do NOT Pass

Do not pass

Chairman signature and recommendation
Chairman signature and recommendation

Committee backup attached

**C&RA COMMITTEE
THURSDAY
MARCH 23, 1989**

SB 74: AN ACT AMENDING AND EXTENDING THE FISHERIES BUSINESS TAX CREDIT, RELATING TO FISHERIES BUSINESS TAX REFUNDS TO MUNICIPALITIES AND PROVIDING FOR AN EFFECTIVE DATE.

FISCAL: FY 91 LOSS OF REVENUE OF \$6700K

SPONSOR: ZHAROFF

THE NEXT BILL BEFORE THE COMMITTEE IS SENATE BILL 77, AN ACT AMENDING AND EXTENDING THE FISHERIES BUSINESS TAX CREDIT, RELATING TO FISHERIES BUSINESS TAX REFUNDS TO MUNICIPALITIES AND PROVIDING FOR AN EFFECTIVE DATE.

THIS BILL EXTENDS THE EXISTING FISHERIES BUSINESS TAX CREDIT PROGRAM FOR TWO YEARS. THE TAX CREDIT IS ONE THAT ALLOWS SEAFOOD PROCESSORS TO APPLY FOR A CREDIT OF UP TO 50% OF THEIR STATE FISH TAXES FOR IMPROVEMENTS MADE TO THEIR SHOREBASED PLANTS. CURRENTLY THE CREDIT CAN BE ONLY USED FOR THREE YEARS.

SENATOR ZHAROFF, THE BILL'S SPONSOR IS HERE TO SPEAK FURTHER.

STEVE KETTLE FROM REVENUE

PRELIMINARY RESULTS - 3/14/89
SURVEY ON THE USE OF THE FISHERIES BUSINESS TAX CREDIT
SEN. ZHAROFF

43 companies with onshore plants responded out of a possible 127.
33 percent return

These companies returned surveys for 64 processing plants, out of a possible 165. 39 percent of Alaska's onshore plants

The companies that responded are estimated to account for 75 percent of the seafood processing capacity in Alaska.

92 percent of the plants used the tax credit, 8 percent did not.

77 percent hired additional workers because of improvements with the tax credit, 22 percent did not, 1 percent switched existing workforce from seasonal to year-round employment.

77 percent used the tax credit to process new species or new products, 23 did not.

88 percent increased their production capacity with the tax credit, 12 percent had no increase.

14 percent used the tax credit to diversify from a canning to a freezing operation, 86 percent answered no or not applicable. 52 percent of the plants that answered no already had freezing facilities.

39 percent -- because of the tax credit -- invested in onshore plants rather than floating processors, 61 percent answered not a factor or not applicable.

34 percent said that they were able to pay fishermen more for their product because of improvements made with the tax credit, 58 percent said it had no effect on prices, 8 percent said question was not applicable, 2 percent did not know.

47 percent said they increased the length of their operating season because of tax credit improvements, 45 percent said it had no impact, 4 percent said not applicable, and 4 percent said they would increase operating season in the future.

79 percent said they spent money from tax credit improvements in the communities in which they operate (labor, construction materials, etc.), 5 percent did not, 9 percent did not know the amount, and 7 percent said not applicable.

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: SB 74
PUBLISH DATE: 1/9/89

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act Amending and Extending the Fisheries Business Tax Credit
Sponsor: Zharoff etc.
Requestor: CRA, Res. and Finance

Agency Affected: Revenue
BRU: Income & Excise Audit
Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	(6700)	(13000)	(13700)	(13700)	(13700)	(13700)

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel *Steven E. Kettel*
Division: Income and Excise Audit

Phone: (907) 465-2320
Date: March 14, 1989

Approved by Commissioner: Hugh Malone
Agency: Department of Revenue

Date: March 14, 1989

Distribution (by preparer):

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

SECTIONAL ANALYSIS

Section 1 extends the maximum period for which a fisheries business may receive a credit against their fish tax liability from three to five years.

Section 2 also extends the maximum period of time from 3 to 5 years the amount a municipality may increase the fish tax credit by foregoing up to one-half of their share of fish tax collections.

Section 3 extends the unused credit carryover to correspond to the 5 year election period in Section 1.

Section 4 increases the maximum amount of credit that may be claimed to 75% of the taxpayers total tax liability if a municipality participates in the credit program. Current law provides a 50% maximum whether or not a municipality participates.

Section 5 makes a technical change to adopt the five year credit period.

Section 6-8 provides a sunset provision on the fish tax credit of December 31, 1995.

Section 9 provides transition rules allowing municipalities to adopt an ordinance conforming to the change in this bill.

SB 74/CURRENT LAW COMPARATIVE ANALYSIS

	<u>SB 74</u>	<u>CURRENT LAW</u>
1. AUTHORIZED PERIOD FOR EXPENDITURE	1987-1991	1987-1989
2. PERIOD CREDIT AVAILABLE	1987-1995	1987-1991
3. CARRY-OVER PROVISION	5 year	3 year
4. POTENTIAL FISCAL IMPACT	\$74.5 Million	\$35.2 Million
5. MAXIMUM CREDIT AVAILABILITY *	75 % tax liability	50% tax liability

* requires municipal approval and participation

BILL ANALYSIS

The present fish tax credit program has been widely utilized by the shorebased fisheries processing industry. Nearly \$136 million in shorebased investment has been proposed since 1986 and the Department continues to approve additional millions in proposed expenditures each month.

Actual tax credits taken to date total \$6.7 million. This represents credits for expenditures made in 1987 only. 1988 expenditures and the corresponding credits will be claimed by the end of March 1989. Due to higher than expected returns in some salmon fisheries, and higher prices for many species, we anticipate both an increase in fish tax collections for 1988 and a corresponding increase in fish tax credits claimed.

FISCAL IMPACT OF HB 74

We project that fish processors will continue to take advantage of this program into the 1990's. The attached schedule anticipates that by expanding the number of years that capital expenditures will create tax credits, an estimated \$74.5 million in general funds may be lost. To calculate this impact we have made several broad assumptions.

- 1) Expenditures will level out to \$40 million per year for each additional year of the program.
- 2) The fish tax collections will increase 10% in FY89 and 5% thereafter based upon increased product capacity and productivity through capital expansion.
- 3) We assume that the last tax year for which credits will be granted is 1995.

DEPARTMENT POSITION STATEMENT

The Department of Revenue opposes this legislation for the following reasons:

- 1) As the fiscal note reports, this legislation has substantial impact on general fund revenues.
- 2) This legislation does not mandate municipal participation. The Department favors an amendment requiring cities and boroughs which benefit from the capital expansion to give up a portion of their revenues.
- 3) The Department believes that many of the expenditures have been made and will be made in the future regardless of whether a credit is offered.
- 4) Shorebased fisheries businesses already fully constructed are put at a competitive disadvantage against those new entries to the market.

PROJECTED REVENUE IMPACT
FISHERIES BUSINESS TAX CREDIT (AS 43.75.032)

STEVEN E. KETTEL

INCOME & EXCISE AUDIT
MARCH 14, 1989

\$ in millions	EXISTING CREDIT PROGRAM				PROGRAM UNDER SB74						PROGRAM TOTALS	SB74 TOTALS
	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996		
TAX YEAR	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996		
FISCAL YEAR	1988	1989	1990(a)	1991	1992	1993	1994	1995	1996			
APPROVED EXPENDITURES	55.5	62.4	38.4	40.0	40.0	N/A	N/A	N/A	N/A		236.3	100
CREDIT APPROVED	27.7	31.2	19.2	20.0	20.0	N/A	N/A	N/A	N/A		118.1	
CREDIT APPLIED (REVENUE LOSS)	6.7	11.0	11.8	12.4	13.0	13.7	13.7	13.7	13.7		109.7	74.5
CREDIT AVAILABLE FOR CARRYFORWARD	21.0	41.2	48.6	56.2	63.2	49.5	35.8	22.1	8.4			

SUMMARY

FISHERIES TAX LIABILITY BEFORE CREDIT APPLIED	29.2	(b)32.1	33.7	35.4	37.2	39.0	39.0	39.0	39.0		323.6	
CREDIT APPLIED	(6.7)	(11.0)	(11.8)	(12.4)	(13.0)	(13.7)	(13.7)	(13.7)	(13.7)		(109.7)	
MUNICIPAL SHARE	(14.6)	(16.0)	(16.8)	(17.7)	(18.6)	(19.5)	(19.5)	(19.5)	(19.5)		(161.7)	
GENERAL FUND SHARE	7.9	5.1	5.1	5.3	5.6	5.8	5.8	5.8	5.8		52.2	

(a) TY 1989 expenditures to 3/10/89 amount to 18.4 million. Balance of calendar year expenditures at 20 million. TY 1991 through 1992 annual expenditures estimated at 20 million per year.

(b) Tax liability is an estimate based on an increase in resource value and production. Fisheries Business tax returns are due March 31 of the following year. The rate of increase is estimated at 5% to FY 1993 and remained constant through FY 1996.

1988 FISHERIES BUSINESS TAX CREDIT
EXPENDITURE AMOUNTS APPROVED/DENIED
PAGE 1

ENCLOSURE 2

LOCATION OF FACILITY	\$ AMOUNT PENDING	\$ AMOUNT APPROVED	\$ AMOUNT DENIED	REASON FOR DENIAL
AKUTAN		\$403,000.00		
ALITAK		\$98,000.00		
ANCHORAGE		\$430,000.00		
ANCHORAGE		\$381,600.00		
BETHEL		\$51,000.00		
CHIGNIK		\$491,643.00	\$305,000.00	NO PRIOR APPROVAL
CORDOVA			\$23,830.00	HESSHALL
CORDOVA		\$1,062,702.00		
CORDOVA		\$902,100.00		
CORDOVA			\$79,550.00	COMPUTER
CORDOVA		\$832,802.00	\$61,650.00	INVENTORY CONTROL/NPA
DILLINGHAM		\$682,400.00		
EGEGIK		\$26,250.00		
EGEGIK		\$110,500.00		
EKUK		\$1,836,997.00		
FLOATERS			\$360,000.00	FLOATERS
GUSTAVUS		\$60,000.00		
GUSTAVUS		\$5,050.00		
HAINES		\$39,000.00		
HOMER		\$239,300.00		
HOMER			\$5,557.00	NO PRIOR APPROVAL
JUNEAU		\$8,000.00		
JUNEAU		\$589,000.00		
KASLOF		\$774,413.00	\$93,707.00	VARIOUS
KASLOF RVR		\$381,600.00		
KENAI			\$9,000.00	SKIFF/MOTOR
KENAI		\$437,225.00	\$14,500.00	RADIO EQUIP
KENAI			\$3,000,000.00	BUY EXISTING FCLTY
KENAI		\$996,558.00		
KENAI			\$42,864.00	NO PRIOR APPROVAL
KENAI		\$460,000.00	\$10,000.00	TRUCK/RADIO
KENAI		\$1,256,450.00	\$364,600.00	VARIOUS
KENAI		\$192,626.00		
KENAI		\$241,450.00		
KETCHIKAN		\$186,260.00		
KETCHIKAN		\$617,105.00		
KODIAK		\$422,590.00	\$20,000.00	TRUCK/PHONE/PAVING
KODIAK		\$1,635,000.00	\$15,000.00	VEHICLE
KODIAK	\$6,000.00	\$32,600.00	\$15,000.00	COMPUTER
KODIAK		\$1,136,600.00		
KODIAK		\$4,215,000.00		
KODIAK		\$218,800.00	\$18,000.00	NO PRIOR APPROVAL
KODIAK		\$935,000.00	\$1,085,000.00	WAREHOUSE/TRUCK OVERHAUL
KODIAK		\$450,000.00		
KODIAK ISL		\$244,300.00	\$189,900.00	COMPUTER
NAKNEK		\$417,075.00	\$38,592.00	BUNKHOUSE/HESSHALL
NAKNEK		\$1,303,000.00	\$291,300.00	TRUCK/BKNSR/BULLDZR
NORTH POLE		\$57,140.00		
FELICAN		\$59,100.00		
PETERSBURG		\$1,944,600.00		
PETERSBURG		\$70,350.00		
FORT GRAHAM		\$124,623.00	\$25,739.00	COMPUTER
PT BAILEY		\$494,000.00		
S NAKNEK		\$801,480.00		

1988 FISHERIES BUSINESS TAX CREDIT
EXPENDITURE AMOUNTS APPROVED/DENIED

PAGE 2

ENCLOSURE 2
REASON FOR DENIAL

LOCATION OF FACILITY	\$ AMOUNT	PENDING	APPROVED	\$ AMOUNT	REASON FOR DENIAL
SEWARD	\$3,121,000.00				
SEWARD	\$1,347,472.00				
YKA	\$252,250.00				
SITKA	\$60,624.00				
STERLING			\$235,000.00		
STERLING				\$156,963.00	NO PRIOR APPROVAL
STERLING				\$75,000.00	OFFICE/STORE
TOGIAK			\$30,369.00		
TOGIAK			\$163,000.00		
UNALASKA			\$605,213.00		
UNALASKA			\$16,500,000.00		
UNALASKA				\$1,198,740.00	BUNKHOUSE
UNALASKA				\$610,000.00	BUNKHOUSE/LOCKER RM
VALDEZ			\$5,459,500.00		
VALDEZ			\$5,470,721.00		
KRANGELL			\$104,000.00		
KRANGELL			\$13,000.00		
YAKUTAT			\$747,000.00		
VARIOUS				\$9,800.00	
TOTALS	\$6,000.00		\$62,484,038.00		\$8,781,373.00

DATE TAX LOCATION OF FACILITY \$ AMOUNT \$ AMOUNT REASON/ITEM

11/3/88	1989	ST PAUL ISLAND	\$2,527,000.00	APPROVED	
11/19/88	1989	DRY BAY (YAKUTAI AREA)	\$38,000.00	APPROVED	
11/10/88	1989	YAKUTAI	\$112,200.00	APPROVED	
11/10/88	1989	SITKA	\$133,500.00	APPROVED	
11/29/88	1989	SEWARD	\$1,250,000.00	APPROVED	\$45,000.00 EMPLEE SHWRAGENERATOR \$3,000.00 COMMUNICATION SYSTEM
12/13/88	1989	KENAI	\$101,800.00	APPROVED	
12/8/88	1989	BETHEL	\$885,000.00	APPROVED	
12/15/88	1989	KODIAK	\$700,000.00	APPROVED	
12/15/88	1989	KODIAK	\$181,500.00	APPROVED	
12/15/88	1989	KODIAK	\$375,800.00	APPROVED	
12/19/88	1989	KODIAK	\$222,000.00	APPROVED	
12/23/88	1989	TOGIAK	\$516,500.00	APPROVED	\$20,000.00 PRIOR EXPEDTURE \$7,500.00 DND
01/04/89	1989	UNALASKA	\$14,000.00	APPROVED	
01/04/89	1989	CORDOVA	\$200,000.00	APPROVED	
01/04/89	1989	CORDOVA	\$162,000.00	APPROVED	\$200,000.00 EMPLEE ACCOMODATIONS
01/04/89	1989	KODIAK	\$19,000.00	APPROVED	
01/04/89	1989	CHIGNIK	\$75,924.00	APPROVED	\$75,924.00 MISC
01/10/89	1989	NAKNEK	\$382,518.00	APPROVED	\$500,000.00 BKHS/STRG BLDG \$3,000.00 PRIOR EXPENDTURE
01/11/89	1989	KODIAK		APPROVED	
01/12/89	1989	EXCURSION INLET	\$623,000.00	APPROVED	\$12,278.97 TRUCK
01/12/89	1989	ALITAK	\$530,260.00	APPROVED	
01/12/89	1989	EKUK	\$91,000.00	APPROVED	
01/12/89	1989	EXCURSION INLET	\$158,000.00	APPROVED	
01/23/89	1989	KODIAK	\$9,335.40	APPROVED	
01/23/89	1989	SITKA	\$40,000.00	APPROVED	
01/19/89	1989	UGANIK BAY	\$370,574.00	APPROVED	\$83,876.00 WHF/MESSHALL/WASTE DISPOSAL
01/19/89	1989	CORDOVA	\$1,022,758.00	APPROVED	
01/19/89	1989	CORDOVA	\$376,400.00	APPROVED	
01/20/89	1989	KETCHIKAN	\$2,002,000.00	APPROVED	\$65,000.00 LUNCH RM/OFFICE
02/13/89	1989	PORT BAILEY	\$131,000.00	APPROVED	
02/13/89	1989	PORT BAILEY	\$15,500.00	APPROVED	
02/13/89	1989	PORT BAILEY	\$15,500.00	APPROVED	
02/13/89	1989	PORT BAILEY	\$19,500.00	APPROVED	
02/13/89	1989	EXCURSION INLET	\$29,000.00	APPROVED	\$75,000.00 FUEL DOCK
02/13/89	1989	KENAI	\$29,000.00	APPROVED	
02/13/89	1989	KENAI	\$53,240.00	APPROVED	
02/13/89	1989	NAKNEK	\$37,880.00	APPROVED	
02/13/89	1989	EXCURSION INLET	\$27,000.00	APPROVED	
02/13/89	1989	EXCURSION INLET	\$78,000.00	APPROVED	
02/13/89	1989	ALITAK	\$190,000.00	APPROVED	
02/13/89	1989	ALITAK	\$37,000.00	APPROVED	
02/13/89	1989	KETCHIKAN	\$582,200.00	APPROVED	
02/13/89	1989	KENAI	\$1,059,750.00	APPROVED	
02/13/89	1989	KENAI	\$880,000.00	APPROVED	\$78,500.00 OFFICE/SPLY STORG/PARADE
02/13/89	1989	SEWARD	\$1,195,000.00	APPROVED	\$5,000.00 RADIOS
02/13/89	1989	BETHEL	\$180,000.00	APPROVED	\$110,000.00
02/16/89	1989	KENAI	\$20,000.00	APPROVED	\$20,000.00 BEDDINGS
02/22/89	1989	KODIAK	\$8,344.00	APPROVED	\$5,955.00 ELEVATOR DOORS
02/28/89	1989	KENAI	\$20,000.00	APPROVED	
02/28/89	1989	KODIAK	\$211,125.00	APPROVED	
03/02/89	1989	JUNEAU	\$50,000.00	APPROVED	
03/05/89	1989	WALDEZ	\$97,000.00	APPROVED	
03/09/89	1989	JUNEAU	\$125,000.00	APPROVED	

Resolution of the Alaska Municipal League

Resolution No. 89-37

**A RESOLUTION REQUESTING THE AMENDMENT AND EXTENSION
OF AS 43.75.032, WHICH AUTHORIZES STATE FISHERIES
BUSINESS TAX CREDITS TO FISH PROCESSORS**

WHEREAS, AS 43.75.032 enables an onshore fish processor to receive a State Fisheries Business Tax Credit for capital improvements to a fish processing plant, and

WHEREAS, this credit has assisted many onshore fish processors in Southwest Alaska to upgrade and expand processing facilities, which has assisted long-term economic development of the region and the State, and

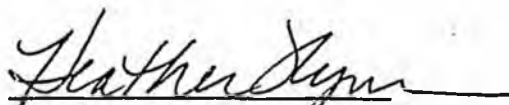
WHEREAS, the initial legislation authorized the tax credits for only a three-year period and expires on January 1, 1992, and

WHEREAS, legislation was introduced in 1988 to extend the credit to a five-year period and the expiration date an additional two years, but this legislation was not adopted, and

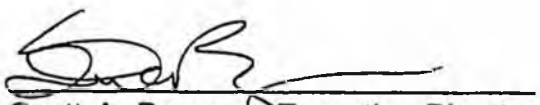
WHEREAS, the municipalities in Southwest Alaska believe the tax credit program has resulted in economic development in their communities and that extending the credit would better enable the onshore fish processing industry to capitalize on the increase in bottomfish and other fisheries development;

NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League requests that the State Fisheries Business Tax Credit authorized in AS 43.75.032 allow credits for a period of five years and that the expiration date be extended an additional two years.

Adopted this 18th day of November 1988 in Fairbanks, Alaska.


Heather Flynn, President

ATTEST:


Scott A. Burgess, Executive Director

S B

77

Alaska State Legislature

Senator Paul Fischer
Senate District D
Box 784
Soldotna, Alaska 99669
(907) 262-9420 W
262-9269



State Senate

While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3791

M E M O R A N D U M

2/15/89

TO: Senator Al Adams, Chairman
Senate Community & Regional Affairs Committee

From: Senator Paul Fischer *PF*

Subject: SB 77 Aids information for health care workers

SB 77 is a bill which follows a pattern set by several states across the nation relating to acquired immune deficiency syndrome. This bill would require a health care facility to notify each person who works for or within the facility who has been, or will be in contact with the patient or the patient's bodily fluids. Also, if the patient was transported to the facility by ambulance, the facility shall also notify each certified physician-trained mobile intensive care paramedic who came into contact with the patient during transport.

Notification under this bill must include appropriate medical advice about dealing with the type of contact the person will experience. Also, notification shall be given 48 hours after the facility is aware of the diagnosis. The confidentiality of the patient and person being notified shall be protected at all times.

Currently, Alaska does not have any laws pertaining to aids on the books. It is time the legislature took preventative action to slow the spread of this deadly disease. I would greatly appreciate your early scheduling and favorable consideration of this bill.

Thank you.

FISCAL NOTE

FEB 16 1989

REQUEST:

Revision Date: _____
Title: SB 77 - An Act relating to
Acquired Immune Deficiency
Sponsor: Fischer
Requestor: _____

Agency Affected: Health & Social Services
BRU: State Health Services
Components: AIDS

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
---------	-----	-----	-----	-----	-----	-----

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Elizabeth Ward, Director *E. Ward* Phone: 465-3090
Division: Public Health Date: _____

Approved by Commissioner: Myra M. Munson *Myra M. Munson* Date: 2/15/89
Agency: Department of Health and Social Services

Distribution (by preparer):

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

Position Paper

SB 77

For an Act entitled: "An Act relating to acquired immune deficiency syndrome and related conditions."

SB 77 would require a health care facility that has reason to know that a patient has been diagnosed as having Acquired Immune Deficiency Syndrome (AIDS) or as being Human Immunodeficiency Virus (HIV) positive, to notify each person who works for or within the facility who has been, or will be, in contact with the patient or the patient's body fluids. SB 77 would also require the health facility to notify any certified emergency medical technician or certified physician-trained mobile intensive care paramedic who comes into contact during transport of a person known to be HIV positive or diagnosed with AIDS.

The probability of a health care worker's acquiring HIV infection on the job is low. HIV infection is spread through exposure to infected blood and other body tissues and fluids such as semen. The estimated risk for acquiring infection from a single needle stick exposure to HIV infected blood is 0.4 percent. Emergency care personnel and surgeons are among those health care providers expressing particular concern about infection because of the frequency of exposure to blood.

Discussion

1. Whether or not a patient is HIV infected cannot be diagnosed without performing screening and confirmatory laboratory tests. Such tests have not been done on the majority of persons requiring either emergency or hospital care. These tests are generally not done without the express informed consent of the patient. Mandatory or routine testing is not supported by most health authorities.

Even if a patient were to be tested for HIV infection after admission to a facility, the only types of tests which could give immediate results may give false positive or false negative reactions. In fact, the test most likely to be used tends to give a significantly high number of false positive results.

2. Since HIV status is unknown in most instances, health workers need to treat all exposures to blood, tissues and body fluids as having potential for disease transmission. Moreover, concentration on the possibility of HIV infection alone ignores the very real exposure of health workers to other types of infections such as hepatitis

which are more common and which exact a higher rate of mortality and morbidity.

Most health care workers are being trained in the use of universal precautions to protect themselves from diseases which may be spread from patients to health care workers through a variety of routes. Guidelines for precautions to be taken have been issued by the federal Centers for Disease Control and updated versions are periodically made available as knowledge and experience are accumulated. Since these guidelines are often based on a "worst case scenario" of a type which might be encountered in a high prevalence urban area, the State may issue clarifications or recommendations to make the federal guidelines more applicable to our local situation.

1. It will be very difficult to protect patient confidentiality under this proposed legislation which requires the facility to notify each person who has been or will be in contact with the patient or the patient's body fluids, regardless of whether or not any prospective interaction would actually pose a risk of infection. Consequently, facilities would be likely to have no recourse but to notify virtually everyone who was in contact with the infected individual. It appears, for example, that a bookkeeper in a physician's office would have to be informed, although, due to specific exclusions, a dental hygienist would not.

Because the bill would require notification of persons who do not perform any function with the patient which would put the employee at risk of infection, the dissemination of otherwise confidential medical information would serve no scientifically based public health function.

Under the proposal, once the facility notifies staff and emergency medical personnel, they in turn may pass on the information to other people who are entitled to notice under provisions of this bill or "other law". The bill does not specify what "other law".

The Department of Law has informed this Department that the specific requirement of notice in SB 77 would arguably override other confidentiality laws. That being the case, the legislature should be careful to balance the traditional interests of privacy and confidentiality against a legitimate need to breach those rights in the interest of public health.

Position

The Department of Health and Social Services opposes this legislation on the following bases:

1. the proposed legislation will not significantly add to the protection of health care workers who may be occupationally exposed to the Human Immunodeficiency Virus;
2. it will be impossible to protect patient confidentiality under this legislative proposal;
3. observance of guidelines for universal precautions issued by the Centers for Disease Control and modified as necessary to meet conditions in Alaska will be more effective in protecting health workers not only against AIDS but also against diseases such as hepatitis which cause measurable mortality and morbidity.

Recommended by: Elizabeth Ward
 Elizabeth Ward, M.N.
 Director
 Division of Public Health

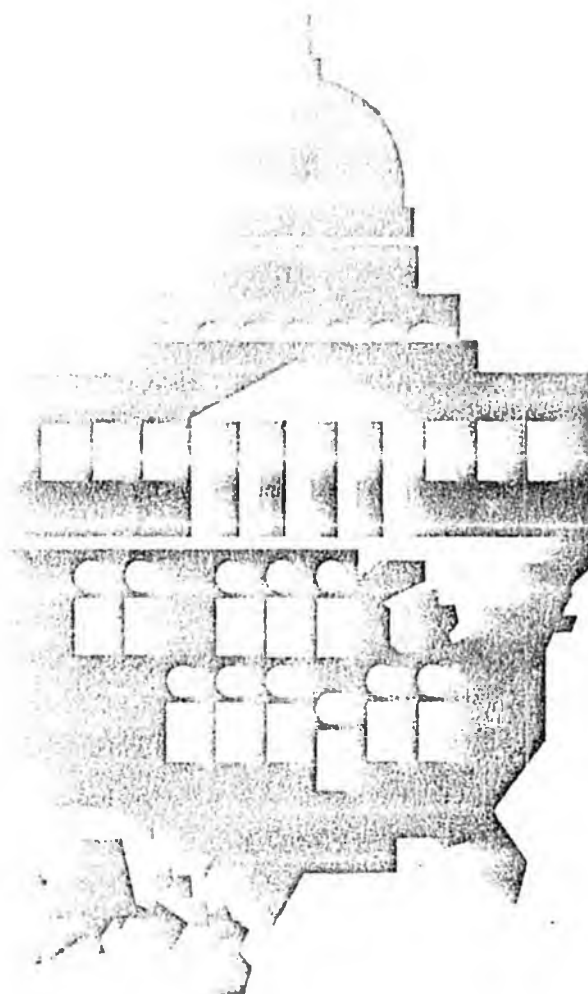
Date: 2/2/89

Approved by: Myra M. Munson
 Myra M. Munson
 Commissioner
 Department of Health and
 Social Services

Date: 2/15/89

**A SUMMARY OF AIDS LAWS
FROM THE 1987 LEGISLATIVE SESSIONS**

**INTERGOVERNMENTAL
HEALTH POLICY PROJECT
George Washington University**



MARYLAND

H.B. 498, Chapter 670, 1987 Laws Eliminates the six-month life expectancy requirement in order for individuals to be enrolled in a home-based hospice care program.

H.B. 668, Chapter 493, 1987 Laws Amends the strict liability and implied warranties statute governing blood service organizations to include tissues, organs or bones. The statute provides that a legally authorized individual who obtains, processes, stores, distributes or uses whole human blood, tissues, organs or bones, or any substance derived from them for injection, transfusion or transplantation purposes is performing a service, and is therefore not subject to strict liability in tort, implied warranty of merchantability or implied warranty of fitness.

The provisions are to be construed only prospectively and may not be applied or interpreted to have any effect on or application to any cause of action arising prior to the effective date of these provisions.

MASSACHUSETTS

H.B. 6378, Chapter 696, 1987 Laws Provides for the notification of fire fighters, police officers, emergency medical technicians, corrections officers, ambulance operators or attendants or other individuals who may be exposed to an infectious disease while acting in a professional capacity. Provides that an unprotected exposure which is capable of transmitting an infectious disease is to be defined by the Department of Public Health, and is to include mouth-to-mouth resuscitation and co-mingling of blood. In such instances, a trip report is to be provided to the facility to which the patient is transported. Requires licensed health care facilities which receive a patient subsequently diagnosed with an infectious disease to notify the individuals listed on the trip report of the exposure. Oral notification is to be made within 48 hours of diagnosis, and written notification within 72 hours. The notification is to include the appropriate medical precautions and treatment to be taken. The identity of the patient is not to be revealed. The Department is to assure the patient about whom the notification was made that confidentiality has been maintained and that those notified were potentially exposed to the disease. Provides immunity from civil or criminal liability for compliance with these provisions.

MICHIGAN

S.B. 115, Public Act 185, 1987 Laws Requires public schools to teach AIDS prevention education as a part of its mandated curriculum on dangerous communicable diseases, how they are spread and the best methods for their restriction and prevention. Provides that the curriculum used for AIDS is to be approved by the appropriate local school board of education prior to use in the public school setting.

S.B. 544, Public Act 258, 1987 Laws Establishes the Michigan Health Initiative Program. Creates the Risk Reduction and AIDS Policy Commission within the Department of Public Health, to be composed of 11 members appointed by the Governor with the advice and consent of the Senate. The Commission is to

has a positive test result, the marriage license may not be issued until the applicants provide an affidavit from a physician stating that both parties have been informed of their test results and have been counseled regarding AIDS. Costs are to be paid by the applicants. Provides for confidentiality; disclosure is authorized to the parents of a minor if parental consent is required for the marriage. Provides that a district judge may waive testing requirements in cases where the testing required for the marriage license is contrary to the tenets or practices of the applicants' religious creed.

H.B. 484, Act 904, 1987 Laws Authorizes public elementary and secondary schools to offer instruction on sex education, provided the subject matter is integrated into an existing course of study. The instruction is to be offered at the discretion of the public school or local parish school board. Instruction is prohibited from being offered in kindergarten and grades one through six. The instruction may include the study of sexually transmitted diseases. Prohibits sex education courses from utilizing sexually explicit materials depicting male or female homosexual activity. The major emphasis of any sex education instruction offered in the public schools is to encourage sexual abstinence between unmarried persons.

H.B. 1640 Act 878, 1987 Laws Requires a physician or other person reporting the death of a patient with a known or diagnosed virulent contagious disease, including AIDS and those who are known carriers of the AIDS virus, to notify the coroner. Violations constitute a misdemeanor and are liable for a fine of not more than \$5,000. Requires coroners to view a body or make an investigation into the cause and manner of death in cases involving deaths due to a virulent contagious disease that may be a public hazard, including AIDS.

H.B. 1728, Act 663, 1987 Laws Prohibits individuals from intentionally exposing another individual to the AIDS virus through sexual contact without the knowing and lawful consent of the victim. Provides that the crime of intentional exposure of the AIDS virus is liable for a fine of not more than \$5,000, imprisonment with or without hard labor for not more than 10 years, or both.

H.C.R. 75, Adopted 1987 Directs the Department of Public Safety and Corrections to study: 1) the feasibility of implementing mandatory AIDS testing in all state correctional facilities; 2) the feasibility of separating those afflicted with AIDS from the general prison population; 3) the development of a program to notify any victim of a crime who could have been infected by an inmate who tests positive for the AIDS virus; and 4) the costs associated with implementation of such a program. Requires a report to the appropriate House and Senate committees not later than 30 days prior to the start of the 1988 legislative session.

S.B. 380, Act 805, 1987 Laws Requires emergency medical technicians, paramedics or others who may come into contact with the blood or body fluid of a patient subsequently diagnosed with HIV infection to be notified by the receiving hospital within 48 hours of confirmation of the diagnosis, and provide counseling as to appropriate treatment. Notification may also be made to their employers and is to be made in a manner to protect the confidentiality of all involved.

To the extent possible, the registry is to be compatible with other national models to facilitate the coordination of information with other data bases. To facilitate the collection of information, the Department is authorized to require hospitals and laboratories to report cases. Authorizes the Department to promulgate rules in accordance with these provisions.

Information provided is confidential and disclosure is prohibited except if in a nonidentifiable form or if the information is being released or transferred to another registry under specified purposes. Any other authorization for disclosure of protected information must be gained from the subject of the information.

Amends the Illinois Public Aid Code relating to classes of persons eligible for medical assistance to include persons with AIDS or with a related condition with respect to whom there has been a determination that, but for home and community-based services, institutional care would be necessary. Assistance provided to these individuals is to be to the maximum extent possible under federal law. (Requires the Department to apply for a federal HCBS waiver for AIDS patients.)

Amends the Illinois Health Facilities Planning Act to provide for the development of rules and regulations for the conduct of an expeditious review process for CON applications for permits to construct or modify health care facilities needed for the care and treatment of persons with AIDS or related conditions. The process is not to exceed 60 days.

Authorizes schools to conduct AIDS inservice training programs for guidance counselors, nurses and teachers, including information on the nature of the disease and means to prevent its transmission.

Requires the Department of Public Health to create and administer a training program for public employees who have a need to understand AIDS in order to deal with and advise the public.

Beginning August 31, 1989, the Department is to provide to the legislature an annual report on the progress of the registry.

H.B. 1225, Public Act 85-608, 1987 Laws Requires that the Comprehensive Health Education Program curricula for elementary and secondary schools include a segment on sexual abstinence until marriage.

H.B. 1242, Public Act 85-135, 1987 Laws Amends the Hospital Licensing Act to require hospitals to notify paramedics and ambulance personnel who have provided or are about to provide emergency care to a patient who has been diagnosed as having a dangerous communicable or infectious disease. Requires the emergency services provider agency to maintain confidentiality of all information received.

Requires the Department of Public Health to establish by regulation a list of those communicable reportable diseases and conditions for which notification is required. The notification is to be made within 72 hours after a diagnosis is made for any of these diseases except AIDS. In cases of a confirmed diagnosis

A.B. 1952, Chapter 1316, 1987 Laws Under existing law, the AIDS Vaccine Research and Development Grant Program is authorized to provide grants for AIDS vaccine research, under specified conditions. Limitations are placed on the awarding of grants after FDA approval has been given in order to conduct clinical tests on humans of an AIDS vaccine. Amends those provisions to allow applicants to receive grants after FDA approval has been granted as well.

Reappropriates \$500,000 from the AIDS Vaccine Research and Development Grant Fund to the Department of Health Services to implement these additional drug-testing provisions.

A.B. 2170, Chapter 1354, 1987 Laws Requires the Superintendent of Public Instruction to contract with an organization for the development of a video tape and supplementary materials that teach abstinence from sexual intercourse. Permits schools electing to use the tape to use it within the context of comprehensive health education programs. Requires all materials developed to be reviewed by the State Board of Education. The video is to be developed, reviewed and prepared for distribution by December 15, 1988. Also authorizes the State Board of Education to purchase tapes that have previously been developed and are in compliance with criteria established for this video. Appropriates \$150,000 to the Superintendent to contract for the development of the video and related production costs.

A.B. 2356, Chapter 992, 1987 Laws Requires emergency medical technicians, who have provided emergency medical or rescue services to a person who is transferred to the chief medical examiner-coroner and later found to have a communicable disease or condition determined by the county health officer to be transmittable through oral contact or secretions of the body (including blood), to be notified of the exposure and instructed to call the county health officer. The identification of the patient is not to be disclosed. Emergency medical technicians also include paramedics, lifeguards, fire fighters and peace officers. The county health officer or chief medical examiner-coroner is to provide notification of the disease or condition to the funeral director taking disposition of the decedent prior to releasing the body.

A.B. 2594, Chapter 1470, 1987 Laws Under existing law, the California Medical Assistance Commission negotiates contracts with hospitals for the provision of in-patient hospital services in the state's Medi-Cal program. The Commission is required to take special factors into consideration when negotiating these contracts, and will now be required to give special consideration to the reimbursement issues faced by hospitals caring for Medi-Cal beneficiaries who are receiving treatment for AIDS.

Requires the Department of Health Services to develop an expedited review process to examine the effectiveness of investigational drugs and investigational services for suitability for reimbursement under the Medi-Cal program. Requires the Department to adopt emergency regulations governing the expedited review process, and exempts the regulations from the normal procedure for approval of regulations, as an urgency statute.



Martha
F-15

POSITION PAPER -- *Shanti of Juneau*

SB 77

For "an Act relating to acquired immune deficiency syndrome and related conditions."

Shanti of Juneau is a volunteer organization committed to providing accurate up-to-date AIDS education in Juneau and other Southeast communities, and to providing support to persons facing AIDS issues in their lives.

In their AIDS education programs, Shanti volunteers depend on current medical information from the Centers for Disease Control and from the State of Alaska Department of Health and Social Services, especially the Section of Epidemiology. In their support efforts, Shanti volunteers strive to maintain the highest degree of confidentiality as they meet emotional and practical support needs.

By providing nationally recognized and consistent AIDS medical information, and confidentiality, Shanti volunteers are able to work toward the goal of lessening peoples' fears about AIDS and lessening their fears of people who have contracted the AIDS virus.

Discussion of SB77:

1. Only in a minority of cases will a patient's HIV status be known to medical personnel when a patient is entering or being served by a medical facility. A large portion of persons who are HIV-positive (who have the AIDS infection, but may or may not have the disease AIDS) do not even know themselves that they are HIV-positive during the years they are without symptoms.

The Centers for Disease Control (CDC) procedures recommend that all patients be treated with universal blood and body fluid precautions so that health care workers don't expose themselves unnecessarily to any fluids that might endanger them. SB 77's notifications to health care providers of "known" HIV-positive patients could result in a false sense of security: if the health care workers then used the universal precautions only with those patients, their lax behavior could needlessly expose them unknowingly to the AIDS virus or to other fatal diseases such as Hepatitis.

2. Testing to determine a person's HIV status is not reliable under emergency conditions. The initial quick test has both false negative and a high degree of false positive results. A true positive (or negative) test requires additional, more extensive testing. Additionally, if a person in this situation is found to be negative, this does not take into account the long "window period" of 3 weeks to 6 months after exposure in which a person may in fact have contracted the virus but does not yet react positively to the test. A person can still transmit the AIDS HIV virus during this "negative" HIV test period: thus a negative test result does not insure non-transmission of the AIDS virus. So, once again, this brings all health care providers to the need to take equal protections with all blood and body fluids for the health care worker's fullest self protection.

3. The only way health care workers can know their own HIV status is to be tested, and have their confirmation tests. CDC protocol recommends medical personnel take the HIV test immediately upon accidental occupational exposure to blood and body fluids. This test establishes their baseline AIDS antibody status. Based on the "window period" mentioned above, CDC protocol then recommends they take a confirmatory test six months later. Again, knowing--or not knowing--of another person's HIV status is not enough to determine whether a health care provider has had any or enough exposure to the HIV virus to convert to a positive HIV status.

4. Mandatory AIDS-antibody testing to attempt to know all patients' HIV status is not recommended by CDC for many reasons. Informed consent is required for such tests, and CDC recommends pre- and post-test AIDS counseling for all who are tested. This, plus the follow-up confirmation testing, is a lengthy expensive process that does not in fact address the health care workers' concerns up front when initially or briefly handling a patient. Once again, universal blood and body fluid precautions are the best protection--not the false security of thinking it is "known" who is HIV positive.

5. Confidentiality is more apt to be compromised with each additional person who becomes aware of a person's positive HIV status. The extent of fear and prejudice still evident against people with AIDS or who are HIV-positive is great. People stand to lose jobs, insurance, housing and friends even on rumors of being HIV-positive. Permitting the wide disclosure as detailed in SB77 unnecessarily puts a patient at risk for such extensive discriminatory treatment. Also, without the confirmatory testing needed to verify if an initial positive HIV test is true or not, this extensive release of preliminarily "known" HIV status could ruin a person's life even if later tests prove an actual HIV-negative status.

Position on SB77:

Shanti of Juneau opposes SB 77 for the following reasons:

1. The bill will not increase the protection of health care providers who may be exposed to the HIV (AIDS) virus. Rather, the notification procedures outlined in the bill might instead increase occupational risk by engendering a resulting false sense of security that could lead to relaxation of the CDC's recommended self-protection guidelines.

2. Patient confidentiality will be too compromised by the broad range of people who could be notified of "known" HIV status.

3. Initial HIV-status (based on only the first HIV test) is often in fact not substantiated for some time. False negatives and false positives are not uncommon initial test results. Reliance on "known" negative or positive status that in fact might prove unsubstantiated later can decrease health care providers' self-protecting actions, and/or severely compromise a patient's standing when confidentiality is breached (loss of job, insurance, etc).

4. AIDS education and protection is best addressed by the Centers for Disease Control and its branches, such as the State of Alaska Department of Health and Social Services, and its Section of Epidemiology. Universal health care guidelines should come from the CDC's knowledgeable medical resource. The CDC is currently working on recommendations and guidelines that address the specific concerns of Emergency Medical Personnel. The CDC universal blood and body fluid precautions guidelines are already in place for all health care providers' protection.

For the greatest safety of all concerned, exhaustive research and extensive thought is behind CDC AIDS-related recommendations. The CDC is better equipped to address all the implications of AIDS-related matters than individual organizations or legislative bodies.

Central Emergency Services



"Central Kenai Peninsula Borough Fire & EMS Providers"

May 10, 1988

Senator Paul Fischer
Senate District D
Box 784
Soldotna, AK 99669

Dear Senator Fischer;

At our May 2nd meeting the Kenai Peninsula EMS Council discussed several issues relating to infectious diseases. First, Emergency Medical Technicians have been deleted from the list of persons at risk to Hepatitis B. This means that EMT's no longer are provided Hepatitis screening or vaccine by the local State Public Health Clinics. This has meant that the vaccine now costs over \$100.00 per EMT.

As you know, most EMT's are volunteers that provide a valuable community service. Nationwide, EMT's are at a considerable risk to contacting Hepatitis B and at a greater risk here in Alaska. In Soldotna, Central Emergency Service staff were treated by a vaccine that did not work. The medical community, the professional literature and communicable disease experts all tell us we must be immunized but the State no longer will provide testing or vaccine to EMT's. Many volunteers simply don't have the money and will not be protected while serving their communities.

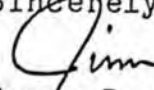
The second issue relates to your question concerning EMT's treating AIDS patients. As far as we can tell, there are no problems with the EMT's treating AIDS patients in the field, especially if it is known by the EMT. Infectious disease control measures are in place in all the ambulance services and fire departments. (See attached Standard Operating Procedure) A problem does exist in that EMT's can't find out if they have been exposed to AIDS or any other infectious disease because the laws currently do not allow hospitals to check without patient consent.

Senator Fischer
May 10, 1988
Page 2

If an EMT, Firefighter, Police Officer or RN is exposed he or she may never know. Even if they think they may have been exposed because of a breakdown in procedure or an accidental needle stick, etc., there currently exists no way to find out.

The EMT's of the Kenai Peninsula appreciate your concern for our health and look forward to any help you may be able to give us with respect to these two issues.

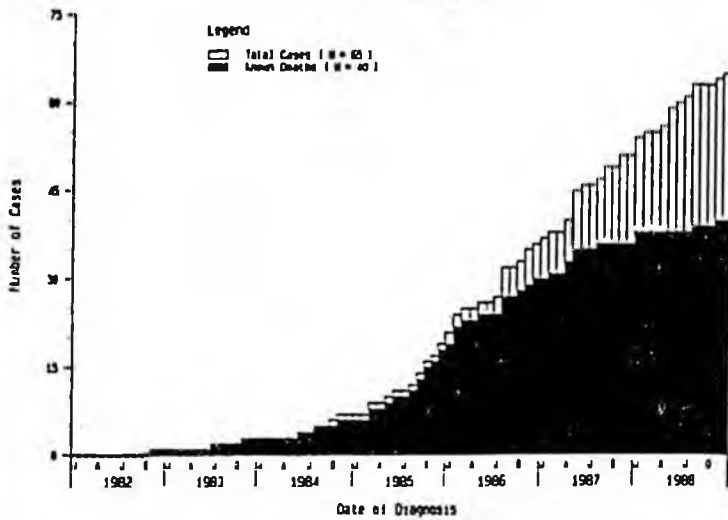
Sincerely,



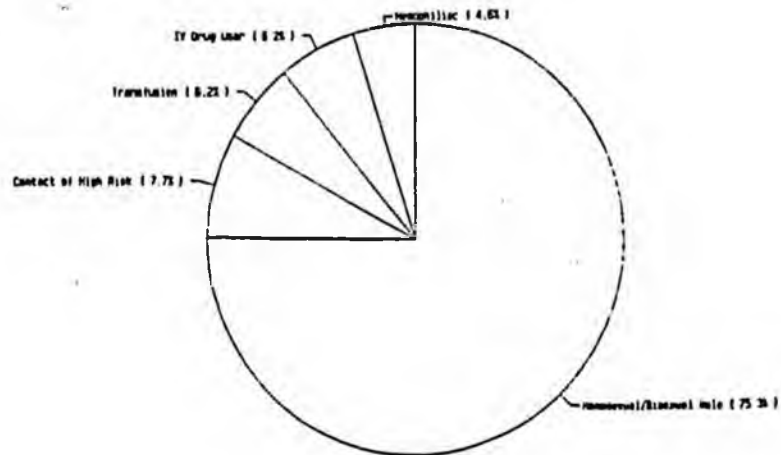
James D. Dunn, President
Kenai Peninsula EMS Council

Through December 31, 1988, 65 Alaskans have been confirmed to have AIDS, and 40 are known to have died. All AIDS patients have been members of identified high risk groups. Characteristics of patients with AIDS in Alaska are similar to those in the U.S. as a whole.

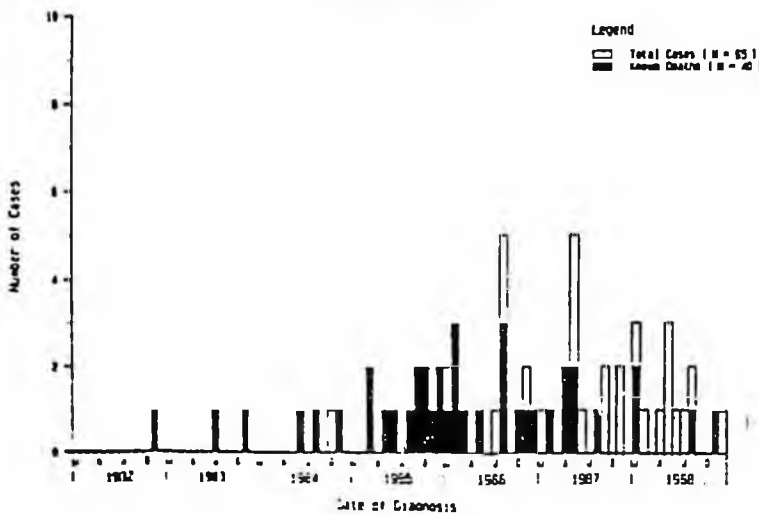
AIDS - Alaska
Cumulative Cases through December 1988



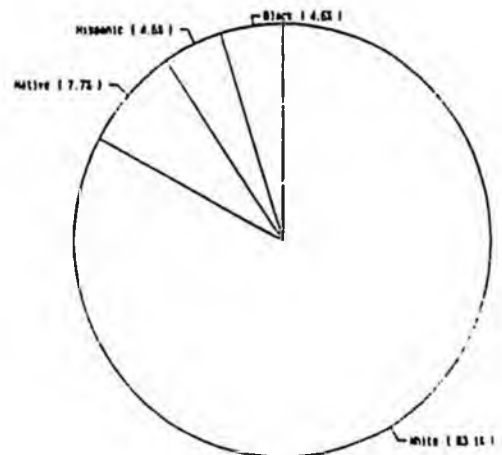
AIDS - Alaska
Risk Category, N = 65
(through December 1988)



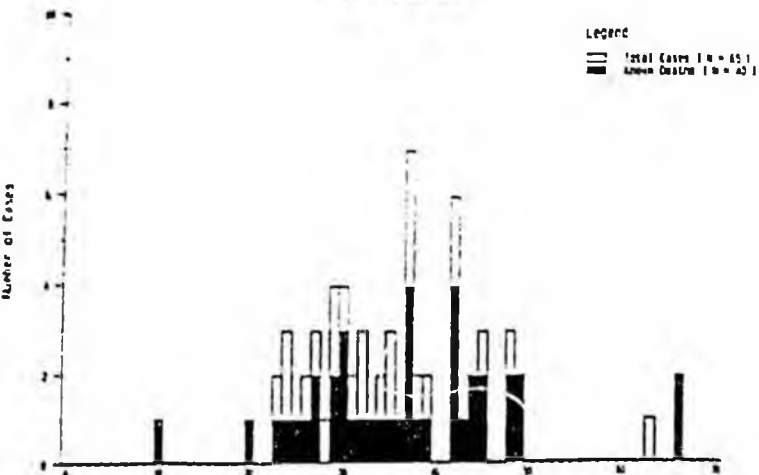
AIDS - Alaska
(through December 1988)



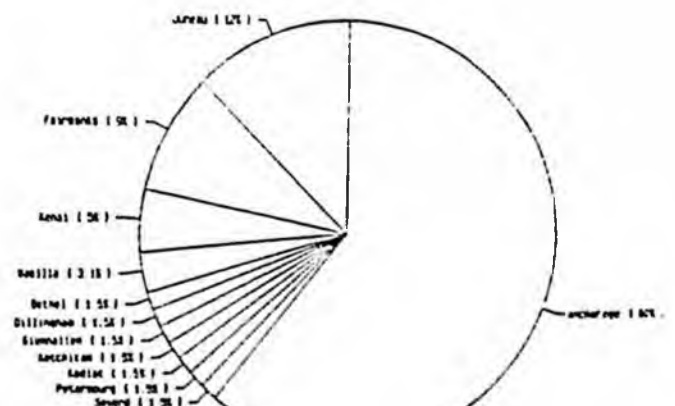
AIDS - Alaska
Race of Cases, N = 65
(through December 1988)



AIDS - Alaska
Place of Occurrence, 1982

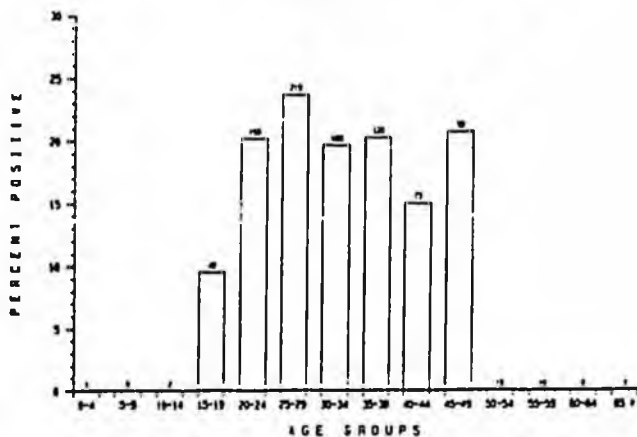


AIDS - Alaska
Place of Occurrence, N = 65
(through December 1988)

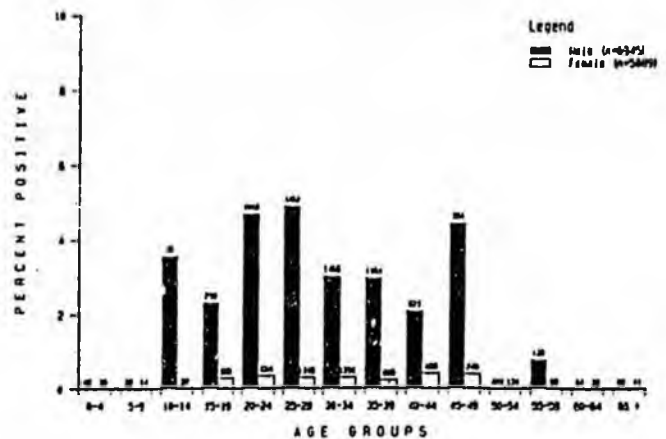


Through December 31, 1988, 256 of 12,936 (2.0%) individuals tested at the State Public Health Laboratories, Division of Public Health, were positive for HIV infection. Of 1,786 Alaskan Natives tested, 15 (0.8%) were positive for HIV infection.

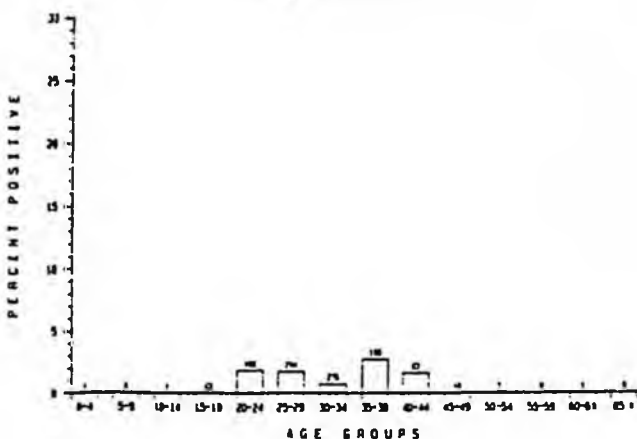
HIV Antibody Tests in Alaska, 1985-1988
Test Result for Homosexual and Bisexual Males by Age Group
Dates include May 1985 thru December 31, 1988
N=940, N(unknown)=1



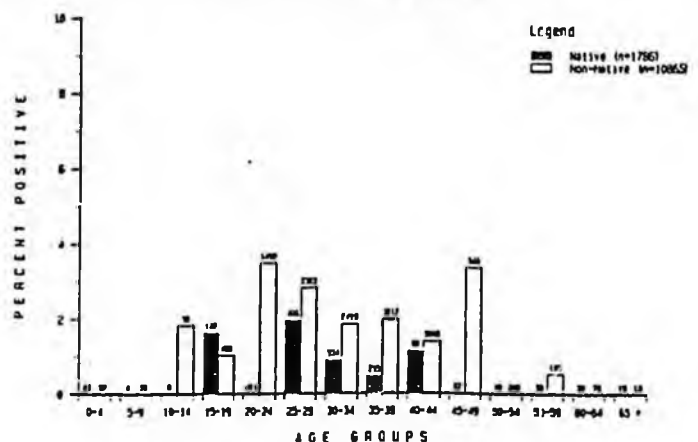
HIV Antibody Tests in Alaska, 1985-1988
Test Result for All Individuals by Age Group and Sex
Dates include May 1985 thru December 31, 1988
N=12936, N(positive)=256, N(unknown)=102



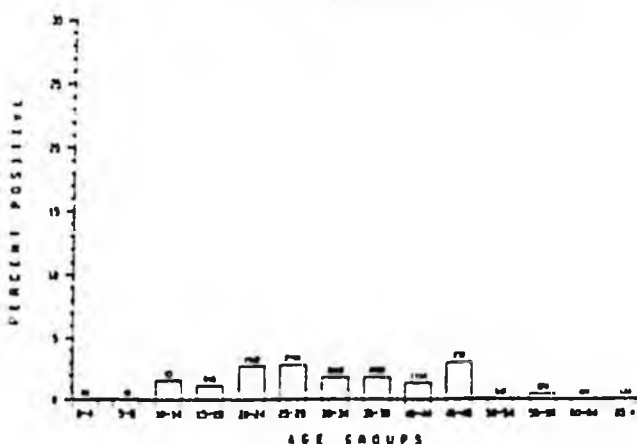
HIV Antibody Tests in Alaska, 1985-1988
Test Result for IV Drug Users by Age Group
Dates include May 1985 thru December 31, 1988
N=1060, N(unknown)=1



HIV Antibody Tests in Alaska, 1985-1988
Test Result for All Individuals by Age Group and Race
Dates include May 1985 thru December 31, 1988
N=12936, N(positive)=256, N(unknown)=205



HIV Antibody Tests in Alaska, 1985-1988
Test Result for All Individuals by Age Group
Dates include May 1985 thru December 31, 1988
N=12936, N(unknown)=5



Risk Category	Positive/Number Tested (%)		Total ^a
	Non-Native	Native	
Homosexual/Bisexual Male	170/814 (20.1)	10/86 (11.6)	181/940 (19.3)
IV Drug User	16/918 (1.7)	0/126 (0)	16/1060 (1.5)
Heterosexual Contact of Person w/IVU or at risk of AIDS	3/979 (0.3)	1/136 (0.7)	4/1129 (0.4)
Menstrual	6/10 (60.0)	0/0 (0)	6/10 (60.0)
Transfusion with Blood/Blood Products	4/570 (0.7)	0/86 (0)	4/676 (0.6)
All Others	39/2553 (1.5)	4/1352 (0.3)	45/9121 (0.5)
Total	238/10874 (2.2)	15/1786 (0.8)	256/12936 (2.0)

^aTotal includes unknown race

S B

80

Alaska State Legislature

member
Pls Hold
A

Chairman
(907) 465-4523



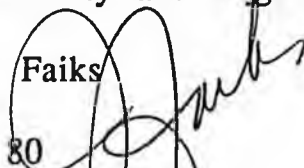
Jan Faiks
Post Office Box V
Juneau, Alaska 99811

Senate Judiciary Committee

February 23, 1989

MEMORANDUM

TO: Senator Al Adams, Chairman
Senate Community and Regional Affairs Committee

FROM: Senator Jan Faiks 

SUBJECT: Senate Bill 80

As you know, Senate Bill 80, which distributes the Railbelt Energy Fund to communities around the state, is in your committee for consideration.

When the original bill was drafted, the distribution was based on the Fund's balance anticipating the \$50 million being used for the FY 89 budget. Current spending plans, however, show this \$50 million will not be used and as a result, an additional \$50 million would be available for distribution to communities under the bill.

For your reference, attached are two runs by Community and Regional Affairs which distribute the full \$236.6 million and my work sheets which reflect the new numbers. I would appreciate the committee's consideration of the increased level of funding when the bill is taken up.

Thank you. If I can provide you with any other information, please let me know.

Members

Mike Szymanski, Vice-Chairman • Rick Halford • Drue Pearce • Pat Rodey

Out of Session

3111 C Street, Anchorage, Alaska 99503 • (907) 561-7510

Using FY89 data

1 FUNDING

TAX EQUALIZATION \$78,866.666
 MISC ENTITLEMENT \$39,433.334
 HOSPITAL CONST \$0

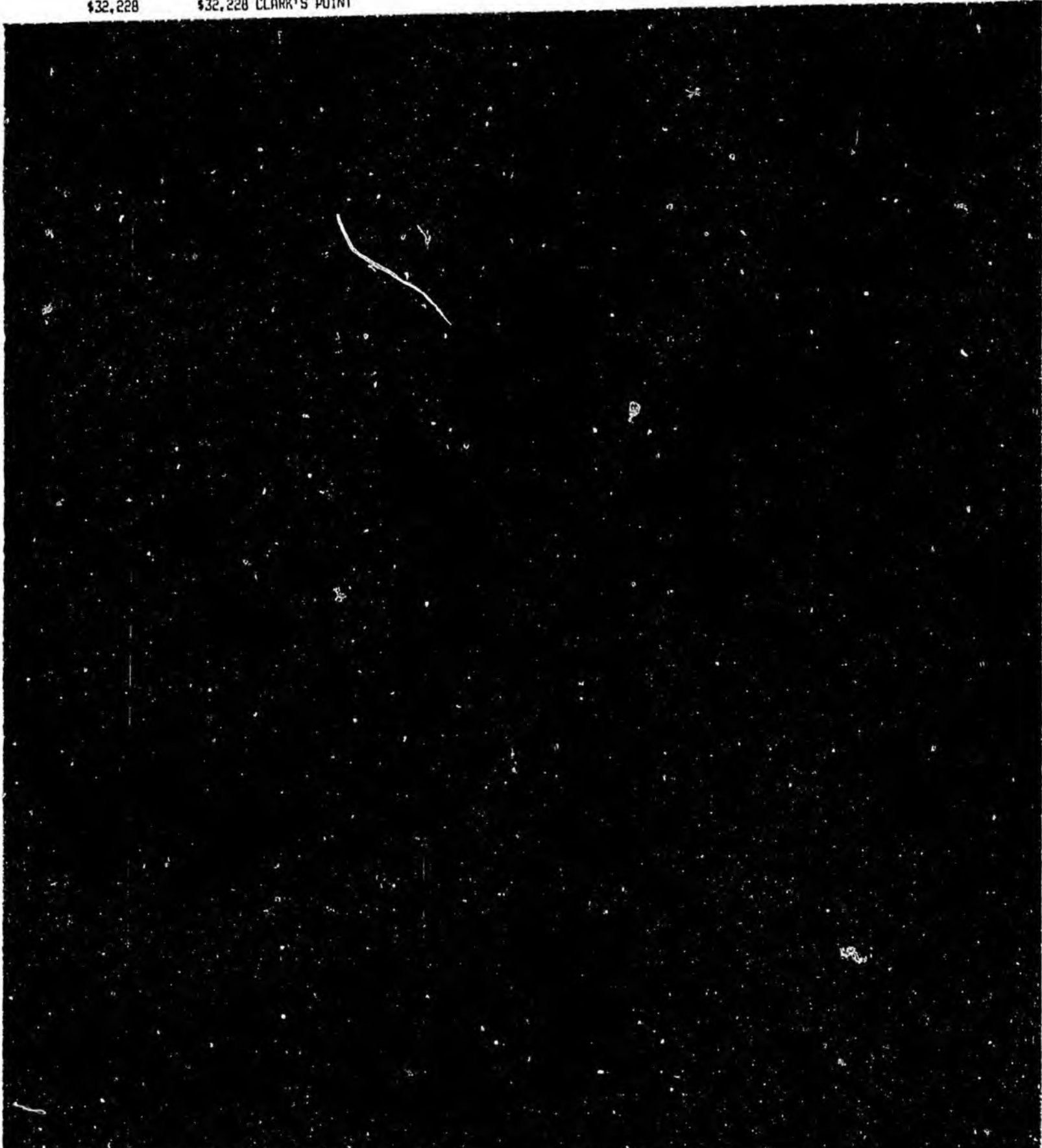
FINAL
 TOTAL

MUNICIPAL
 TOTAL

\$26,774	\$26,774	AKHICK	
\$33,428	\$33,428	AKIAK	
\$57,404	\$57,404	AKUTAN	
\$125,264	\$125,264	ALAKANUK	
\$63,099	\$63,099	ALEKNASIK	
\$32,111	\$32,111	ALEUTIANS EAST BOROUGH	
\$34,698	\$34,698	ELLAKAKET	
\$72,681	\$72,681	AMBLER	
\$34,565	\$34,565	ANAKTUVUK PASS	
\$21,982,730	\$43,691,169	ANCHORAGE	MUNICIPALITY--BORO
\$349,099		ANCHORAGE	CITY SA
\$43,474		ANCHORAGE	CHUGIAK
\$51,358		ANCHORAGE	GIRDWOOD
\$38,442		ANCHORAGE	GLEN ALPS
\$2,195,898		ANCHORAGE	FIRE SA
\$5,031,060		ANCHORAGE	ROADS & DRAINAGE
\$751,702		ANCHORAGE	LIMITED ROAD SA
\$6,278,451		ANCHORAGE	POLICE SA
\$1,550,811		ANCHORAGE	PARKS AND REC
\$151,345		ANCHORAGE	CH/ER REC
\$1,319,504		ANCHORAGE	SOLID WASTE SA
\$305,554		ANCHORAGE	BUILDING SAFETY
\$521,073		ANCHORAGE	SA #35
\$1,019,173		ANCHORAGE	PORT OF ANCH
\$172,205		ANCHORAGE	AIRPORT SA
\$347,922		ANCHORAGE	PARKING SA
\$163,588		ANCHORAGE	SPORTS ARENA
\$2,259		ANCHORAGE	EQUIP MAINT
\$127,116		ANCHORAGE	HERITAGE LB
\$79,937		ANCHORAGE	EGAN CNTR
\$56,756		ANCHORAGE	FIRE LAKE ARENA
\$105,068		ANCHORAGE	BOEKE ARENA
\$38,933		ANCHORAGE	ANDERSON ARENA
\$8,383		ANCHORAGE	FOURTH AVE. THTR
\$3,306		ANCHORAGE	HORSE
\$84,941	\$84,941	ANDERSON	
\$57,149	\$57,149	ANGOODN	
\$200,084	\$200,084	ANIAK	
\$34,737	\$34,737	ANVIK	
\$34,565	\$34,565	ATQASUK	
\$239,646	\$239,646	BARROW	
\$1,375,576	\$1,375,576	BETHEL	
\$64,103	\$64,103	BETTLES	
\$34,647	\$34,647	BREVIG MISSION	
\$200,158	\$200,158	BRISTOL BAY BOROUGH BOROUGH	
\$121,124	\$121,124	BUCKLAND	
\$51,265	\$51,265	CHEFORNAK	
\$37,755	\$37,755	CHEVAK	
\$32,221	\$32,221	CHIGNIK	

\$44,060
\$32,228

\$44,060 CHUATHBALLUK
\$32,228 CLARK'S POINT



32,225	32,225 COLD BAY	
\$1,218,964	\$1,218,964 CORDOVA	
\$298,773	\$298,773 CRAIG	
\$160,008	\$160,008 DEERING	
\$91,840	\$91,840 DELTA JUNCTION	
\$403,082	\$403,082 DILLINGHAM	
\$34,565	\$34,565 DIOMEDE	
\$28,926	\$28,926 EAGLE	
\$33,424	\$33,424 EEK	
\$32,293	\$32,293 EKWOK	
\$70,484	\$70,484 ELIM	
\$212,396	\$212,396 EMMONAK	
\$2,590,776	\$2,590,776 FAIRBANKS: CITY	
\$6,590,401	\$7,500,682 FAIRBANKS NORTH STARBOROUGH	
\$9,237	FAIRBANKS NORTH STARESTER F.P.	
\$124,892	FAIRBANKS NORTH STAR: NORTH STAR F.P.	
\$182,180	FAIRBANKS NORTH STAR: UNIVERSITY F.P.	
\$66,677	FAIRBANKS NORTH STAR: STEESE VOL. FSA	
\$6,482	FAIRBANKS NORTH STAR: MOOSE CREEK FSA	
\$73,008	FAIRBANKS NORTH STAR: CHENA GOLDSTR. F.S.	
\$69,794	FAIRBANKS NORTH STAR: ROADS	
\$5,801	FAIRBANKS NORTH STAR: SEWER AND WATER	
\$10,063	FAIRBANKS NORTH STAR: STREETS AND LIGHTS	
\$362,147	FAIRBANKS NORTH STAR: AREA WIDE	
\$102,213	\$102,213 FORT YUKON	
\$260,041	\$260,041 GALENA	
\$65,408	\$65,408 GAMBELL	
\$78,807	\$78,807 GOLOVIN	
\$33,466	\$33,466 GODDNEWS BAY	
\$60,814	\$60,814 GRAYLING	
\$283,330	\$283,330 HAINES: CITY	
\$116,124	\$116,124 HAINES	BOROUGH
\$69,894	\$69,894 HOLY CROSS	
\$885,096	\$885,096 HOMER	
\$258,844	\$258,844 HOGNAH	
\$126,703	\$126,703 HOOPER BAY	
\$100,336	\$100,336 HOUSTON	
\$37,637	\$37,637 HUGHES	
\$89,809	\$89,809 HUSLIA	
\$24,875	\$24,875 HYDABURG	
\$9,199,166	\$10,832,167 JUNEAU CITY & BORO	CITY & BORO
\$436,102	JUNEAU	SA #1
\$66,582	JUNEAU	SA #2
\$952,758	JUNEAU	SA #3
\$25,134	JUNEAU	SA #4
\$128,348	JUNEAU	SA #5
\$11,998	JUNEAU	SA #6
\$6,683	JUNEAU	SA #7
\$5,395	JUNEAU	SA #8
\$26,713	\$26,713 KACHEKAK	
\$79,882	\$79,882 KAKE	
\$34,565	\$34,565 KAKTOVIK	
\$53,036	\$53,036 UPPER KALSKAG	
\$52,116	\$52,116 KALTAG	

In FY 90 1 more service area was added

\$24,929 \$24,929 KASAKA
 \$1,020,257 \$1,020,257 OPIKAT-CITY

2,756,260	26,025,484	KENAI PENINSULA	BOROUGH
\$1,559,915		KENAI PENINSULA	CENTRAL PEN HOSP
\$98,239		KENAI PENINSULA	NIKISKI F.P.
\$27,898		KENAI PENINSULA	BEAR CREEK F.P.
\$162,859		KENAI PENINSULA	RIDGEWAY FSA
\$111,296		KENAI PENINSULA	CEN EMSA
\$75,025		KENAI PENINSULA	E KENPEN ROAD MAINT
\$1,580,878		KENAI PENINSULA	SOUTH PEN HOSP
\$21,436		KENAI PENINSULA	N PEN REC SA
\$37,228		KENAI PENINSULA	ANCHOR PT FIRE/EMER
\$753,184		KENAI PENINSULA	CENKENPEN ROAD MAIN
\$305,967		KENAI PENINSULA	N KEN PEN ROAD MAIN
\$449,908		KENAI PENINSULA	S KEN PEN ROAD MAIN
\$85,391		KENAI PENINSULA	KALIFORNISKY F.S.A.
\$2,222,452	\$2,222,452	KETCHIKAN	
\$1,099,990	\$1,162,138	KETCHIKAN GATEWAY	BOROUGH
\$2,209		KETCHIKAN GATEWAY	SHORELINE S.A.
\$12,606		KETCHIKAN GATEWAY	SOUTHEND FD
\$47,012		KETCHIKAN GATEWAY	NON-AREAWIDE
\$321		KETCHIKAN GATEWAY	MID-BRIGHT
\$81,608	\$81,608	KIANA	
\$201,419	\$201,419	KING COVE	
\$40,814	\$40,814	KIVALINA	
\$167,178	\$167,178	KLAWOCK	
\$59,006	\$58,006	KOBUK	
\$1,747,538	\$1,747,538	KODIAK	
\$2,624,047	\$2,727,036	KODIAK ISLAND	BOROUGH
\$31,991		KODIAK ISLAND	FIRE DIST 1
\$22,058		KODIAK ISLAND	ROAD DIST
\$33,846		KODIAK ISLAND	WOMEN'S BAY ROAD SA
\$9,836		KODIAK ISLAND	MONASHKA BAY
\$3,617		KODIAK ISLAND	WOMEN'S BAY FIRE SA
\$1,642		KODIAK ISLAND	BAYVIEW RD. S.A.
\$33,396	\$33,396	KOTLIK	
\$581,374	\$581,374	KOTZEBUE	
\$49,721	\$49,721	KOYUK	
\$34,736	\$34,736	KOYUKUK	
\$25,748	\$25,748	KUPREANOF	
\$33,420	\$33,420	KWETHLUK	
\$26,743	\$26,743	LARSEN BAY	
\$109,386	\$109,386	LOWER KALSKAG	
\$32,197	\$32,197	MANAYOTAK	
\$66,374	\$66,374	MARSHALL	
\$5,072,734	\$5,626,482	MATANUSKA SUSITNA	BOROUGH
\$35,047		MAT-SU BORO	MEADOW LAKES FA
\$14,517		MAT-SU BORO	BIG LAKE FSA B33
\$14,353		MAT-SU BORO	FISHOOK FSA B32
\$111,347		MAT-SU BORO	WASILLA FP
\$18,413		MAT-SU BORO	BUTTE FP
\$30,981		MAT-SU BORO	GREAT PALMER FP
\$11,394		MAT-SU BORO	SUTTON FP
\$239,473		MAT-SU BORO	NON-AREAWIDE
\$7,517		MAT-SU BORO	TALKEETNA FP
\$918		MAT-SU BORO	GARDEN TERRACE

\$56,754
\$12,030

MAT-SU BORO
MAT-SU BORO

LAKES FA
LAKES FA

*111,157	*111,157	KAGKATH	
\$33,477	\$33,477	MEKORYUK	
\$152,502	\$152,502	MOUNTAIN VILLAGE	
\$82,389	\$82,389	NAPAKIAK	
\$33,396	\$33,396	NAPASKIAK	
\$234,368	\$234,368	NEMANA	
\$32,246	\$32,246	NEW STUYAHOK	
\$32,223	\$32,223	NEWHALEN	
\$33,396	\$33,396	NEWTOK	
\$33,396	\$33,396	NIGHTMUTE	
\$34,665	\$34,665	NIKOLAI	
\$1,303,304	\$1,303,304	NOME	
\$45,731	\$45,731	NONDALTON	
\$156,961	\$156,961	NORRVIK	
\$148,078	\$148,078	NORTH POLE	
\$1,660,890	\$1,660,890	NORTH SLOPE	BOROUGH
\$1,026,993	\$1,026,993	NORTHWEST ARCTIC	BOROUGH
\$34,565	\$34,565	NUQSUT	
\$77,159	\$77,159	NULATO	
\$158,384	\$158,384	NUNAPITCHUK	
\$26,812	\$26,812	OLD HARBOR	
\$26,774	\$26,774	OUZINKIE	
\$889,382	\$889,382	PALMER	
\$65,052	\$65,052	PELICAN	
\$1,263,713	\$1,263,713	PETERSBURG	
\$35,783	\$35,783	PILOT STATION	
\$34,579	\$34,579	PLATINUM	
\$34,565	\$34,565	POINT HOPE	
\$25,748	\$25,748	PORT ALEXANDER	
\$99,056	\$99,056	PORT HEIDEN	
\$26,798	\$26,798	PORT LIONS	
\$69,410	\$69,410	QUINHAGAK	
\$34,565	\$34,565	RUBY	
\$33,436	\$33,436	RUSSIAN MISSION	
\$114,812	\$114,812	SAINT GEORGE	
\$297,792	\$297,792	SAINT MARY'S	
\$34,744	\$34,744	SAINT MICHAEL	
\$228,620	\$228,620	SAINT PAUL	
\$189,332	\$189,332	SAND POINT	
\$34,721	\$34,721	SAVDONGA	
\$106,622	\$106,622	SAXMAN	
\$48,056	\$48,056	SCAMMON BAY	
\$175,000	\$175,000	SELAWIK	
\$86,068	\$86,068	SELDOVIA	
\$1,036,175	\$1,036,175	SEWARD	
\$34,816	\$34,816	SHAGELUK	
\$34,736	\$34,736	SHAKTOOLIK	
\$33,396	\$33,396	SHELDON POINT	
\$40,058	\$40,058	SHISHAREF	
\$51,341	\$51,341	SHUNGNAK	
\$2,447,121	\$2,447,121	SITKA	CITY & BURD OF
\$182,915	\$182,915	SKAGWAY	
\$890,978	\$890,978	SJLDOONA	
\$72,985	\$72,985	STEBBINS	

\$123,287

\$123,287 TANANA

\$49,621

\$49,621 TELLER

25,748	25,748 TENAKEE SPRINGS
\$88,111	\$88,111 THORNE BAY
\$52,906	\$52,906 TOGIAK
\$42,732	\$42,732 TOKSOOK BAY
\$142,943	\$142,943 TULUKSAK
\$64,922	\$64,922 TUNUNAK
\$135,731	\$135,731 UNALAKLEET
\$686,415	\$686,415 UNALASKA
\$994,673	\$994,673 VALDEZ
\$34,565	\$34,565 WAINWRIGHT
\$150,541	\$150,541 WALES
\$210,062	\$210,062 WASILLA
\$34,717	\$34,717 WHITE MOUNTAIN
\$218,169	\$218,169 WHITTIER
\$1,588,724	\$1,588,724 WRANGELL
\$181,820	\$181,820 YAKUTAT

UNINCORPORATED

\$25,000	\$25,000 AKIACHAK
\$25,000	\$25,000 ARCTIC VILLAGE TRAD COUN
\$25,000	\$25,000 ASSC. OF TAZLINA RESIDENTS
\$25,000	\$25,000 ATKA IRA COUN
\$25,000	\$25,000 BEAVER TRIBAL VILLAGE COUNCIL
\$25,000	\$25,000 BIRCH CREEK COUNCIL
\$25,000	\$25,000 COMMUNITY OF CANTWELL INC
\$25,000	\$25,000 CHALKYITSIK VILLAGE COUN
\$25,000	\$25,000 CHENEGA BAY
\$25,000	\$25,000 CHIGNIK LAGOON VILL COUN
\$25,000	\$25,000 CHIGNIK LAKE TRADITIONAL COUN
\$25,000	\$25,000 CHILKAT INDIAN VILL COUN
\$25,000	\$25,000 CHISTOCHINA VILL COUN
\$25,000	\$25,000 CHITINA VILL COUN
\$25,000	\$25,000 CIRCLE CIVIC COMM ASSOC, INC
\$25,000	\$25,000 COFFMAN COVE CIVIC CLUB
\$25,000	\$25,000 COPPER CENTER VILLAGE COUN
\$25,000	\$25,000 COPPER VALLEY COMMUNITY LIBRARY ASSOC
\$25,000	\$25,000 COUNCIL
\$25,000	\$25,000 CROOKED CREEK TRAD COUN
\$25,000	\$25,000 DELTANA COMMUNITY CORP
\$25,000	\$25,000 DOT LAKE SERVICES CORP.
\$25,000	\$25,000 DOT LAKE VILL COUN
\$25,000	\$25,000 EAGLE TRIBAL VILL COUN
\$25,000	\$25,000 EDNA BAY COMM ASSN
\$25,000	\$25,000 EGEGIK IMPR CORP
\$25,000	\$25,000 ELFIN COVE COMM COUN
\$25,000	\$25,000 EVANSVILLE
\$25,000	\$25,000 GULKANA VILL COUN
\$25,000	\$25,000 GUSTAVUS COMM COUN
\$25,000	\$25,000 HEALY LAKE TRAD VILL COUN
\$25,000	\$25,000 HOLLIS COMMUNITY COUNCIL
\$25,000	\$25,000 HYDER COMM ASSN
\$25,000	\$25,000 ISIUGIG VILL COUN

\$25,000	\$25,000 ILIAMA VILL COUN
\$25,000	\$25,000 KASIAK VILLAGE TRAD COUNCIL

\$25,000	* \$25,000 KENNETH LAKE COMMUNITY
\$25,000	\$25,000 KIPNUK VILLAGE COUNCIL
\$25,000	\$25,000 KOKHANGK BAY VILL COUN
\$25,000	\$25,000 KWIGILLINGOK IRA COUN
\$25,000	\$25,000 LEVELOCK VILL COUN
\$25,000	\$25,000 MANLEY HOT SPRINGS COMM
\$25,000	\$25,000 MCKINLEY PARK COMM ASSN
\$25,000	\$25,000 MENTASTA LAKE VILL COUN
\$25,000	\$25,000 METLAKATLA IRA COUN
\$25,000	\$25,000 MINTO IRA COUN
\$25,000	\$25,000 NELCHINA/MENDELINA CORP.
\$25,000	\$25,000 NIKOLSKI IRA COUN
\$25,000	\$25,000 NORTHWAY VILL COUN
\$25,000	\$25,000 PANGUINGUE CREEK H.A.
\$25,000	\$25,000 PAXSON COMM AFF
\$25,000	\$25,000 PEDRO BAY VILL COUN
\$25,000	\$25,000 PERRYVILLE IRA COUNCIL
\$25,000	\$25,000 PILOT POINT VILL COUN
\$25,000	\$25,000 PITKA'S POINT VILL COUN
\$25,000	\$25,000 POINT BAKER COMMUNITY
\$25,000	\$25,000 PORT PROTECTION COMM
\$25,000	\$25,000 RAMPART VILL COUN
\$25,000	\$25,000 STEVENS VILLAGE IRA COUN
\$25,000	\$25,000 STONY RIVER TRIBAL VILLAGE
\$25,000	\$25,000 TAKOTNA COMM ASSN
\$25,000	\$25,000 TANACROSS VILL COUN
\$25,000	\$25,000 TATITLEK IRA COUN
\$25,000	\$25,000 TELIDA VILL COUN
\$25,000	\$25,000 TETLIN IRA COUN
\$25,000	\$25,000 TOX COMMUNITY UMBRELLA ASSN
\$25,000	\$25,000 TOLSONA COMMUNITY CORP.
\$25,000	\$25,000 TRI-VALLEY COMM LIBR
\$25,000	\$25,000 TUNTUTULIAK VILL COUN
\$25,000	\$25,000 TWIN HILLS VILL COUN
\$25,000	\$25,000 VENETIE VILL COUN
\$25,000	\$25,000 WHALE PASSAGE HOMEOWNERS ASSC.

VOLUNTEER FIRE DEPTS

\$2,841	\$2,841 ANDERSON VFD
\$1,022	\$1,022 ATKA VFD
\$418	\$418 BETTLES VFD
\$3,357	\$3,357 CANTHELL VFD
\$904	\$904 CHITINA VFD
\$2,050	\$2,050 COFFMAN COVE VFD
\$5,469	\$5,469 COPPER CENTER VFD
\$5,110	\$5,110 CORDOVA VFD
\$1,644	\$1,644 CROOKED CREEK VFD
\$1,242	\$1,242 EGEKIK VFD
\$10,011	\$10,011 GLENNALLEN VFD
\$1,773	\$1,773 ILIAMNA VFD
\$6,489	\$6,489 KENNY LAKE LEAGUE VFD
\$7,115	\$7,115 KIPNUK VFD
\$2,067	\$2,067 KLUKWAN VFD
\$2,368	\$2,368 KGLIGANEK VFD

\$3,625
\$1,708

\$3,625 KONGIGANAK VFD
\$1,708 LEVITON VFD

2,493	2,493 MCKINLEY VFD
\$1,000	\$1,000 KENTASTA VFD
\$15,440	\$15,440 METLAKATLA VFD
\$350	\$350 MEYERS CHUCK VFD
\$3,218	\$3,218 MINTO VFD
\$932	\$932 PILOT POINT VFD
\$1,235	\$1,235 PITKA'S POINT VFD
\$630	\$630 PORT PROTECTION VFD
\$31,004	\$31,004 RURAL DELTANA VFD
\$1,532	\$1,532 STEVENS VILLAGE VFD
\$1,059	\$1,059 TAKOTNA VFD
\$1,630	\$1,630 TANACROSS VFD
\$320	\$320 TELIDA VFD
\$16,450	\$16,450 TOK VFD
\$10,543	\$10,543 TRI-VALLEY VFD
\$650	\$650 WHALE PASS VFD
\$1,959	\$1,959 YAKUTAT VFD

118,300,000	118,300,000
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$$236.6 \div 2 = 118.3$$

Estimates Only

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SID CODE	PLACE NAME	CERT POP	BASE AMOUNT	100% EXCESS	FEB PREPAY	JUNE PAYMENT	FINAL AMOUNT
BOROUGH							
17330	ALEUTIANS EAST BOROUGH	322 \$	7,275 \$	62,132 \$	63,194 \$	6,213 \$	69,407 \$
22030	ANCHORAGE	246,139 \$	4,913,924 \$	47,494,561 \$	47,664,029 \$	4,749,456 \$	52,413,485 \$
16000	BRISTOL BAY BOROUGH	1,297 \$	13,986 \$	250,266 \$	239,226 \$	25,026 \$	264,252 \$
10000	FAIRBANKS NORTH STAR BOROU	44,794 \$	566,727 \$	8,643,373 \$	8,345,763 \$	864,337 \$	9,210,100 \$
27000	HAINES BOROUGH	1,685 \$	7,275 \$	325,134 \$	299,896 \$	32,513 \$	332,409 \$
28000	JUNEAU CITY & BOROUGH	29,946 \$	372,357 \$	5,778,329 \$	5,572,853 \$	577,833 \$	6,150,686 \$
21000	KENAI PENINSULA BOROUGH	25,984 \$	347,211 \$	5,013,828 \$	4,859,656 \$	501,353 \$	5,361,039 \$
30000	KETCHIKAN GATEWAY BOROUGH	5,072 \$	32,610 \$	978,684 \$	913,426 \$	97,868 \$	1,011,294 \$
20000	KODIAK ISLAND BOROUGH	7,529 \$	20,815 \$	1,472,078 \$	1,345,685 \$	147,208 \$	1,492,393 \$
23000	MATANUSKA-SUSITNA BOROUGH	36,366 \$	90,818 \$	7,017,121 \$	6,406,227 \$	701,712 \$	7,107,939 \$
01000	NORTH SLOPE BOROUGH	2,395 \$	1,203,621 \$	462,135 \$	1,619,542 \$	46,214 \$	1,665,756 \$
02171	NORTHWEST ARCTIC BOROUGH	0 \$	7,275 \$	0 \$	7,275 \$	0 \$	7,275 \$
29000	SITKA CITY & BOROUGH	8,102 \$	131,640 \$	1,563,348 \$	1,538,653 \$	156,335 \$	1,694,988 \$
CITIES							
20040	AKHTOK	123 \$	437 \$	21,733 \$	21,797 \$	2,373 \$	24,170 \$
12030	AKIACHAK	448 \$	447 \$	86,445 \$	78,247 \$	8,645 \$	86,892 \$
12040	AKIAK	247 \$	137 \$	47,660 \$	43,031 \$	4,756 \$	47,797 \$
17010	AKUTAN	274 \$	238 \$	52,870 \$	47,821 \$	5,287 \$	53,103 \$
11020	ALAKANUK	571 \$	5,277 \$	110,179 \$	104,438 \$	11,012 \$	115,456 \$
14020	ALEKNAGIK	182 \$	460 \$	35,118 \$	32,066 \$	3,512 \$	35,578 \$
05020	ALLAKAKET	202 \$	137 \$	38,977 \$	35,216 \$	3,898 \$	39,114 \$
02010	AMBLER	271 \$	635 \$	52,291 \$	47,697 \$	5,229 \$	52,926 \$
01010	ANAKTUVUK PASS	254 \$	105 \$	49,011 \$	44,215 \$	4,901 \$	49,116 \$
07010	ANDERSON	775 \$	1,356 \$	149,542 \$	135,944 \$	14,954 \$	150,898 \$
26010	ANGOON	639 \$	2,960 \$	123,300 \$	113,930 \$	12,330 \$	126,260 \$
13010	ANIAK	518 \$	3,247 \$	99,952 \$	93,204 \$	9,995 \$	103,199 \$
04010	ANVIK	91 \$	104 \$	17,559 \$	15,907 \$	1,756 \$	17,663 \$
19010	ATKA	83 \$	104 \$	16,015 \$	14,517 \$	1,602 \$	16,119 \$
12090	ATMAUTLUAK	255 \$	79 \$	49,204 \$	44,362 \$	4,921 \$	49,283 \$
01020	ATQASUK	225 \$	17,299 \$	43,415 \$	56,373 \$	4,341 \$	60,714 \$
01030	BARROW	3,052 \$	24,039 \$	588,906 \$	554,056 \$	58,891 \$	612,947 \$
12100	BETHEL	4,462 \$	66,012 \$	860,979 \$	840,893 \$	86,098 \$	926,991 \$
05060	BETTLES	55 \$	516 \$	10,612 \$	10,067 \$	1,061 \$	11,128 \$
03060	BREVIK MISSION	172 \$	174 \$	33,188 \$	30,043 \$	3,319 \$	33,362 \$
02030	BUCKLAND	312 \$	404 \$	60,202 \$	54,586 \$	6,020 \$	60,606 \$
12170	CHEFORNAK	299 \$	557 \$	57,694 \$	52,482 \$	5,769 \$	58,251 \$

\$30642 (7,275)

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 STATE MUNICIPAL ASSISTANCE PROGRAM
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SID CODE	PLACE NAME	CERT PCP	BASE AMOUNT	100% EXCESS	FEB PREPAY	JUNE PAYMENT	FINAL AMOUNT
11090	CHEVAK	532	\$ 242	\$ 112,301	\$ 101,313	\$ 11,230	\$ 112,543
15012	CHIGNIK	120	\$ 329	\$ 23,154	\$ 21,168	\$ 2,315	\$ 23,483
13020	CHUATHBALUK	131	\$ 329	\$ 25,277	\$ 23,078	\$ 2,528	\$ 25,606
14070	CLARKS POINT	83	\$ 30	\$ 16,015	\$ 14,443	\$ 1,602	\$ 16,045
17150	COLD BAY	250	\$ 4,107	\$ 48,239	\$ 47,522	\$ 4,824	\$ 52,346
24080	CORDOVA	2,525	\$ 45,256	\$ 498,797	\$ 494,173	\$ 49,880	\$ 544,053
32150	CRAIG	1,231	\$ 5,005	\$ 237,531	\$ 218,783	\$ 23,753	\$ 242,536
02070	DEERING	165	\$ 467	\$ 31,838	\$ 29,121	\$ 3,184	\$ 32,305
08030	DELTA JUNCTION	1,114	\$ 29,287	\$ 214,955	\$ 222,746	\$ 21,496	\$ 244,242
14080	DILLINGHAM	2,153	\$ 27,183	\$ 415,439	\$ 401,078	\$ 41,544	\$ 442,622
03150	DIOMEDE	134	\$ 90	\$ 35,504	\$ 32,043	\$ 3,551	\$ 35,594
09060	EAGLE	174	\$ 834	\$ 33,574	\$ 31,051	\$ 3,357	\$ 34,408
12210	EEK	273	\$ 284	\$ 52,677	\$ 47,693	\$ 5,268	\$ 52,961
14110	EKWOK	110	\$ 78	\$ 21,225	\$ 19,180	\$ 2,123	\$ 21,303
03170	ELIM	294	\$ 361	\$ 56,729	\$ 51,417	\$ 5,673	\$ 57,090
11110	EMMCNAK	660	\$ 3,092	\$ 127,352	\$ 117,709	\$ 12,735	\$ 130,444
10250	FAIRBANKS	27,099	\$ 1,047,794	\$ 5,228,976	\$ 5,753,873	\$ 522,897	\$ 6,276,770
06150	FORT YUKON	708	\$ 6,714	\$ 136,614	\$ 129,667	\$ 13,661	\$ 143,328
05190	GALENA	998	\$ 6,946	\$ 192,572	\$ 180,261	\$ 19,257	\$ 199,513
03190	GAMBELL	522	\$ 1,432	\$ 100,724	\$ 92,083	\$ 10,073	\$ 102,156
03200	GOLOVIN	158	\$ 644	\$ 30,487	\$ 28,082	\$ 3,049	\$ 31,131
12220	GOODNEWS BAY	230	\$ 65	\$ 44,380	\$ 40,007	\$ 4,438	\$ 44,445
04070	GRAYLING	211	\$ 404	\$ 40,714	\$ 37,046	\$ 4,072	\$ 41,118
27040	HAINES	1,160	\$ 20,064	\$ 223,831	\$ 221,512	\$ 22,383	\$ 243,895
04090	HOLY CROSS	296	\$ 884	\$ 57,115	\$ 52,288	\$ 5,711	\$ 57,999
21220	HOMER	4,020	\$ 62,044	\$ 775,692	\$ 760,167	\$ 77,569	\$ 837,736
26180	HOCNAH	895	\$ 7,006	\$ 172,697	\$ 162,433	\$ 17,270	\$ 179,703
11150	HOOPER BAY	776	\$ 2,463	\$ 149,735	\$ 137,225	\$ 14,973	\$ 152,198
23310	HOUSTON	821	\$ 1,653	\$ 158,418	\$ 144,229	\$ 15,842	\$ 160,071
05230	HUGHES	80	\$ 81	\$ 15,436	\$ 13,973	\$ 1,544	\$ 15,517
05240	HUSLIA	258	\$ 652	\$ 49,783	\$ 45,456	\$ 4,779	\$ 50,435
32360	HYDABURG	475	\$ 1,904	\$ 91,655	\$ 84,393	\$ 9,166	\$ 93,559
21270	KACHEMAK	429	\$ 491	\$ 82,779	\$ 74,992	\$ 8,278	\$ 83,270
32390	KAKE	665	\$ 2,457	\$ 128,317	\$ 117,942	\$ 12,832	\$ 130,774
01170	KAKTOVIK	201	\$ 1,085	\$ 38,784	\$ 35,991	\$ 3,878	\$ 39,869
13090	KALSKAG (UPPER)	165	\$ 1,278	\$ 31,838	\$ 29,932	\$ 3,184	\$ 33,116
05300	KALTAG	268	\$ 0	\$ 51,712	\$ 46,541	\$ 5,171	\$ 51,712
32420	KASAAN	75	\$ 30	\$ 14,471	\$ 13,054	\$ 1,447	\$ 14,501
12240	KASIGLUK add	413	\$ 321	\$ 79,691	\$ 72,043	\$ 7,969	\$ 80,012

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SID CODE	PLACE NAME	CERT PGP	BASE AMOUNT	100% EXCESS	FEB PREPAY	JUNE PAYMENT	FINAL AMOUNT
21300	KENAI	6,546	\$ 145,965	\$ 1,263,104	\$ 1,282,759	\$ 126,310	\$ 1,409,069
30130	KETCHIKAN	7,601	\$ 203,919	\$ 1,466,675	\$ 1,528,927	\$ 146,667	\$ 1,675,594
02120	KIANA	434	\$ 1,355	\$ 83,743	\$ 76,724	\$ 8,374	\$ 85,093
17240	KING COVE	790	\$ 1,844	\$ 152,437	\$ 139,037	\$ 15,244	\$ 154,231
02130	KIVALINA	290	\$ 160	\$ 55,957	\$ 50,522	\$ 5,595	\$ 55,117
32460	KLAWOCK	760	\$ 1,540	\$ 146,648	\$ 133,523	\$ 14,665	\$ 148,198
02160	KOBUK	26	\$ 36	\$ 16,594	\$ 14,970	\$ 1,660	\$ 16,630
20220	KODIAK	6,774	\$ 162,514	\$ 1,307,099	\$ 1,338,903	\$ 130,710	\$ 1,469,613
11210	KOTLIK	446	\$ 1,096	\$ 86,059	\$ 78,549	\$ 9,606	\$ 87,155
02170	KOTZEBUE	3,705	\$ 33,945	\$ 714,910	\$ 677,364	\$ 71,491	\$ 748,855
03280	KOYUK	224	\$ 255	\$ 43,222	\$ 39,155	\$ 4,322	\$ 43,477
05330	KOYUKUK	131	\$ 445	\$ 25,277	\$ 23,194	\$ 2,528	\$ 25,722
32470	KUPREANOF	43	\$ 0	\$ 8,297	\$ 7,467	\$ 830	\$ 9,297
12320	KWETHLUK	541	\$ 1,416	\$ 104,390	\$ 95,367	\$ 10,439	\$ 105,806
20280	LARSEN BAY	169	\$ 0	\$ 32,609	\$ 29,348	\$ 3,261	\$ 32,609
13070	LOWER KALSKAG	273	\$ 208	\$ 52,677	\$ 47,617	\$ 5,268	\$ 52,885
14230	MANOKOTAK	370	\$ 319	\$ 71,394	\$ 64,574	\$ 7,139	\$ 71,713
11260	MARSHALL	270	\$ 523	\$ 52,098	\$ 47,411	\$ 5,210	\$ 52,621
04130	MCGRATH	533	\$ 3,350	\$ 102,846	\$ 95,912	\$ 10,284	\$ 106,196
12370	MEKORYUK	173	\$ 235	\$ 33,381	\$ 30,278	\$ 3,338	\$ 33,616
33030	METLAKATLA	1,544	\$ 29,287	\$ 297,927	\$ 297,421	\$ 29,793	\$ 327,214
11270	MOUNTAIN VILLAGE	665	\$ 2,313	\$ 128,317	\$ 117,798	\$ 12,832	\$ 130,630
12410	NAPAKIAK	353	\$ 1,547	\$ 68,114	\$ 62,849	\$ 6,812	\$ 69,661
12420	NAPASKIAK	311	\$ 15	\$ 60,010	\$ 54,024	\$ 6,001	\$ 60,025
05400	NENANA	552	\$ 12,535	\$ 106,512	\$ 108,396	\$ 10,651	\$ 119,047
14250	NEW STUYAHOK	320	\$ 379	\$ 73,324	\$ 66,370	\$ 7,333	\$ 73,703
15200	NEWHALEN	172	\$ 211	\$ 33,188	\$ 30,080	\$ 3,319	\$ 33,399
12470	NEWTOK	220	\$ 97	\$ 42,450	\$ 38,302	\$ 4,245	\$ 42,547
12480	NIGHTMUTE	145	\$ 20	\$ 27,978	\$ 25,201	\$ 2,797	\$ 27,998
04160	NIKOLAI	119	\$ 15	\$ 22,962	\$ 20,680	\$ 2,297	\$ 22,977
03330	NOME	4,303	\$ 53,064	\$ 830,299	\$ 800,333	\$ 83,030	\$ 883,363
15210	NONDALTON	247	\$ 427	\$ 47,660	\$ 43,321	\$ 4,766	\$ 48,087
02210	NOORVIK	560	\$ 1,404	\$ 108,056	\$ 98,654	\$ 10,806	\$ 109,460
10490	NORTH POLE	1,647	\$ 31,342	\$ 317,802	\$ 317,364	\$ 31,780	\$ 349,144
01210	NUIQSUT	324	\$ 30	\$ 62,518	\$ 56,296	\$ 6,252	\$ 62,548
05450	NULATO	378	\$ 649	\$ 72,938	\$ 66,293	\$ 7,294	\$ 73,587
12510	NUNAPITCHUK	365	\$ 313	\$ 70,429	\$ 63,699	\$ 7,043	\$ 70,742
20350	OLD HARBOR	380	\$ 353	\$ 73,324	\$ 66,344	\$ 7,333	\$ 73,677
20370	OUZINKIE	204	\$ 331	\$ 39,363	\$ 35,758	\$ 3,936	\$ 39,694

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SID CODE	PLACE NAME	CERT FCP	BASE AMOUNT	100% EXCESS	FEB PREPAY	JUNE PAYMENT	FINAL AMOUNT
23510	PALMER	3,116	\$ 54,039	\$ 601,258	\$ 595,111	\$ 60,126	\$ 655,297
26250	PELICAN	247	\$ 2,905	\$ 47,660	\$ 45,719	\$ 4,766	\$ 50,565
32550	PETERSBURG	3,282	\$ 43,649	\$ 633,289	\$ 613,609	\$ 63,329	\$ 676,938
11340	PILOT STATION	455	\$ 276	\$ 97,796	\$ 79,292	\$ 8,780	\$ 88,072
12560	PLATINUM	62	\$ 516	\$ 11,963	\$ 11,283	\$ 1,195	\$ 12,479
01240	POINT HOPE	300	\$ 3,456	\$ 115,774	\$ 107,653	\$ 11,577	\$ 119,230
29250	PORT ALEXANDER	178	\$ 293	\$ 24,698	\$ 22,521	\$ 2,470	\$ 24,991
15190	PORT HEIDEN	114	\$ 238	\$ 21,997	\$ 20,035	\$ 2,200	\$ 22,235
20410	PORT LIONS	296	\$ 333	\$ 57,115	\$ 51,737	\$ 5,711	\$ 57,448
12580	QUINHAGAK	511	\$ 693	\$ 98,601	\$ 89,434	\$ 9,860	\$ 99,294
05490	RUBY	248	\$ 767	\$ 47,853	\$ 43,835	\$ 4,785	\$ 48,620
11360	RUSSIAN MISSION	236	\$ 45	\$ 45,538	\$ 41,029	\$ 4,554	\$ 45,583
18020	SAINT GEORGE	216	\$ 137	\$ 41,678	\$ 37,648	\$ 4,167	\$ 41,815
11030	SAINT MARYS	437	\$ 617	\$ 94,322	\$ 76,507	\$ 8,432	\$ 94,939
03500	SAINT MICHAEL	305	\$ 4,107	\$ 58,852	\$ 57,074	\$ 5,885	\$ 62,959
18030	SAINT PAUL	600	\$ 504	\$ 115,774	\$ 104,701	\$ 11,577	\$ 116,278
17370	SAND POINT	993	\$ 4,445	\$ 191,607	\$ 176,891	\$ 19,161	\$ 196,052
03520	SAVOONGA	509	\$ 2,341	\$ 98,215	\$ 90,735	\$ 9,821	\$ 100,556
30700	SAXMAN	309	\$ 1,127	\$ 59,624	\$ 54,788	\$ 5,963	\$ 60,751
11370	SCAMMON BAY	326	\$ 552	\$ 62,904	\$ 57,165	\$ 6,291	\$ 63,456
02220	SELAWIK	682	\$ 1,052	\$ 131,597	\$ 119,489	\$ 13,160	\$ 132,649
21630	SELDOVIA	565	\$ 5,457	\$ 109,021	\$ 103,576	\$ 10,902	\$ 114,478
21640	SEWARD	2,400	\$ 45,634	\$ 463,099	\$ 462,423	\$ 46,310	\$ 508,733
04200	SHAGELUK	167	\$ 169	\$ 32,224	\$ 29,170	\$ 3,223	\$ 32,393
03540	SHAKTOOLIK	197	\$ 108	\$ 38,012	\$ 34,319	\$ 3,801	\$ 38,120
11380	SHELDON POINT	127	\$ 114	\$ 24,505	\$ 22,169	\$ 2,450	\$ 24,619
03560	SHISHMAREF	444	\$ 970	\$ 85,673	\$ 78,076	\$ 8,567	\$ 86,643
02240	SHUNGNAK	237	\$ 1,236	\$ 45,731	\$ 42,394	\$ 4,573	\$ 46,967
31020	SKAGWAY	712	\$ 21,580	\$ 137,386	\$ 145,227	\$ 13,739	\$ 158,966
21680	SCLDOTNA	3,668	\$ 103,024	\$ 707,771	\$ 740,017	\$ 70,778	\$ 810,795
03600	STEBBINS	334	\$ 317	\$ 74,095	\$ 67,003	\$ 7,409	\$ 74,412
05510	TANANA	414	\$ 2,249	\$ 79,884	\$ 74,145	\$ 7,988	\$ 82,133
03630	TELLER	244	\$ 172	\$ 47,081	\$ 42,545	\$ 4,708	\$ 47,253
26350	TENAKEE SPRINGS	123	\$ 1,394	\$ 23,733	\$ 22,754	\$ 2,373	\$ 25,127
32780	THORNE BAY	525	\$ 1,127	\$ 101,303	\$ 92,299	\$ 10,131	\$ 102,430
14400	TOGIAK	623	\$ 3,098	\$ 120,213	\$ 111,289	\$ 12,022	\$ 123,311
12620	TOKSOCK BAY	396	\$ 903	\$ 76,411	\$ 69,673	\$ 7,641	\$ 77,314
12630	TULUKSAK	302	\$ 150	\$ 58,273	\$ 52,596	\$ 5,827	\$ 58,423
12650	TUNUNAK	337	\$ 196	\$ 65,026	\$ 58,720	\$ 6,502	\$ 65,222

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 STATE MUNICIPAL ASSISTANCE PROGRAM
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SID CODE	PLACE NAME	CERT POP	BASE AMOUNT	100% EXCESS	FEB PREPAY	JUNE PAYMENT	FINAL AMOUNT
03650	UNALAKLEET	802 \$	4,099 \$	154,752 \$	143,376 \$	15,475 \$	158,351
17460	UNALASKA	1,908 \$	7,496 \$	368,164 \$	338,843 \$	36,817 \$	375,660
24560	VALDEZ	3,686 \$	368,217 \$	711,244 \$	1,008,336 \$	71,125 \$	1,079,461
01330	WAINWRIGHT	542 \$	397 \$	104,583 \$	94,522 \$	10,458 \$	104,980
03670	WALES	159 \$	1 \$	30,680 \$	27,613 \$	3,065 \$	30,681
23700	WASILLA	3,977 \$	54,535 \$	767,395 \$	745,190 \$	76,740 \$	821,930
03680	WHITE MOUNTAIN	189 \$	30 \$	36,469 \$	32,352 \$	3,647 \$	36,499
24570	WHITTIER	333 \$	1,534 \$	64,255 \$	59,463 \$	6,426 \$	65,889
32950	WRANGELL	3,112 \$	38,836 \$	600,486 \$	579,273 \$	60,049 \$	639,322
26410	YAKUTAT	476 \$	12,691 \$	91,848 \$	95,354 \$	9,125 \$	104,539

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SID CODE	PLACE NAME	CERT POP	BASE AMOUNT	100% EXCESS	FEB PREPAY	JUNE PAYMENT	FINAL AMOUNT
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TOTAL APPROPRIATION: \$ 118,300,000

TOTAL APPROPRIATION USED: \$ 118,299,918

TOTAL BASE AMOUNT: \$ 10,625,027

TOTAL EXCESS AMOUNT: \$ 107,674,891

TOTAL POPULATION: 558,022

POPULATION PRO FACTOR: 192.958293759

Distribution Based on \$236.6 REF Balance

Community	RS Formula	RS Vol Fire	MA Formula	SS SB 80 Community Total
Municipalities				
Akhiok	26,774		24,170	50,944
Akiachak			86,892	86,892
Akiak	33,428		47,797	81,225
Akutan	57,404		53,108	110,512
Alakanuk	125,264		115,456	240,720
Aleknagik	63,099		35,578	98,677
Aleutians East Borough	32,111		69,407	101,518
Allakaket	34,698		39,114	73,812
Ambler	72,681		52,926	125,607
Anaktuvuk Pass	34,565		49,116	83,681
Anchorage	43,691,189		52,413,485	96,104,674
Anderson	84,941	2,841	150,898	238,680
Anqoon	57,149		126,260	183,409
Aniak	200,084		103,199	303,283
Anvik	34,737		17,663	52,400
Atka		1,022	16,119	17,141
Atkasuk	34,565		49,283	83,848
Barrow	239,646		612,947	852,593
Bethel	1,375,576		926,991	2,302,567
Betties	64,103	418	11,128	75,649
Brevig Mission	34,647		33,362	68,009
Bristol Bay Borough	200,158		264,252	464,410
Buckland	121,124		60,606	181,730
Chefornak	51,265		58,251	109,516
Chevak	37,755		112,543	150,298
Chignik	32,221		23,483	55,704
Chuathbaluk	44,060		25,606	69,666
Clark's Point	32,228		16,045	48,273
Cold Bay	32,225		52,346	84,571
Cordova	1,218,964	5,110	544,053	1,768,127
Craig	298,773		242,536	541,309
Deering	160,008		32,305	192,313
Delta Junction	91,840		244,242	336,082
Dillingham	403,082		442,622	845,704
Diomedes	34,565		35,594	70,159
Eagle	28,926		34,408	63,334
Eek	33,424		52,961	86,385
Ekwok	32,293		21,303	53,596
Elim	70,484		57,090	127,574
Emmonak	212,396		130,444	342,840
Fairbanks	2,580,776		6,276,770	8,857,546
Fairbanks N. Star Borough	7,500,682		9,210,100	16,710,782
Fort Yukon	102,213		143,328	245,541
Galena	260,041		199,518	459,559

Distribution Based on \$236.6 REF Balance

Community	RS Formula	RS Vol Fire	MA Formula	SS SB 80 Community
				Total
Gambell	65,408		102,156	167,564
Golovin	78,807		31,131	109,938
Goodnews Bay	33,466		44,445	77,911
Grayling	60,814		41,118	101,932
Haines	283,330		243,895	527,225
Haines Borough	116,124		332,409	448,533
Holy Cross	69,894		57,999	127,093
Homer	885,096		837,736	1,722,832
Hoonah	258,844		179,703	438,547
Hooper Bay	126,703		152,198	278,901
Houston	100,336		160,071	260,407
Hughes	37,637		15,517	53,154
Huslia	89,809		50,435	140,244
Hydaburg	24,875		93,559	118,434
Juneau	10,832,167		6,150,686	16,982,853
Kachemak	26,713		83,270	109,983
Kake	79,882		130,774	210,656
Kaktovik	34,565		39,869	74,434
Kalskaq Upper	53,036		33,116	86,152
Kallag	52,116		51,712	103,828
Kasaan	24,929		14,501	39,430
Kasigluk			80,012	80,012
Kenai	1,030,456		1,409,069	2,439,525
Kenai-Peninsula Borough	8,025,484		5,361,039	13,386,523
Ketchikan	2,222,452		1,675,594	3,898,046
Kelchikan Gateway Borough	1,162,138		1,011,294	2,173,432
Kiana	81,608		85,098	166,706
King Cove	201,419		154,281	355,700
Kivalina	40,814		56,117	96,931
Klawock	167,178		148,188	315,366
Kobuk	58,006		16,630	74,636
Kodiak	1,747,538		1,469,613	3,217,151
Kodiak Island Borough	2,727,036		1,492,893	4,219,929
Kotlik	33,396		87,155	120,551
Kotzebue	581,374		748,855	1,330,229
Koyuk	49,721		43,477	93,198
Koyukuk	34,736		25,722	60,458
Kupreanof	25,748		8,297	34,045
Kwethluk	33,420		105,806	139,226
Larsen Bay	26,743		32,609	59,352
Lower Kalskaq	109,386		52,885	162,271
Manokotak	32,197		71,713	103,910
Marshall	66,374		52,621	118,995
Mat-Su Borough	5,626,482		7,107,939	12,734,421
McGrath	111,157		106,196	217,353
Metlakatla			327,214	327,214

Distribution Based on \$236.6 REF Balance

Community	RS Formula	RS Vol Fire	MA Formula	SS SB 80 Community Total
Mekoryuk	33,477		33,616	67,093
Mountain Viillage	152,502		130,630	283,132
Napakiak	82,389		69,661	152,050
Napaskiak	33,396		60,025	93,421
Nenana	234,368		119,047	353,415
New Stuyahok	32,246		73,703	105,949
Newhalen	32,223		33,399	65,622
Newtok	33,396		42,547	75,943
Nightmute	33,396		27,998	61,394
Nikolai	34,665		22,977	57,642
Nome	1,303,304		883,363	2,186,667
Nondalton	45,731		48,087	93,818
Noorvik	156,961		109,460	266,421
North Pole	148,078		349,144	497,222
North Slope Borough	1,660,890		1,665,756	3,326,646
Northwest Arctic Borough	1,026,933		7,275	1,034,208
Nuiqsut	34,565		62,548	97,113
Nulato	77,159		73,587	150,746
Nunapitchuk	158,384		70,742	229,126
Old Harbor	26,812		73,677	100,489
Ouzinkie	26,774		39,694	66,468
Palmer	888,382		655,297	1,543,679
Pelican	65,052		50,565	115,617
Petersburg	1,263,713		676,938	1,940,651
Pilot Station	35,783		88,072	123,855
Platinum	34,579		12,479	47,058
Point Hope	34,565		119,230	153,795
Port Alexander	25,748		24,991	50,739
Port Heiden	99,056		22,235	121,291
Port Lions	26,798		57,448	84,246
Quinhagak	69,410		99,294	168,704
Ruby	34,565		48,620	83,185
Russian Mission	33,436		45,583	79,019
Saint George	114,812		41,815	156,627
Saint Mary's	297,792		84,939	382,731
Saint Michael	34,744		62,959	97,703
Saint Paul	228,620		116,278	344,898
Sand Point	189,332		196,052	385,384
Savoonga	34,721		100,556	135,277
Saxman	106,622		60,751	167,373
Scammon Bay	48,056		63,456	111,512
Selawik	175,000		132,649	307,649
Sekdovia	86,068		114,478	200,546
Seward	1,036,175		508,733	1,544,908
Shageluk	34,816		32,393	67,209
Shaktolik	34,736		38,120	72,856

Distribution Based on \$236.6 REF Balance

Community	RS Formula	RS Vol Fire	MA Formula	SS SB 80 Community Total
Sheldon Point	33,396		24,619	58,015
Shishmaref	40,058		86,643	126,701
Shungnak	51,341		46,967	98,308
Sitka, City and Borough	2,447,121		1,694,988	4,142,109
Skagway	182,915		158,966	341,881
Soldotna	890,978		810,795	1,701,773
Stebbins	72,985		74,412	147,397
Tanana	123,287		82,133	205,420
Teller	49,621		47,253	96,874
Tenakee Springs	25,748		25,127	50,875
Thorne Bay	88,111		102,430	190,541
Togiak	52,906		123,311	176,217
Toksook Bay	42,732		77,314	120,046
Tuluskuk	142,943		58,423	201,366
Tununak	64,922		65,222	130,144
Unalakleet	135,731		158,851	294,582
Unalaska	686,415		375,660	1,062,075
Valdez	994,673		1,079,461	2,074,134
Wainwright	34,565		104,980	139,545
Wales	150,541		30,681	181,222
Wasilla	210,062		821,930	1,031,992
White Mountain	34,717		36,499	71,216
Whittier	218,169		65,889	284,058
Wrangell	1,588,724		639,322	2,228,046
Yakutat	181,820	1,959	104,539	288,318
Unincorporated Communities				
Akiachak	25,000			25,000
Arctic Village Trad Council	25,000			25,000
Association of Tazlina	25,000			25,000
Aika IRA Council	25,000	1,022		26,022
Beaver Tribal Village Cncl	25,000			25,000
Birch Creek Council	25,000			25,000
Cantwell Community	25,000	3,357		28,357
Chalkyitsik Village Cncl	25,000			25,000
Chenega Bay	25,000			25,000
Chignik Lagoon Village	25,000			25,000
Chignik Lake Traditional	25,000			25,000
Chilkat Indian Village Council	25,000			25,000
Christochina Village Council	25,000			25,000
Chitina Village Council	25,000	904		25,904
Circle Civic Comm Assoc	25,000			25,000
Coffman Cove Civic Club	25,000	2,050		27,050
Copper Center	25,000	5,469		30,469

Distribution Based on \$236.6 REF Balance

Community	RS Formula	RS Vol Fire	MA Formula	SS SB 80 Community Total
Copper Valley Comm Lib	25,000			25,000
Council	25,000			25,000
Crooked Creek Trad Council	25,000	1,644		26,644
Deltana Comm Corp	25,000			25,000
Dot Lake Village Council	25,000			25,000
Dot Lake Services Corp	25,000			25,000
Eagle Tribal Village Council	25,000			25,000
Edna Bay Comm Assoc	25,000			25,000
Egegik Improvement Corp	25,000	1,242		26,242
Elfin Cove Comm Council	25,000			25,000
Evansville Village Council	25,000			25,000
Glennallen		10,011		10,011
Gulkana Village Council	25,000			25,000
Gustavus Comm Council	25,000			25,000
Healy Lake Traditional Village	25,000			25,000
Hollis Comm Council	25,000			25,000
Hyder Comm Assoc	25,000			25,000
Igiugig Village Council	25,000			25,000
Iliamna Village Council	25,000	1,773		26,773
Ivanoff Bay Village Council	25,000			25,000
Kenny Lake Community	25,000	6,489		31,489
Kipnuk	25,000	7,115		32,115
Klukwan		2,067		2,067
Kokhanok Bay	25,000			25,000
Koliganek		2,368		2,368
Kwigillingok IRA	25,000			25,000
Kongiganak		3,625		3,625
Levelock Village Council	25,000	1,708		26,708
Manley Hot Springs Comm	25,000			25,000
McKinley Park Comm Club	25,000	2,493		27,493
Mentasta Lake Village Council	25,000	1,000		26,000
Metlakatla IRA Council	25,000	15,440		40,440
Meyers Chuck		350		350
Minto IRA Council	25,000	3,218		28,218
Nelchina/Mendeltna Corp	25,000			25,000
Nikolski IRA Council	25,000			25,000
Northway Village Council	25,000			25,000
Panquinque Creek H.A.	25,000			25,000
Paxson Comm Affairs	25,000			25,000
Pedro Bay Village Council	25,000			25,000
Perryville IRA Council	25,000			25,000
Pilot Point Village Council	25,000	932		25,932
Pitka's Point	25,000	1,235		26,235
Point Baker Community	25,000			25,000
Port Alexander		630		630
Port Protection Community	25,000			25,000

Distribution Based on \$236.6 REF Balance

Community	RS Formula	RS Vol Fire	MA Formula	SS SB 80 Community Total
Rampart Village Council	25,000			25,000
Rural Deltana		31,004		31,004
Stevens Village IRA Council	25,000	1,532		26,532
Stony River Tribal Village	25,000			25,000
Takotna Comm Assoc	25,000	1,059		26,059
Tanacross Village Council	25,000	1,630		26,630
Tatitlek IRA Council	25,000			25,000
Telida Village Council	25,000	320		25,320
Tetlin IRA Council	25,000			25,000
Tok Community Umbrella	25,000	16,450		41,450
Tolsona Comm Corp	25,000			25,000
Tri-Valley Comm Library	25,000	10,543		35,543
Tuntutuliak Village Council	25,000			25,000
Twin Hills Village Council	25,000			25,000
Venetie Village Council	25,000			25,000
Whale Pass Homeowners	25,000	650		25,650
	118,150,289	150,680	118,239,204	236,540,173

S B

87

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER FINANCE

**FISCAL NOTE(S) MUST BE ATTACHED
IN ACCORDANCE WITH AS 24.08.035

DATE TURNED INTO OFFICE _____

1/9/89

Mr. President:

C&RA Committee considered SB 87

use of the housing assistance loan fund; authorizing the Department of Community and Regional Affairs to modify the terms of its mortgage loans; and providing for an effective date.

and recommended:

replace with CS SB 87 (C&RA) same title
 attached amendment(s) and new title

_____ letter of intent adopted

do pass

do not pass

no recommendation

individual recommendations

further referral to _____

FISCAL NOTE(S) attached zero
 appropriation no FN attached

fiscal impact
 Gov. FN introduced w/ bill

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Al Adams - Do Pass
Chairman signature and recommendation

Committee backup attached

A M E N D M E N T

OFFERED IN THE SENATE

BY FRANK

TO: SB 87

Page 3, following line 27:

Insert a new subsection to read:

"(g) The legislative audit division shall annually conduct a performance post-audit of the loans modified by the department under this section during the preceding fiscal year, and shall report its conclusions and recommendations to the Legislative Budget and Audit Committee."

**COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
JANUARY 24, 1989**

**SB 87: AN ACT RELATING TO USE OF THE HOUSING ASSISTANCE LOAN
FUND; AUTHORIZING THE DEPARTMENT OF COMMUNITY AND REGIONAL
AFFAIRS TO MODIFY THE TERMS OF ITS MORTGAGE LOANS AND
PROVIDING FOR AN EFFECTIVE DATE.**

SPONSOR: RULES/GOV

FISCAL: NONE

**THE NEXT BILL WE WILL HEAR IS SENATE BILL 87, AN ACT
RELATING TO USE OF THE HOUSING ASSISTANCE LOAN FUND;
AUTHORIZING THE DEPARTMENT OF COMMUNITY AND REGIONAL
AFFAIRS TO MODIFY THE TERMS OF ITS MORTGAGE LOANS AND
PROVIDING FOR AN EFFECTIVE DATE.**

**THIS BILL ALLOWS THE DEPARTMENT TO MAKE LOANS FOR THE
DEVELOPMENT OR PURCHASE OF NONCONFORMING AND RURAL
HOUSING THAT COMBINES OWNER-OCCUPIED AND LIMITED
COMMERCIAL USE. SECTION TWO OF THE BILL ALLOWS THE
DEPARTMENT TO MAKE CERTAIN LOAN MODIFICATIONS. THE
BILL WOULD BECOME EFFECTIVE JULY 1, 1989.**

**THERE IS A ZERO FISCAL NOTE IN YOUR PACKET FROM THE
DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS.**

JIM PLASMAN IS HERE TO SPEAK FURTHER.

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: An Act Relating to the Housing Assistance Loan Fund
 Sponsor: Senate Rules
 Requestor: Governor

Agency Affected: Div. of Legislative Audit
 BRU: Legislative Budget and Audit Committee
 Components: Legislative Audit

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

The requirements of the proposed legislation could be accomplished within the Division's existing budget.

Prepared by: Randy S. Welker
 Division: Division of Legislative Audit

Phone: 465-3830
 Date: 2/8/89

Approved by Commissioner: *Randy S. Welker*
 Agency: Division of Legislative Audit

Date: 2/8/89

Distribution (by preparer):

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



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 9, 1989

The Honorable Tim Kelly
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Kelly:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the authority of the Department of Community and Regional Affairs (DCRA) to modify the terms of its mortgage loans. This bill also authorizes DCRA to make housing loans that allow for a combination of residential use and limited commercial use of homes.

Section 1 of the bill adds a new paragraph to AS 44.47.380, housing assistance loan fund, which allows DCRA to make loans for the purchase or development of nonconforming and rural housing that combines owner-occupied residential use and limited commercial use. The area for commercial use may not exceed 25 percent of the total gross living area of a residential unit. It is expected that this provision will encourage economic development in rural areas through the development of small business enterprises and family businesses.

Section 2 of the bill adds a new section, AS 44.47.525, to authorize DCRA to make certain loan modifications on mortgages that it has financed under AS 44.47.370 -- 44.47.-560. In making the loan modifications, the department must find that the modification(s) will be advantageous to both the borrower and the state and would be considered prudent by private lending standards. The types of loan modifications that the department may make are (1) rescheduling principal payments; or (2) reducing interest rates within specified guidelines; or (3) both. The department is required to adopt regulations prescribing the terms and conditions of, and the procedures for, the loan modifications authorized in this bill.


The provisions and guidelines specified in sec. 2 will provide DCRA with the needed flexibility to address the needs of borrowers with mortgages that exceed their present ability to make the required payments, while assuring that a loan modification is also made in the best interests of the state.

Section 3 provides a definition of "limited commercial use."

Finally, sec. 4 provides for an effective date of July 1, 1989.

I urge your support of this bill.

Sincerely,



Steve Cowper
Governor

No.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: _____

Agency Affected: Community & Regional Affairs
BRU: Housing Assistance

Sponsor: Rules Committee
Requestor: Governor

Components: Housing Loan Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
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						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
T	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

For FY 89 and FY 90 no additional operating funding is requested. However, FY 91 through FY 95 might require additional staff and loan funds due to increase in loan activity for this commercial use.

Prepared by: Hank Hodge
Division: Rural Development Division

Phone: 561-0900
Date: October 25, 1988

Approved by Commissioner: [Signature]
Agency: DCRA

Date: 10-31-88

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

Final Report of the
Subcommittee on Housing and Banking

Joint Committee
on Economic Recovery

May 5, 1988

Members

Rep. Kay Brown, Co-Chair
Rep. Steve Rieger, Co-Chair

Rep. Pat Pourchot
Rep. Steve Frank
Rep. Henry Springer
Rep. Fran Ulmer
Rep. Virginia Collins
Rep. Mike Davis
Rep. Mark Boyer
Rep. Randy Phillips
Rep. Mike Navarre
Rep. Dave Donley

Direct House Research Agency to conduct an interim survey of public housing needs and to analyze options for expanding the program.

Cost to State: \$2.35 million for pilot program.

Strategy: Increase demand for housing.

6. Support pending legislation identified by other subcommittees of the Joint Committee on Economic Recovery that will improve the economy generally and create jobs.

Strategy: Provide aid to distressed homeowners.

7. Revise law to allow restructuring of rural housing loans by the Department of Community and Regional Affairs, where appropriate.

Action needed by legislature: Pass subcommittee legislation, HB 550.

Cost to State: Theoretically, none.

8. Direct AHFC to relax current owner-occupancy ratios for condominium mortgage loans to the extent possible, and to take actions to raise owner occupancy in condominium developments.

Action needed by legislature: Pass subcommittee legislation CS HB 555(FIN).

Cost to State:

Alaska State Legislature

STEVE FRANK

DISTRICT 20A
Finance Committee

1125 Sunset Drive
Fairbanks, Alaska 99701



While in Juneau
P.O. Box V
Juneau, Alaska 99811
(907) 465-3709

House of Representatives

TO: House Community & Regional Affairs Committee

FROM: Rep. Steve Frank

RE: House Bill 550 - "An Act authorizing the Department of Community & Regional Affairs to modify the terms of its mortgage loans, and providing for an effective date."

DATE: April 8, 1988

House Bill 550 would give the Department of Community & Regional Affairs (DCRA) the authority to modify the terms on troubled mortgage loans. Unlike other state loan agencies such as AHFC and AIDA, DCRA cannot reduce interest rates on its loans.

This legislation, developed by the Housing and Banking Subcommittee, would charge DCRA to act as a "prudent" lender would in working with borrowers. The idea was to keep the bill tight while allowing the department the ability to act in its own financial best interest.

The major aspect of this bill is to allow DCRA to reschedule principal payments and/or lower interest rates on mortgages. While the reduction in interest may be forgiven, the principal rescheduling may not. In addition, the bill would give the Department the authority to renegotiate the interest rate after five years; however, the new interest rate cannot be higher than the rate charged on the original note.

DCRA supports this legislation because they see it as a way to protect the integrity of the loan fund.

Thank you for your consideration.

State of Alaska

House Majority Leader

COMMITTEES

HOUSE HEALTH, EDUCATION
AND SOCIAL SERVICES
HOUSE JUDICIARY
HOUSE RULES



Representative Max F. Gruenberg, Jr.
District 11
Spenard, Upper Midtown Anchorage

White/Smith

P.O. BOX V
TUNEAU, ALASKA 99811
(907) 465-3718
465-4968/4986

914 CLAY COURT
ANCHORAGE, ALASKA 99503
(907) 276-6844

MEMORANDUM

TO: REPRESENTATIVE ALBERT ADAMS, CHAIR
HOUSE FINANCE COMMITTEE

FROM: MAX F. GRUENBERG, JR., HOUSE CHAIR
JOINT COMMITTEE ON ECONOMIC RECOVERY

40

DATE: APRIL 19, 1988

RE: JOINT COMMITTEE LEGISLATION

I would appreciate your consideration of the attached legislation at your earliest convenience. HB 550, "An Act authorizing the Department of Community and Regional Affairs to modify the terms of its mortgage loans; and providing for an effective date" was developed and considered by the Housing and Banking subcommittee and the members of the House side of the Joint Committee on Economic Recovery and introduced at the House members' request by the House Rules Committee.

This bill has also been heard and passed by the House Community and Regional Affairs and Labor and Commerce Committees.

HB 550 would modify the terms of DC&RA mortgage loans to rural Alaskans by reducing interest rates, thus allowing more flexibility to the Department's loan program. (Representative Steve Frank)

I hope you can speedily schedule this bill before your committee to enhance its chances of passing this session.

If you have any questions please give Tom Begich of my staff a call at 465-3718 or 465-4968 or contact the designated member of the Joint Committee directly.

Thanks.

attachment

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

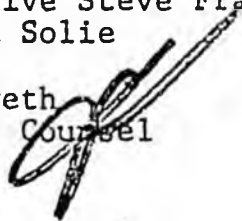
MEMORANDUM

February 29, 1988

SUBJECT: Authority to restructure mortgage loans
(Work order 5-2012)

TO: Representative Steve Frank
ATTN: Rick Solie

FROM: Jack Chenoweth
Legislative Counsel



You have asked for a review of the ability of the state agencies that manage residential mortgage lending programs to restructure those loans under current law.

The sources of the principal residential mortgage loan programs are:

-- loans made under one of the various housing assistance programs by the Alaska Housing Finance Corporation under authority of AS 18.56; 1/

--- loans made from the Housing Assistance Loan Fund and the Homeownership Assistance Funds by the Division of Housing Assistance of the Department of Community and Regional Affairs under the authority of AS 44.47.360 - 44.47.560. 2/

Though their total numbers are significantly below the numbers of loans made by each of the entities mentioned above, loans for residential purposes may also be made by

-- the Alaska Permanent Fund Corporation;

-- the commissioner of revenue, acting in the capacity of treasurer of the state's retirement systems for the pension fund surpluses of the Public Employment Retirement System and the Teachers' Retirement System.

"Restructuring of mortgage loans" is usually understood to mean at least one of the following:

-- forbearance arrangements or agreements, authorizing the borrower to reduce or suspend regular mortgage payments for a stated period; or,

- modification of the terms of a mortgage, including
 - reduction of payments of principal
 - without affecting the total debt obligation of the mortgagor on the mortgage loan; or
 - accompanied by a concomitant reduction in the total debt obligation of the mortgagor on the mortgage loan;
 - reduction of the interest payment payable on the loan; or
 - delay or postponement of the due date of the mortgage obligation.

Alaska Housing Finance Corporation mortgage loans:

The Alaska Housing Finance Corporation enjoys wide latitude as to how it may address delinquent loans and those that may become delinquent. In the enumeration of the general powers of the corporation, AS 18.56.090(11) provides that the corporation may, "for its . . . corporate purposes":

consent to the modification of the rate of interest, time of payment of any installment of principal or interest, or any other terms, of the mortgage loan, mortgage loan commitment, construction loan, temporary loan, contract or agreement of any kind to which the corporation is a party;

While this statutory language sets no limits, there are some practical constraints.

AHFC principally finances its programs through the use of bond proceeds. AS 18.56.110 generally prescribes limitations applicable to the bonds and notes of the corporation. AS 18.56.110(f)(3) authorizes the corporation to "covenant as to the use and disposition of any and all payments of principal and interest received by the corporation on mortgage loans . . . or other investments held by the corporation." Under AS 18.56.120,

The pledge of assets or revenue of the corporation to the payment of the principal or interest on any obligations of the agency is valid and binding from the time the pledge is made and the assets or revenue are

immediately subject to the lien of the pledge without physical delivery or further act. . . .

So it is to the covenants that support the underlying bond issues rather than to provisions of state law that one must look to determine whether AHFC's various mortgage loan programs permit restructuring of outstanding loans. One must also consider the agreements between AHFC and, on the one hand, agreements entered into with the Federal National Mortgage Association (and similar entities) covering sales of mortgages and loans and, on the other hand, agreements with the corporation's own mortgage seller/servicers. Each of these groups of agreements may include provisions limiting the corporation's flexibility in responding to defaults and potential defaults by the borrowers.

These agreements notwithstanding, AHFC does authorize loan modifications under certain circumstances. The corporation's seller/servicer manual identifies those as limited to instances in which the mortgagor's income has been permanently affected by accident or illness, or in which the mortgagor's income has been reduced or eliminated altogether for a temporary period and which has not recovered sufficiently to maintain the current mortgage. The corporation will also consider a modification "if the servicer [of the mortgage] feels that changing the terms of the mortgage would not only cure [a] present delinquency but also prevent future delinquencies." AHFC must give prior approval and "will consider . . . reamortizing the debt to include the delinquent payments or extending the term of the loan by the number of past due installments." AHFC Seller/Servicer Manual sec. 9002.06.

In summary, current state law generally appears to provide sufficient latitude for the Alaska Housing Finance Corporation to modify loans and loan provisions for loans that are delinquent or may become delinquent. Legislative initiatives to amend the law to redefine or extend AHFC's authority need to be concerned with possible claims against impairment of contracts entered into by the corporation, particularly with bond underwriters, federal government agencies that purchase the mortgages, and the corporation's seller/servicers.

Department of Community and Regional Affairs mortgage loans:

State law applicable to management of the department's mortgage loan programs does not specifically provide the department latitude to restructure repayment of principal and interest on its loans. The department's own regulations are also silent on the point.

The department has asserted to you that it may not reduce interest payable. Its assertion seems to be borne out by the following:

-- the interest rate payable by a borrower under the rural owner-occupied housing program is, by statute (AS 44.47.410(b)), tied to the rate based on the most recent AHFC bond sale;

-- the interest rate payable by a borrower under the rural non-owner-occupied housing program is set by statute (AS 44.47.520(b)) as an amount not to exceed $10\frac{1}{2}$ percent; the department advertises that the rate is $10\frac{1}{2}$ percent;

-- the interest rate payable by a borrower under the homeownership assistance housing program, the interest-subsidy assistance program, directs by statute (AS 44.47.382(b)) that, for qualifying borrowers, the subsidy allowable shall be sufficient to reduce the actual interest rate paid on the mortgage to six percent.

The net effect of the three statutes cited suggests that the department is without discretion to adjust or reduce interest payable by a borrower under any of the three programs.

The department has also represented to you that, while it may adjust payments of principal on outstanding housing program loans, its authority to adjust the payments is limited to modifying current principal payments without reducing the mortgagor's total debt obligation under the mortgage loan. In other words, the department believes that it may reduce monthly payments, but the reductions correspondingly serve to extend the repayment obligation to an additional period; the department may not cancel or forgive a portion of the borrower's indebtedness.

The source of the department's mortgage lending activity is the housing assistance loan fund. That fund is established by statute (AS 44.47.380) and was, by a 1983 amendment, made

a revolving loan fund. 3/ A revolving loan fund is commonly thought of, and in Alaska legislation has been nearly universally treated, as a fund that is continually expended and replenished, from which withdrawals are made as loans but with a corresponding obligation to repay the fund in order to keep it intact. 4/ Legislative appropriations for state revolving loan funds are typically treated as non-lapsing appropriations, and any repayments of principal on loans purchased or originated with these appropriations should be deposited into the fund and made available from the fund for subsequent expenditure.

In my judgment, the department's representation to you seems to be fully consistent with its duty to maintain the integrity of the housing assistance loan fund as a revolving fund. A reduction in principal payments accompanied by a cancellation of a portion of a borrower's indebtedness would compromise the fund balance and the ability of the agency to use the fund balance as a source of loans in subsequent years.

Investments of the Alaska Permanent Fund Corporation:

Under authority granted in AS 37.13.120(g)(16), the corporation may invest in

notes secured by mortgages granting a first lien on commercial or residential real estate improved by completed buildings [subject to specific mortgage insurance requirements];

Like the Alaska Housing Finance Corporation, the Alaska Permanent Fund Corporation enjoys broad authority to manage investments. The corporation is authorized to "enter into and enforce all contracts necessary, convenient, or desirable for purposes of the corporation." (AS 37.13.120(f)). The residential mortgages purchased by the corporation as investments become assets of the corporation subject to the corporation's general asset management policies.

Since the Permanent Fund Corporation regularly receives income from sources other than those that support the mortgage lending activities of AHFC or the Housing Assistance Division, it is not constrained by the same considerations that circumscribe loan management practices of those two entities. Within the broad authority of the statutes directing its activities, the Permanent Fund

Representative Steve Frank
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Corporation appears to have ample legal authority to structure or restructure loans that are potentially or actually delinquent.

Retirement Funds investments:

The commissioner of revenue may invest the surpluses of the Public Employees' Retirement System and the Teachers' Retirement System in, among other permissible investments specified by law, residential mortgages. AS 39.35.-110(a)(10) (for the Public Employees' Retirement System) and AS 14.35.180(b)(10) (for the Teachers' Retirement System) authorize the commissioner to invest in "first lien real estate mortgages guaranteed by the federal Veterans Administration." AS 39.35.110(a)(11) and (12) and AS 14.35.-180(b)(11) and (12) authorize investments involving other kinds of residential mortgages, subject to specific limitations set out in those paragraphs and in AS 39.-35.110(e) and AS 14.25.180(e), respectively.

As to each of the two retirement programs, the commissioner is authorized by law to "do all acts whether or not expressly authorized which are considered necessary or proper for the protection of the investments held in the pension fund." AS 39.35.110(d); AS 14.25.180(d).

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FOOTNOTES

1/ The loans of the Alaska Housing Finance Corporation may be classified among the following specific loan programs:

- home ownership assistance program (a program to provide mortgage subsidies to persons of low and moderate income);
- mobile home loan purchase program (a program to provide low-cost financing for mobile homes);
- pledged account mortgage program (a program to assist persons with sufficient assets but whose income does not meet the minimum monthly income requirements generally applicable to the corporation's loan programs);
- second mortgage loan program (a program to provide low-interest loans for home improvements or rehabilitation in order to make the units more habitable, and to finance second mortgages in order to allow home purchases);
- taxable mortgage program conventional loan (the principal AHFC homeowner assistance program, applicable to owner-occupied units);
- tri-plex and four-plex mortgage loan program (a program to allow the purchase of owner-occupied tri- and four-plex units);
- veterans' mortgage program (a program to provide additional assistance to qualifying veterans through a reduced interest rate);

2/ The Department of Community and Regional Affairs' loans involve the following specific programs:

- rural owner-occupied housing (a program to provide financing to qualified borrowers for the construction, purchase, or rehabilitation of a housing unit, limited to single family units and duplexes, for use as the borrower's principal residence);
- rural non-owner-occupied housing (a program to provide financing to qualified borrowers for the construction, purchase, or rehabilitation of a multiple unit housing project, generally two to eight units, though larger under extraordinary circumstances);

-- home ownership assistance housing (a program to provide assistance to persons of lower and moderate income to purchase or construct single-family, owner-occupied dwellings, through the use of subsidized interest payment support).

3/ A January 23, 1984, Opinion of the Attorney General provides guidance to the Department of Community and Regional Affairs as to the proper handling of the repayments of principal and interest earnings on loans made from the loan fund before and after the 1983 amendment establishing it as a revolving fund.

4/ "Revolving loan funds provide for the return to the fund of repayments by borrowers of the principal (and frequently the interest on that principal) which was loaned to them from the fund so that new loans can be made on a continuing basis." 1982 Opinions of the Attorney General #13, November 30, 1982, at page 12.

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Original sponsor: Rules/Governor

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 87 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to use of the housing assistance
7 loan fund; authorizing the Department of Community
8 and Regional Affairs to modify the terms of its
9 mortgage loans; and providing for an effective date."

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

11 * Section 1. AS 44.47.380 is amended to read:

12 Sec. 44.47.380. HOUSING ASSISTANCE LOAN FUND. There is created
13 in the department, as a revolving loan fund, the housing assistance
14 loan fund consisting of money appropriated to it by the legislature
15 and repayments of principal and interest on loans made or purchased
16 from the assets of the fund. The commissioner shall administer the
17 housing assistance loan fund in accordance with AS 44.47.370 - 44.-
18 47.560 and shall use the money in the housing assistance loan fund to
19 originate, purchase, or participate in the purchase of [, OR]

20 (1) nonconforming and rural housing mortgage loans;

21 (2) loans made for building materials for nonconforming and
22 rural housing;

23 (3) loans made for renovations or improvements to noncon-
24 forming and rural housing;

25 (4) loans made for the construction of owner-occupied non-
26 conforming and rural housing other than loans to builders or contrac-
27 tors or loans that compensate an owner for the owner's labor or ser-
28 vices in constructing the owner's own housing;

29 (5) loans made for the purchase or construction of

nonconforming and rural housing that combines predominately owner-occupied residential use and limited commercial use.

* Sec. 2. AS 44.47 is amended by adding a section to read:

Sec. 44.47.525. MODIFICATION OF LOANS. (a) Notwithstanding AS 44.47.410(a) and (b) and 44.47.520(b), on mortgages that it has financed under AS 44.47.370 - 44.47.560 the department may, by loan modification, reschedule principal payments or reduce interest rates, or both, if the department finds that

(1) a loan modification would

(A) result in the likelihood that the loan would pay to maturity; and

(B) induce the borrower to remain in active management and ownership of the property; and

(2) the loan modification would be

(A) in the best financial interest of the department and the state; and

(B) considered prudent by private lending standards taking into account the financial circumstances of the borrower and other costly alternatives such as foreclosure.

(b) Rescheduling of the borrower's repayment of principal under (a) of this section provides an interim payment adjustment and is not intended to affect the obligation of the borrower to repay the principal amount on the mortgage loan.

(c) The department

(1) may reduce the interest rate payable on a mortgage under (a) of this section only if the modification contains an interest rate reopener clause; the interest rate reopener clause must

(A) require that, if the interest rate is reduced, the borrower and the department shall renegotiate the rate of

1 interest on the mortgage within five years after the date of an
2 interest rate reduction approved by the department under this
3 section;

4 (B) specify the date by which the borrower and the
5 department are to renegotiate the rate of interest under (A) of
6 this paragraph;

7 (C) incorporate a call feature, reserving to the de-
8 partment the right to demand repayment of the entire principal
9 amount due if the borrower and the department are unable to con-
0 clude renegotiation of the rate of interest under (A) of this
1 paragraph; the department may not use the call feature incorpo-
2 rated under this subparagraph to demand repayment of the entire
3 principal amount due before the date determined under (B) of this
4 paragraph;

5 (2) may not approve a rate of interest under this section
6 that is less than six percent.

7 (d) An interest rate reduction approved by the department under
8 this section cancels the borrower's obligation to pay the amount that
9 would otherwise have been due during the period of an interest rate
0 reduction and that is attributable to the difference between the
1 original interest rate and the reduced interest rate.

2 (e) If an interest rate is renegotiated under (c) of this sec-
3 tion, the renegotiated rate may not exceed the interest rate original-
4 ly charged on the loan.

5 (f) The department shall adopt regulations prescribing the terms
6 and conditions of, and the procedures applicable to, loan modifica-
7 tions made under this section.

8 (g) The legislative audit division shall annually conduct a
9 performance post-audit of the loans modified by the department under

1 this section during the preceding fiscal year, and shall report its
2 conclusions and recommendations to the Legislative Budget and Audit
3 Committee.

4 * Sec. 3. AS 44.47.560 is amended by adding a new paragraph to read:

5 (7) "limited commercial use" means a small business, op-
6 erated out of an owner-occupied nonconforming and rural housing resi-
7 dence, that occupies an area that does not exceed 25 percent of the
8 total gross living area of a residential unit.

9 * Sec. 4. This Act takes effect July 1, 1989.
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