

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

8223 SENATE COMMUNITY & REGIONAL AFFAIRS

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1 unincorporated community that was entitled to receive state aid under AS 29.60.140
2 during the preceding fiscal year. As provided in this subsection, each fiscal year the
3 department shall allocate, to the individual grant accounts, appropriations to the fund.
4 An unincorporated community is eligible for an allocation in a fiscal year if the
5 community was eligible to receive state aid under AS 29.60.140 during the preceding
6 fiscal year. The department shall credit interest earned on money in an individual
7 grant account to that account. Except as provided in (c) of this section, the amount
8 allocated under this subsection to an individual grant account in a fiscal year is
9 determined by dividing the total amount appropriated to the fund during that fiscal year
10 by the number of unincorporated communities eligible for an allocation during that
11 fiscal year.

12 (c) A minimum of \$25,000 shall be allocated to each eligible unincorporated
13 community's grant account each fiscal year under (b) of this section. If appropriations
14 are not sufficient to fully fund the minimum amount for each eligible unincorporated
15 community, the amount appropriated shall be allocated equally among the eligible
16 unincorporated communities.

17 (d) The department shall designate, in each eligible unincorporated community,
18 an incorporated nonprofit entity or a Native village council that agrees to receive and
19 spend grant money allocated to the unincorporated community's individual grant
20 account under (b) of this section. If there is more than one qualified entity in a
21 community, the department shall designate the entity that the department finds most
22 qualified to make draws from that unincorporated community's individual grant
23 account and spend the money. If there is no qualified incorporated nonprofit entity or
24 Native village council in an unincorporated community that will agree to receive and
25 spend money allocated to the community under (b) of this section, draws may not be
26 made from the unincorporated community's individual grant account and the amount
27 allocated to the account lapses into the general fund.

28 (e) By October 1 of each fiscal year, the incorporated nonprofit entity or
29 Native village council designated by the department under (d) of this section shall
30 submit to the governor a prioritized list of capital projects and estimated costs to be
31 financed with money from the community's individual grant account established under

1 (b) of this section. The list must include the amount and source of the local share
2 required by AS 37.06.030. The governor shall include in the capital improvements
3 program presented to the legislature under AS 37.07.060 the projects submitted by
4 designated entities under this subsection that the governor recommends for funding.
5 If, in the capital improvements program, the governor includes projects in other than
6 the priority order submitted by a designated entity, the governor shall provide the
7 legislature with a written statement of the reasons for that action.

8 (f) The legislature may make appropriations, from an unincorporated
9 community's individual grant account established under (b) of this section, for the
10 unincorporated community for capital projects under this section. Subject to
11 appropriations under this subsection and to the local share requirements of
12 AS 37.06.030, an entity designated by the department under (d) of this section may
13 draw, on behalf of the unincorporated community, amounts from that community's
14 individual grant account for planning, design, and construction of a capital project, in
15 accordance with an appropriation for that project. In accepting a draw, an entity
16 designated by the department under (d) of this section acknowledges that the state is
17 not responsible for operating or maintaining a capital project for which the draw is
18 used, or for paying for its operation or maintenance. The acknowledgment does not
19 apply to use of money from a draw for repair or improvement of an existing facility
20 that is operated or maintained by the state at the time that the draw is made if the
21 repair or improvement for which the draw is used will not substantially increase the
22 operating or maintenance costs to the state. The designated entity, and its agents,
23 contractors, and subcontractors shall comply with the hiring preferences under
24 AS 36.10 in hiring employees to be paid wholly or in part with money from a draw.

25 (g) An entity designated by the department under (d) of this section that is a
26 Native village council may not draw money from an unincorporated community's
27 individual grant account unless the council waives immunity from suit for claims
28 arising out of activities of the council related to the draw. A waiver of immunity from
29 suit under this subsection must be on a form provided by the Department of Law.
30 Neither this subsection nor any action taken under it enlarges or diminishes the
31 governmental authority or jurisdiction of a Native village council.

1 (h) An entity designated by the department under (d) of this section shall repay
2 to the department money it has drawn from an unincorporated community's individual
3 grant account if substantial, ongoing work on the project is not started within five
4 years after the effective date of the appropriation from which the draw is funded.
5 Money repaid shall be deposited into the general fund. Money from an allocation to
6 an unincorporated community's individual grant account that has not been drawn out
7 by a designated entity within five years after the effective date of the appropriation
8 from which the allocation is funded lapses into the general fund.

9 (i) The limitations of AS 44.47.140 do not apply to a grant made under this
10 section.

11 (j) The provisions of AS 37.05.321 apply to a grant and draws made under this
12 section, and to earnings from the grant and draws.

13 (k) In this section, unless specified otherwise, "department" means the
14 Department of Community and Regional Affairs.

15 Sec. 37.06.030. LOCAL SHARE REQUIREMENTS. (a) For each capital
16 project grant for a municipality under AS 37.05.315, each draw made by a
17 municipality under AS 37.06.010, and each grant made to a named grant recipient
18 under AS 37.05.316, the municipality or named grant recipient shall contribute a local
19 share to the cost of the capital project for which the grant or draw is made. The
20 amount of the local share equals the local share percentage as calculated under ⁽¹⁾ or
21 ⁽²⁾ of this subsection, divided by the state share percentage as calculated under ⁽²⁾ of
22 this subsection, multiplied by the amount of the grant or draw. For purposes of this
23 subsection,

24 ~~§~~ (1) [if the effective date of the appropriation from which the grant or
25 draw is funded is no later than July 1, 1994,] the local share percentage is

26 (A) [30] ²⁵ percent for a municipality with, or a named grant
27 recipient located in a municipality with, a population of 5,000 or more;

28 (B) 15 percent for a municipality with, or a named grant
29 recipient located in a municipality with, a population of 1,000 - 4,999;

30 (C) five percent for a municipality with, or a named grant
31 recipient located in a municipality with, a population of under 1,000;

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(D) five percent for a named grant recipient located in an unincorporated community;

(2) if the effective date of the appropriation from which the grant or draw is funded is after July 1, 1994, the local share percentage is

2090

(A) 50 percent for a municipality with, or a named grant recipient located in a municipality with, a population of 5,000 or more;

(B) 25 percent for a municipality with, or a named grant recipient located in a municipality with, a population of 1,000 - 4,999;

(C) eight percent for a municipality with, or a named grant recipient located in a municipality with, a population of under 1,000;

(D) eight percent for a named grant recipient located in an unincorporated community;

(3)² the state share percentage equals one minus the local share percentage;

(4)³ the local share to be contributed by a municipality may be satisfied with (A) federal, municipal, or local money; (B) labor used directly in the construction of the project, land, materials, or equipment; the department shall determine the value of a contribution under this subparagraph; (C) money from another nonstate source; (D) money received by the municipality under AS 29.60.010 - 29.60.375; (E) state taxes refunded or reimbursed to the municipality whose use for the purposes of this subsection is not prohibited; and (F) allocations of state aid for the costs of school construction debt under AS 14.11.100; except as provided in this paragraph, the local share may not be satisfied with money from, or with the portion of an asset that was obtained with money from, an appropriation, allocation, entitlement, grant, or other payment from the state;

(5)⁴ the local share to be contributed by a named grant recipient may be satisfied from (A) federal, municipal, or local money; (B) labor used directly in the construction of the project, land, materials, or equipment; the department shall determine the value of a contribution under this subparagraph; or (C) money from another nonstate source; the local share may not be satisfied with money from, or with the portion of an asset that was obtained with money from, an appropriation,

1 allocation, entitlement, grant, or other payment from the state;

2 (b) For each grant to an unincorporated community under AS 37.05.317 and
3 each draw made under AS 37.06.020, the incorporated entity or Native village council
4 that receives the grant or makes the draw shall contribute a local share of the cost of
5 the capital project for which the grant or draw is made. The amount of the local share
6 equals the local share percentage as calculated under (1) of this subsection, divided by
7 the state share percentage as calculated under (2) of this subsection, multiplied by the
8 amount of the grant or draw. For purposes of this subsection,

9 (1) the local share percentage is 5 percent if the effective date of the
10 appropriation from which the grant or draw is funded is no later than July 1, 1994, and
11 8 percent if the effective date is after July 1, 1994;

12 (2) the state share percentage equals one minus the local share
13 percentage;

14 (3) the local share may be satisfied from (A) federal or local money;
15 (B) locally funded or contributed labor used directly in the construction of the project,
16 land, materials, or equipment; the department shall determine the value of a
17 contribution under this subparagraph; (C) money from another nonstate source; or (D)
18 money received by the unincorporated community under AS 29.60.010 - 29.60.375;
19 except for money received under AS 29.60.010 - 29.60.375, the local share may not
20 be satisfied with money from, or with the portion of an asset that was obtained with
21 money from, an appropriation, allocation, entitlement, grant, or other payment from the
22 state.

23 (c) For purposes of (a) of this section, in calculating the population of a
24 borough the population of each city in the borough is excluded. The determination of
25 population shall be based upon data used by the Department of Community and
26 Regional Affairs under AS 14.17.140, AS 29.45.110, and AS 29.60.140 - 29.60.150.

27 Sec. 37.06.080. ADOPTION OF REGULATIONS. (a) The Department of
28 Administration for grants under AS 37.06.010 and the Department of Community and
29 Regional Affairs for grants under AS 37.06.020

30 (1) may adopt regulations that impose additional requirements or
31 procedures to implement, interpret, make specific, or otherwise carry out the applicable

1 provisions of this chapter for grants administered by the department:

2 (2) shall adopt regulations providing for periodic audits of the use of
3 money for grants administered by the department under this chapter, including audit
4 of the department's determination of the value of, and adequacy of the verification of
5 the actual use of, locally funded or contributed labor on projects funded by a grant
6 under this chapter.

7 Sec. 37.06.090. DEFINITION. In this chapter, "capital project" means the
8 same as in AS 37.07.120.

9 * Sec. 9. TRANSITION. Notwithstanding the date set out in AS 37.06.010(d), enacted by
10 sec. 8 of this Act, for capital project grants under AS 37.06.010 for fiscal year 1994 each
11 municipality shall submit to the governor its prioritized list by March 1, 1993, or by the
12 effective date of this Act, whichever is later. Notwithstanding the date set out in
13 AS 37.06.020(e), enacted by sec. 8 of this Act, for capital project grants under AS 37.06.020
14 for fiscal year 1994 the incorporated entity or Native village council designated by the
15 Department of Community and Regional Affairs for each unincorporated community shall
16 submit to the governor its prioritized list by March 1, 1993, or by the effective date of this
17 Act, whichever is later.

18 * Sec. 10. IMPLEMENTATION; APPLICABILITY. (a) Notwithstanding sec. 11 of this
19 Act, a grant for a capital project may not be disbursed or drawn upon under AS 37.05.315 -
20 37.05.317 or AS 37.06, as amended or enacted by this Act, until after June 30, 1993.

21 (b) The changes made by this Act do not apply to a grant awarded under AS 37.05
22 before the effective date of this Act.

23 * Sec. 11. This Act takes effect immediately under AS 01.10.070(c).

DRAFT

SENATE RECORDS OFFICE
ROUTE SLIP

TO: Shirley DATE: 3-4-93
COMMITTEE: Senators C + RA

- Approved as is Approved with changes
 For your files For your information

REMARKS:

Draft of 2-23-93 mtg.

FROM: Loren PHONE: 465-2870

SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE
February 23, 1993
9:02 a.m.

DRAFT

MEMBERS PRESENT

Senator Randy Phillips, Chairman
Senator Robin Taylor, Vice Chairman
Senator Rick Halford

MEMBERS ABSENT

Senator Al Adams
Senator Fred Zharoff

COMMITTEE CALENDAR

SENATE BILL NO. 33

"An Act relating to grants for local emergency planning committees and emergency response organizations; and providing for an effective date."

SENATE BILL NO. 35

"An Act providing immunity for the Alaska State Emergency Response Commission, the local emergency planning committees, the Hazardous Substance Spill Technology Review Council, and their members for official actions; and providing for an effective date."

SENATE BILL NO. 88

"An Act relating to grants to municipalities, named recipients, and unincorporated communities; establishing capital project matching grant programs for municipalities and unincorporated communities; establishing a local share requirement for capital project grants to municipalities, named recipients, and unincorporated communities; and providing for an effective date."

SENATE BILL NO. 89

"An Act making appropriations for capital project matching grant programs; and providing for an effective date."

PREVIOUS SENATE COMMITTEE ACTION

SB 33 - No previous action to record.

SB 35 - No previous action to record.

SB 88 - See Community & Regional Affairs minutes dated 2/16/93, 2/18/93..

SB 89 - See Community & Regional Affairs minutes
dated 2/16/93, 2/18/93.

WITNESS REGISTER

Annette Kreitzer, Staff to Senator Loren Leman
State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Offered information on SB 33 &
SB 35

Michael Conway, Director
Division of Spill Prevention
Department of Environmental Conservation
410 Willoughby Ave., Suite 105
Juneau, AK 99801-17795
POSITION STATEMENT: Testified in support of SB 33

Jeff Morrison, Legislative Liaison
Administrative & Support Services Division
Department of Military & Veterans Affairs
P.O. Box 110900
Juneau, AK 99811-0900
POSITION STATEMENT: Testified in support of SB 33

Marie Sansone, Assistant Attorney General
Department of Law
P.O. Box 110300
Juneau, AK 99811-0300
POSITION STATEMENT: Present to answer questions on
SB 33 & SB 35

Jack Fargnoli, Senior Policy Analyst
Office of Management & Budget
P.O. Box 110020
Juneau, AK 99811-0020
POSITION STATEMENT: Offered information on SB 88 &
SB 89

ACTION NARRATIVE

TAPE 93-8, SIDE A

Number 001

The Senate Community & Regional Affairs Committee was called
to order by Chairman Randy Phillips at 9:02 a.m.

CHAIRMAN RANDY PHILLIPS introduced SB 33 (GRANTS FOR LOCAL EMERGENCY PLANNING) as the first order of business.

ANNETTE KREITZER, staff to Senator Loren Lemam, stated Senator Lemam introduced SB 33 at the requests of the Department of Environmental Conservation and the Department of Military and Veterans Affairs. She explained the legislation clarifies the granting authority for DEC and DMVA for what they are trying to do to meet their responsibilities under the Super Fund Act. It will allow DEC to award grants to form local emergency planning committees and will allow DMVA to award grants for disaster planning and response.

Ms. Kreitzer directed attention to a proposed committee substitute. She said after the original bill was drafted, it was brought to the sponsor's attention that the bill didn't do exactly what these departments needed.

Number 055

MICHAEL CONWAY, Director of the Division of Spill Prevention and Response, Department of Environmental Conservation, stated the department's support for the legislation. He said this will give them the opportunity to streamline their ability to do business with local emergency planning committees (LEPCs).

Number 067

JEFF MORRISON, Legislative Liaison, Department of Military and Veterans Affairs, voiced the department's support for SB 33, saying it expedites their ability to administratively handle the money dealing with LEPC's. He directed attention to the draft committee substitute, noting one of the significant

changes is the addition of subsection (b) in Section 1. The original legislation just addressed training grants, and the new subsection allows the LEPC's to contract for developing plans as well as training.

Number 098

MARIE SANSONE, Department of Law, stated she was present to answers questions from the committee.

Number 103

SENATOR TAYLOR moved that CSSB 33 (CRA) be adopted. Hearing no objection, it was so ordered.

SENATOR TAYLOR moved that CSSSB 33 (CRA) be passed out of committee with individual recommendations. Hearing no objection, it was so ordered.

Number 122

CHAIRMAN RANDY PHILLIPS introduced SB 35 (IMMUNITY FOR ACTIONS TAKEN UNDER AS 46.13) as the next order of business.

ANNETTE KREITZER, staff to Senator Loren Leman, explained the legislation was introduced at the request of the Department of Environmental Conservation. It addresses liability of volunteers and state officials who serve on the Alaska State Emergency Response Commission, the local emergency planning committees, and the Hazardous Substance Spill Technology Spill Council.

Ms. Krietzer noted that staff from the Department of Law was present to respond to questions.

Number 150

SENATOR TAYLOR voiced his concern that the legislation would be granting a complete blanket of immunity for all members participating in the review of and approval of the local emergency plans, the commission that establishes it, the members of the council, or even the local emergency planning committees. At the same time, we have strict liability for damage claims against companies that have ever existed in Alaska law, and yet we are giving the people who administer it a complete blanket of immunity, he said.

CHAIRMAN PHILLIPS stated SB 35 would be held until the Thursday meeting to give the committee the opportunity to take a closer look at it.

#

#SB88

#SB89

CHAIRMAN PHILLIPS brought SB 88 (CAPITAL PROJECT GRANTS) and SB 89 (APPROP: CAPITAL PROJECT MATCHING GRANTS) before the committee as the next order of business.

JACK FARGNOLI, Senior Policy Analyst, Office of Management and Budget, presented a brief recap on the provisions of SB 88, which is a high priority of Governor Hickel.

The Governor has proposed in the appropriation bill, SB 89, a total of \$67 million for funding, which, under the provisions of the appropriation bill, would be split \$65.3 million for municipalities and \$1.7 million for unincorporated communities. Under both of those programs, there would be matching grant provisions that are broken down by the sizes of the communities involved, such that each time a grant or

part of a grant was drawn from the communities accounts that will be created, the communities would be responsible for putting up a match. The match could be in dollars or it could be in-kind.

Mr. Fagnoli said the primary intent in introducing the legislation is to help encourage and maximize the influence of the local communities themselves in the identification and prioritization of their projects. The Governor would propose those projects in their same priority order in his capital budget each year, subject to the total amount of appropriations available, and then transmit those projects as part of his capital budget to the legislature for consideration. A separate provision of the bill provides that if he for any reason departs from the priority order that is identified by local communities themselves, then he would explain in writing to the legislature his reasons for doing so.

Mr. Fagnoli reiterated that it is the Governor's sense that this is important both for the process it creates and the attention it gives to local priorities.

Mr. Fagnoli related that Shelby Stastny, Director of the Office of Management and Budget, was unable to attend the hearing because he was in a meeting with Governor Hickel.

Number 270

SENATOR TAYLOR referred to page 11, lines 3 through 11, which relates to the local share percentage. He said the population in Wrangell is very similar to Barrow and the North Slope Borough. One mill in Wrangell generates about \$75,000 total, whereas one mill in the North Slope generates several million.

He said the percentile is based merely upon population and totally disregards the tax base of the community and its ability to pay. He then suggested putting this on a mill equivalency basis. JACK FARGNOLI said in the earlier versions of the bill that were in the last two sessions, there was a rather elaborate set of formulas to deal with the fiscal capacity of the different communities just to capture those kinds of differences. The decision was made this year that the desirability of simplifying the bill for purposes of ease of understanding and ease of administration would outweigh those concerns. The bill was changed to a flat three-tiered structure, grouping them by population, knowing that in some cases there would be those kind of discrepancies. He added that Senator Taylor's point was well taken and he had no reason to disagree with it.

Number 325

SENATOR HALFORD commented that any time we try to classify by some arbitrary standard, we run the risk of discriminating unfairly. He asked if they had considered using the same match percentage across the state. JACK FARGNOLI acknowledged that they had, and their conversations indicated pretty strongly that then you wouldn't be dealing simply with the polarities between the extreme cases, so they departed from that rather early. SENATOR HALFORD said if he were to support the bill, he thinks equity is a far better way to simplify it. He suggested it should simply say that the match initially is 10 percent and the match at the second tier is 20 percent, and leave the provisions that do provide some kind of cost of living differential and who is eligible for a match in the bill. JACK FARGNOLI responded that he thought they would be willing to make that change.

Number 345

CHAIRMAN RANDY PHILLIPS stated that he was considering offering an amendment that would limit the projects for \$1 million to a community. It limits that community or the non-organized area, or the organization that is doing it to 10 percent for administrative costs. JACK FARGNOLI said that they wouldn't have a problem with that change.

Number 360

SENATOR TAYLOR suggested that within the percentiles that there be some significant readjustments and that it be based on a mill equivalency basis, or perhaps a combination of population and mill equivalency. He also said he was not willing to accept the Department of Community and Regional Affairs' formula.

SENATOR HALFORD said that if we're trying to find a real formula that reflects ability to pay, then it has to be mill rate per capita.

Number 387

CHAIRMAN RANDY PHILLIPS stated SB 88 and SB 89 would be back before the committee at the Thursday, February 25 meeting.

There being no further business to come before the committee, the meeting was adjourned at 9:30 a.m.

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450
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Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 23, 1993

SUBJECT: Capital Project Matching Grant Program (SB 88)

TO: Senator Randy Phillips
Chair, Community and Regional Affairs Committee

FROM: Tamara Brandt Cook
Director *TBC*

In reviewing SB 88 introduced by the Governor, I have discovered a possible legal problem. In AS 37.060.010(b) a capital project matching grant fund is established. Appropriations to the fund are allocated to individual grant accounts and interest earned on money in an individual grant account is to be credited to that account. The same system appears in AS 37.06.020(b) for the unincorporated community capital project matching grant fund. The problem presented by this approach is the question of whether interest earned on money appropriated to a fund may be retained in that fund without an appropriation.

In an opinion concerning the dedicated funds prohibition of the state constitution, November 30, 1982, the Attorney General noted that the retention of interest earned on the principal of a fund could be subject to attack. The opinion notes at page 16,

A difficulty that arises from the view that the dedicated funds prohibition is not applicable to interest or investment income on separate funds is that it permits steadily increasing amounts of money to be received and used by state departments and agencies without legislative control through the annual budget process. . . (W)e doubt that a blanket exception for derivative income would be approved by the courts.

Of course, this issue could be avoided if the legislature appropriates interest income on an annual basis to the two capital project matching grant funds. The language of the two sections in this bill could be amended to direct the administering departments to identify the amount of interest income involved, so that the legislature may consider appropriating that income back to the funds.

TBC:pl
93-124.plm



AML POSITION ON MATCHING CAPITAL GRANTS

The Alaska Municipal League supports the concept of matching grant programs for capital purposes provided that such programs meet the criteria set forth below: *

1. Provide project determination at the local level,
2. Provide a minimum entitlement that is meaningful, i.e., not less than \$50,000 per municipality per year,
3. Provide equitable distribution of funds according to population, services provided, and/or need,
4. Provide for differentials in construction costs, urban vs. rural,
5. Provide for accountability, and
6. Require a local contribution (local match) which is a weighted local contribution based on local wealth (ability to pay). Local governments should be able to use as match the value of municipal land or other assets, and/or any funds available to them from any source not limited by other law or contract.

*From AML Resolution 93-8, adopted November 14, 1992 (attached).

As a matter of general policy, the League supports a statutorily enacted block grant program which deals with local concerns regarding adequacy and certainty of funding, coupled with a recognition of local need and ability to pay.

In reviewing SB 88, we see that it meets, in whole or in part, some, but not all of these criteria. The amount to be provided as a minimum is less than adequate, and the matching requirements contained in the bill do not fully recognize limitations on community ability to pay. The value of local administrative expense does not seem to be recognized as a match element, and local government would also wish to be able to use any funds from local, state or federal sources as match.

Additionally, some of the flexibility now available in Section 315 grants, the legislature's discretionary grants to municipalities, will be lost if new statutory match requirements are imposed on that program as well as on grants under the proposed new program. The League is also concerned that the present bar against administrative regulations on Section 315 grants would be repealed under SB 88.

AML continues to support the concept of matching capital grants as an additional form of financial assistance for local government and hopes that legislation more closely conforming to the criteria set forth in AML Resolution 93-8 will ultimately be enacted.

Resolution of the Alaska Municipal League

Resolution No. 93-8

**A RESOLUTION SUPPORTING LEGISLATION TO
ESTABLISH A CAPITAL PROJECT MATCHING
GRANT PROGRAM FOR MUNICIPALITIES, PROVIDED
THAT CERTAIN CONDITIONS ARE MET**

WHEREAS, the Alaska Municipal League is an organization composed of member local governments working together to seek improvements to Alaskan local government operations, and

WHEREAS, 112 Alaskan local governments are members of the Alaska Municipal League, and

WHEREAS, the Alaska Municipal League, through a general membership vote on its policy statement, supports "block grants" to local governments (*Alaska Municipal League Policy Statement, 1993, Part I, B.6*), and

WHEREAS, Governor Hickel has proposed legislation to establish a capital project matching grant program for municipalities and that legislation was considered by the 17th Legislature in the form of SB 141, and

WHEREAS, the final version of SB 141 considered by the 17th Legislature, CS SB 141 (Finance), provided for a formula-driven capital project matching grant program that 1) provided for an allocation of state funds to local governments based on a weighted population factor and 2) required a local match based on a weighted population factor and a local wealth factor, and

WHEREAS, the Alaska Municipal League with this resolution establishes criteria for evaluating the proposed capital grant matching program, which criteria are as follows:

1. Provide project determination at the local level,
2. Provide a minimum entitlement that is meaningful,
3. Provide equitable distribution of funds according to population, services provided, and/or need,
4. Provide for the differentials in construction costs, urban versus rural,
5. Provide for accountability, and
6. Require a local contribution (local match) which is a weighted local contribution rate based on local wealth (ability to pay),

and

WHEREAS, an additional concern of the League is that there exists some confusion in AS 29 about which funds received by a borough can be spent for the benefit of which population sectors (i.e., areawide, non-areawide, or service area functions), and thus the legislation considered as CS SB 141 (Finance) would require some modification to make it perfectly clear that monies received by a borough may be spent on any capital project or capital improvement related to functions that the borough is legally empowered to exercise, and

WHEREAS, the League believes that a local government should be entitled to use any asset, including its land and labor, to satisfy the local share requirement for a matching grant program, and

WHEREAS, a local government does not segregate revenue sources other than those specifically designated for specific purposes by a granting agency and once revenues from all sources have lapsed into a local government's fund balance, they become part of the co-mingled fund balance, which is "local revenue" if appropriated at a later date, and

WHEREAS, therefore the provision of the legislation considered as CS SB 141 (Finance) that stated ". . . local share may not be satisfied with money from appropriations, allocations, entitlements, grants, or other payments from the state" would impose standards on local governments that contradict the standards established for a number of local government revenue sources, e.g., reimbursement for cash payments for school construction, reimbursement for school construction debt, shared taxes such as the fisheries and aviation fuel taxes, and national forest receipts, and

WHEREAS, the Alaska Municipal League desires to support the capital grant program as proposed by the Governor, but feels that certain modifications to legislation considered as CS SB 141 (Finance) in 1992 are necessary to address the concerns outlined above;


NOW, THEREFORE, BE IT RESOLVED that the Alaska Municipal League supports the intent of the legislation formerly considered as CS SB 141 (Finance) with the following amendments:

1. Increase the minimum entitlement to local governments to \$50,000 and provide that each local government will share equally in any percentage reduction if the appropriation level for the program is less than \$63 million, with an absolute floor of \$25,000 per municipality,
2. Add a provision stating that monies received by a borough may be spent on any capital project or capital improvement related to functions that the borough is legally empowered to exercise,

3. Provide that land and other assets of the municipality may be used to satisfy the local share requirement,
4. Provide that municipalities may use as a match any funds available to them that were not received from the state or federal government for specific named projects or programs or from legislative appropriations made directly or indirectly for the purpose of providing matching funds for grants made under the capital matching grants program.


BE IT FURTHER RESOLVED that the Alaska Municipal League is ready to work with the Governor and the Alaska Legislature to gain adoption of legislation that will provide for a matching capital grant program that meets the criteria outlined above.

Adopted this 13th day of November 1992 in Juneau, Alaska.



Willie Goodwin, Jr., President

ATTEST:



Kent E. Swisher, Executive Director

Capital Project Matching Grant Program
(HB 124-125, SB 88-89)

OVERVIEW

PURPOSES:

- To emphasize local selection and prioritization of community-based capital projects.
- To encourage the selection of high-quality capital projects by establishing a local stake in their success.
- To leverage the effectiveness of State funds by making limited capital budget dollars go farther.

MAIN ELEMENTS:

- Creates a statewide block grant program for local capital projects, with local matching funds requirements.
- Applies the same match requirements to other existing capital project grant programs for municipalities, named recipients and unincorporated communities.
- Establishes a rational process for the review and evaluation of community-based capital project proposals, involving communities, the Legislature and the Governor.

KEY PROVISIONS:

- The Governor must propose funding for projects in his capital budget proposal in the order of priority selected by the communities, subject to available funding, or explain in writing to the Legislature his reasons for departing from communities' stated preferences.
- The FY 1994 proposed funding level for the program is \$67 million.
- Grant funds are allocated annually to all municipalities in the state (based on population and size factors), and to all unincorporated communities eligible for revenue sharing.
- The maximum grant allocation for a community is determined by the program's annual funding level; the minimum is \$25,000.
- Matching funds requirements are based on community population. The maximum local share is 30 percent of total project cost, rising to 50 percent after two years; the minimum is 5 percent, rising to 8 percent.
- Communities may accumulate their annual grant amounts for up to five years, to facilitate the development and financing of larger projects.

Office of the Governor
State of Alaska

CAPITAL PROJECT MATCHING GRANT PROGRAM

(HB 124 - SB 88)

QUESTIONS AND ISSUES

General

- ***The current system for funding discretionary capital project grants works fine, and in many cases already includes local financial participation.***

While some capital projects proposed by communities do include local financial participation, State funding dollars would go much farther if all such projects included local matching funds. Additionally, the current process frequently is haphazard, with projects selected as often for political reasons as for their merit or real need, which makes it difficult for communities to conduct effective planning.

- ***What commitment is there from the Governor that this matching grant proposal will work, when other programs predicated on local participation may not be adequately funded or are being cut back (e.g. municipal assistance)?***

The proposed matching grant program is one of the highest priorities of the administration. While funding for all programs is subject to the availability of revenue for appropriation, funding for this program will be strongly supported by the Governor because of the program's likely effectiveness in optimizing local capital development decisions and in leveraging State development funding.

- ***The proposed program may put too much power into the hands of State's municipalities.***

This is unlikely, as the proposed program deals primarily with relatively smaller capital projects. Given that major capital projects will continue to be funded through other mechanisms, and that boroughs and municipalities would be encouraged under the program to work together in the selective planning and implementation of projects, it seems more likely that the proposed program would tend to engender or reinforce an equitable share of local roles and responsibilities.

Funding

- ***The possibility exists that, in any given year, inadequate funding for the program may result in no projects at all getting built; i.e., communities may have to "bank" their grant awards until sufficient large amounts of funding can be accumulated.***

The possibility of inadequate funding levels for capital projects, such as is neither increased nor diminished by the proposed program.

Costs

- ***Funding grant projects in all municipalities and unincorporated communities will create a large deferred maintenance problem, statewide, because communities will not have enough money to provide maintenance.***

It is not expected that the proposed program will either diminish or exacerbate existing problems of deferred facilities maintenance. Since communities will be contributing their own money to projects under this program, however, and since the program will enhance communities' ability to adequately plan for projects, it is expected that the maintenance costs of new facilities will tend to receive their proper attention before construction is undertaken.

WALTER J. HICKEL
GOVERNOR



U.S. GOVERNMENT
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 3, 1993

The Honorable Ramona L. Barnes
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Barnes:

In accordance with art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill establishing capital project matching grant programs for municipalities and unincorporated communities, and establishing local share requirements for other capital project grants to municipalities, named recipients, and unincorporated communities.

The capital project matching grant programs and the local share requirements for other capital project grants have two main objectives. One objective is to encourage a sense of local ownership in capital projects by requiring municipalities, unincorporated communities, and named grant recipients to participate financially in them. This local participation will help grantees to determine their highest priorities and help ensure that only the most important and cost-effective projects are undertaken. The second objective is to leverage the use of state money in the financing of capital projects, which will be a particularly important policy to adopt given the expected decline of state revenue in the future. In addition, the new capital project matching grant programs for municipalities and unincorporated communities provide an orderly and thoughtful planning and review process that involves local communities, the executive branch, and the legislature.

There is a distinction between the new capital project matching grant programs and the new local share requirements for other capital project grants. It is intended that the new matching grant programs be used for relatively small capital projects proposed by municipalities and unincorporated communities, and that the new local match requirements for municipalities, named recipients, and unincorporated communities apply to other types of larger capital projects funded through grants made under AS 37.05.315 - 37.05.317.

The focus of this bill is the proposed new capital project matching grant programs in AS 37.06. Much like a block grant program, these programs would establish

The Honorable Ramona L. Barnes

Page 2

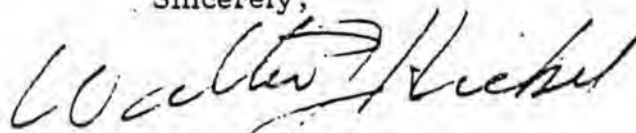
two funds (one with individual accounts for all municipalities and one with individual accounts for all unincorporated communities participating in the state's revenue-sharing program) from which small-scale capital projects can be funded by project-specific appropriations. (I am also transmitting a companion bill making appropriations to the two funds, as the first step in this funding process.) The projects would be selected and prioritized at the local level, well before each year's legislative session, and a prioritized project list would be submitted to the governor for inclusion in the capital improvements program. The governor would provide the legislature with reasons for any differences between the local list and the capital improvements program submitted to the legislature. In each case, the projects funded by the appropriations would be subject to local financial match requirements, including allowances for in-kind matching contributions. In addition, under the bill the same local match requirements and in-kind allowances would be extended to all grants currently made to municipalities, named recipients, and unincorporated communities under AS 37.05.315 - 37.05.317.

My Office of Management and Budget has prepared a section-by-section description of the bill which is available for your review.

The net effect of the bill is that all capital project grants to municipalities, named recipients, and unincorporated communities would be subject to local financial match requirements, regardless of whether they are funded through the capital project matching grant programs established by this bill or under the existing provisions of AS 37.05.315 - 37.05.317 as amended by this bill.

This bill is important because it expands the role of local communities in determining the capital improvements and capital projects that will best suit their local needs. It is also important because of the precedent it sets in requiring a local stake in capital projects and because it allows limited state financial resources to support a greater number of needed capital projects than otherwise would be possible. For all of these reasons, I seek and encourage your support for this bill.

Sincerely,



Walter J. Hickel
Governor

Capital Project Matching Grant Program
Office of the Governor

HB 124 / SB 88 - SECTIONAL ANALYSIS

SECTION ONE

This section of the bill sets out the purpose of the legislation. Generally, the purpose includes acknowledgement of the continuing need for funding certain kinds of capital projects through other mechanisms than the proposed capital project matching grant program - - e.g., large or regional projects, projects dealing with basic needs such as education or safe water, or projects whose costs exceed the amounts available under the proposed new program.

Specifically, the bill's purpose is to provide an equitable capital project funding system, enhance the role of communities in initiating and prioritizing their capital projects, encourage a sense of local ownership in capital projects through required cost sharing, and provide a more orderly and thoughtful process for the review and evaluation of capital projects.

SECTION TWO

This section of the bill amends AS 36.10.180(a) to make the hiring preferences set out in AS 36.10.150 - .175 apply to grant projects funded through the municipal and unincorporated community portions of the proposed capital project matching grant program (proposed AS 37.06.010 and AS 37.06.020, respectively, as set out in Section 8 of the bill).

These hiring preferences already apply to the existing municipal, named recipient and unincorporated community grant programs under AS 37.05.315, -.316 and -.317, respectively, which are otherwise amended in Sections 3-5 of the bill.

The provisions of AS 36.10.150 - .175 include hiring preferences for qualified residents of identified "zones of underemployment" (§150), for qualified residents of identified "economically distressed zones" (§160), for "economically disadvantaged minority residents" (§170), and for "economically disadvantaged female residents" (§175).

SECTION THREE

This section of the bill amends subsection (a) of AS 37.05.315, the existing statute for grants to municipalities, to require a local financial match for capital project grants funded under that program. (The match provisions are set out in proposed AS 37.06.030 in Section 8 of the bill.)

As defined in AS 37.07.120, "capital projects" and "capital improvements" mean an allocation or appropriation item for an asset with an anticipated life exceeding one year and a cost exceeding \$25 thousand, and include land acquisition, construction, structural improvement, engineering and design for the project, and equipment and repair costs.

SECTION FOUR

This section of the bill amends subsection (a) of AS 37.05.316, the existing statute for grants to named recipients, to require a local financial match for capital project grants funded under that program. (The match provisions are set out in proposed AS 37.06.030 in Section 8 of the bill.)

SECTION FIVE

This section of the bill amends subsection (3) under AS 37.05.317(a) to stipulate that, if no qualified incorporated entity exists to receive a grant to an unincorporated

community under this section, the grant may not be awarded. At present, under the existing provisions of subsection (3), the Department of Community and Regional Affairs must administer such a grant project directly or through its contractors. The amendment is proposed, here, because it would not be appropriate under such conditions to require a financial match from the Department.

SECTION SIX

This section of the bill adds a new subsection (c) to AS 37.05.317, the existing statute for grants to unincorporated communities, to require a local financial match for capital project grants funded under that program. (The match provisions are set out in proposed AS 37.06.030 in Section 8 of the bill.)

SECTION SEVEN

This section of the bill repeals the existing prohibition (AS 37.05.318 - Further Regulations Prohibited) against the promulgation of regulations for grants to municipalities, named recipients and unincorporated communities under AS 37.05.315 - .317, and replaces it with a set of provisions allowing the promulgation of regulations for those grant programs.

The existing provisions of .318 prohibit state agencies from adopting regulations or imposing additional requirements or procedures to implement, interpret, make specific, or otherwise carry out the provisions of AS 37.05.315 - .317, unless required by the federal government for participation in federal programs.

The new set of regulatory provisions set out in this section of the bill stipulates that the Department of Administration (for grants to municipalities under AS 37.05.315), the departments administering grants to named recipients (under AS 37.05.316) and the Department of Community and Regional Affairs (for grants to unincorporated communities under AS 37.05.315) may promulgate regulations, require reports, conduct audits, etc., for purposes of conducting those programs and carrying out the provisions of AS 37.05.315 - .317.

The regulatory provisions set out in this section of the bill also stipulate that these same departments shall promulgate regulations providing for periodic audits of grants made under AS 37.05.315 - .317, and specifically including audit of the departments' methods used to value any contributed labor used to satisfy the local matching share, as well as their methods of confirming that such contributed labor actually was used.

SECTION EIGHT

This section of the bill adds a new Chapter 6 to Title 37 of Alaska's Statutes, setting out the provisions of the proposed capital project matching grant programs. (Technically, there are two separate and distinct matching grant programs - - one for municipalities, and one for unincorporated communities.)

The proposed Chapter 6 includes five sections of statutes:

- Sec. 37.06.010 sets out the proposed Municipal Capital Project Matching Grant Program;
- Sec. 37.06.020 sets out the proposed Unincorporated Community Capital Project Matching Grant Program;

Sec. 37.06.030 sets out the local matching share requirements for the two programs, above

(plus an equivalent set of local match requirements for grants made to municipal, unincorporated community and named grant recipients under the existing provisions of AS 37.05.315 - .317 as amended in Sections 3, 4 and 6 of this bill, respectively);

- Sec. 37.06.80 provides for the adoption of regulations for the two programs, above; and,
- Sec. 37.06.090 provides a definition of "capital project".

Sec. 37.06.010 - Municipalities

Subsection (a) establishes the Municipal Capital Project Matching Grant Program in the Department of Administration (DOA).

Subsection (b) creates a municipal capital project matching grant fund within DOA, consisting of appropriations to the fund, and provides that appropriations to the fund do not lapse except as provided in (f) of this section. Also provided is that DOA shall establish accounts within the fund for every municipality, that annual appropriations to the fund shall be allocated by formula to each municipality's account, and that interest earnings for each account shall be retained in and become part of each account's balance.

The formula set out in (b) for allocating annual lump-sum appropriations to the fund into the municipalities' accounts stipulates that each municipality shall receive a share of the annual lump-sum appropriation which is equivalent to its population's portion of the sum of all municipal populations in the state, after first adjusting upwards the population counts of smaller municipalities.

The factors by which municipal populations are adjusted are 1.5 for those with populations under 1,000; 1.4 for those of 1,000 - 4,999; 1.2 for those of 5,000 - 10,000; and, 1.0 for those of more than 10,000. These factors are proposed in order to account for the disadvantages which smaller municipalities generally experience relative to larger municipalities regarding their fiscal capacity (including debt capacity and access to capital), their unit costs of constructing capital projects, and their ability to achieve economies of scale in undertaking capital projects and improvements.

(The basis for the population data to be used under this subsection is explained in Subsection (g), below.)

"Municipality", as referred to in the bill, is intended to include all political subdivisions incorporated under the laws of Alaska that are home rule or general law cities, home rule or general law boroughs, or unified municipalities, per AS 29.71.800(13).

Under the approach taken in this section of the bill, incorporated boroughs are the instrumentalities for receiving and administering grants for projects affecting unincorporated communities that lie within borough boundaries; i.e., unincorporated communities which are not eligible for revenue sharing.

Subsection (c) sets a minimum grant amount of \$25,000 for each municipality, subject to available appropriations, with allocations to be reduced pro rata by population if necessary to provide at least the minimum amount to each municipality. If the annual lump-sum appropriation to the fund does not permit at least the minimum amount for each municipality, then it is divided equally among all municipalities.

Subsection (d) requires municipalities to submit their prioritized requests for capital project grants to the Governor each year by October 1, along with information about their local matching shares. The Governor is required to recommend projects from these lists in his or her annual proposed capital budget, and to inform the Legislature in writing if the projects proposed for a municipality differ in order of priority from the priority originally submitted by the municipality.

Subsection (e) stipulates that funds may not be withdrawn by municipalities from their accounts except in accordance with subsequent project-specific appropriations, and that such draws are subject to the local financial match requirements in proposed AS 37.06.030. (Also stipulated are the same covenants governing municipal responsibility for maintaining and operating capital project facilities, and the same hiring preference provisions, which are required at present for grants to municipalities funded under AS 37.05.315.)

Subsection (f) requires municipalities to repay money drawn from their accounts if substantial ongoing work on the respective projects involved does not begin within five years, with all such repayments being deposited in the general fund. Also, if money in a municipality's account is not drawn on for five years, the money lapses into the general fund.

Subsection (g) stipulates that the population data to be used in making allocations among municipalities in Subsection (b), above, are to be those employed in the State's municipal assistance and revenue sharing programs. To avoid double counting, it also is stipulated that for purposes of this subsection the population of a borough (which legally is a municipality) excludes the population of each city within that borough.

Subsection (h) makes the provisions of AS 37.05.321, prohibiting the use of grant money for legislative lobbying, applicable to grants made under this section.

Subsection (i) defines the use of the word "department" in this section as meaning the Department of Administration.

Sec. 37.06.020 - Unincorporated Communities

Subsection (a) establishes the Unincorporated Community Capital Project Matching Grant Program in the Department of Community and Regional Affairs (DCRA).

Subsection (b) creates an unincorporated community capital project matching grant fund within DCRA, consisting of appropriations to the fund, and provides that appropriations to the fund do not lapse except as provided in (h) of this section. Also provided is that DCRA shall establish accounts within the fund for every unincorporated community eligible for revenue sharing in the current fiscal year, that annual appropriations to the fund shall be allocated in equal proportions to each eligible community's account, and that interest earnings for each account shall be retained in and become part of each account's balance.

(An eligible unincorporated community is defined in the bill as any place in the unorganized borough that is not incorporated as a city and in which 25 or more persons reside as a social unit, per AS 29.60.140(b). This is the definition used in the Department of Community and Regional Affairs' state revenue sharing program.)

(Under the approach taken in this section of the bill, incorporated boroughs are the instrumentalities for receiving and administering grants for projects affecting unincorporated communities that lie within borough boundaries; i.e., unincorporated communities which are not eligible for revenue sharing.)

Subsection (c) sets a minimum grant amount of \$25,000 for each unincorporated community, subject to available appropriations. If the annual lump-sum appropriation to the fund does not permit at least the minimum amount for each eligible community, then it is divided equally among all the eligible unincorporated communities.

Subsection (d) provides that DCRA shall determine and designate the entity entitled to represent an unincorporated community for purposes of implementing grants made under this section. (This process is the same as the one currently used in the State revenue sharing program.)

If no qualified entity exists or none is willing, money may not be withdrawn from the community's account and the money allocated to the account lapses into the general fund.

Subsection (e) requires unincorporated communities (i.e., their designated representative entities) to submit their prioritized requests for capital project grants to the Governor each year by October 1, along with information about their local matching

shares. The Governor is required to recommend projects from these lists in his or her annual proposed capital budget, and to inform the Legislature in writing if the projects proposed for an unincorporated community differ in order of priority from the priority originally submitted by the community.

Subsection (f) stipulates that funds may not be withdrawn by unincorporated communities from their accounts except in accordance with subsequent project-specific appropriations, and that such draws are subject to the local financial match requirements in proposed AS 37.06.030. (Also stipulated are the same covenants governing unincorporated communities' responsibility for maintaining and operating capital project facilities, and the same hiring preference provisions, which are required at present for grants to unincorporated communities funded under AS 37.05.317.)

Subsection (g) stipulates that Native village councils acting as unincorporated community representatives under Subsection (d), above, must waive immunity from suit or claims arising from their activities related to grants or draws made under this section. (This is the same provision currently applied to grants made to unincorporated communities under the existing provisions of AS 37.05.317.)

Subsection (h) requires unincorporated communities to repay money drawn from their accounts if substantial ongoing work on the respective projects involved does not begin within five years, with all such repayments being deposited in the general fund. Also, if money in a community's account is not drawn on for five years, the money lapses into the general fund.

Subsection (i) stipulates that the limitations of AS 44.47.140 (powers and duties of DCRA), prohibiting DCRA from operating a rural program costing in excess of \$100 thousand per year, do not apply to grants made under this section.

Subsection (j) makes the provisions of AS 37.05.321, prohibiting the use of grant money for legislative lobbying, applicable to grants made under this section.

Subsection (k) defines the use of the word "department" in this section as meaning the Department of Community and Regional Affairs.

Sec. 37.06.030 - Local Share Requirements

Subsection (a) stipulates that a local matching share is required for all grants to municipalities made under the existing provisions of AS 37.05.315 or under the new program provisions of AS 37.06.010, and all grants to named recipients made under the existing provisions of AS 37.05.316 - - i.e., that each time a municipal or named recipient grantee wishes to draw funds against its allocation, for a project or projects for which it has received a project-specific appropriation, it must make a matching contribution per the provisions set out in this subsection.

The amount of the local share is defined in this subsection as the local share percentage (as specified in this subsection) divided by the state share percentage (defined in this subsection as 1 minus the local share percentage), multiplied by the amount of the grant or draw. Defining the local share in this way essentially means that the local percentage share is the percentage of the total project cost which is to be borne by the grantee.

For appropriations with effective dates no later than July 1, 1994, the local percentage shares for municipalities of various population sizes are:

<u>Share</u>	<u>Population</u>
30 percent	5,000 or more
15 percent	1,000 - 4,999
5 percent	less than 1,000

After two years, i.e., for appropriations with effective dates after July 1, 1994, the local percentage shares for municipalities of these population sizes are:

<u>Share</u>	<u>Population</u>
50 percent	5,000 or more
25 percent	1,000 - 4,999
8 percent	less than 1,000

For named grant recipients, the provisions in this subsection stipulate that the local share percentage shall be equal to that of the community in which the named grant recipient is located, with the additional stipulation that named grant recipients located in unincorporated communities will have a local share percentage of 5 percent for grant funds appropriated with effective dates no later than July 1, 1994, and 8 percent for grant funds appropriated with effective dates after July 1, 1994. (These latter rates are the same as those established for unincorporated communities in Subsection (b) of this

section.)

For municipalities, directly contributed labor, material, equipment, etc., money from non-state sources, funds received through the State municipal assistance and revenue sharing programs, shared state taxes (not otherwise prohibited), and state-reimbursed school construction debt money may constitute the local share. No other money from state sources, including the state-financed portion of assets obtained in part with state funds, may be used as an in-kind contribution towards fulfilling the local matching share.

The same provisions for in-kind matches are permitted under this subsection for named grant recipients, with the exceptions of municipal assistance and revenue sharing, shared taxes, and school construction debt.

In all instances, the Department of Administration shall determine the value of in-kind match contributions for municipalities, and the relevant department administering a named recipient grant shall determine the value of in-kind match contributions for those types of grants.

Subsection (b) stipulates that a local matching share is required for all grants to unincorporated communities made under the existing provisions of AS 37.05.317 or under the new program provisions of AS 37.06.020 - - i.e., that each time an unincorporated community or its designated recipient entity wishes to draw funds against its allocation, for a project or projects for which it has received a project-specific appropriation, it must make a matching contribution per the provisions set out in this subsection.

As with municipalities under Subsection (a), above, the amount of the local share is defined in this subsection as the local share percentage (as specified in this subsection) divided by the state share percentage (defined in this subsection as 1 minus the local share percentage), multiplied by the amount of the grant or draw. Defining the local share in this way essentially means that the local percentage share is the percentage of the total project cost which is to be borne by the grantee.

For appropriations with effective dates no later than July 1, 1994, the local percentage shares for unincorporated communities is 5 percent, rising to 8 percent for grant funds from appropriations with effective dates after July 1, 1994.

The in-kind match provisions for unincorporated communities are the same as those for named grant recipients, except that unincorporated communities may use their state revenue sharing funds for match purposes.

In all instances, Department of Community and Regional Affairs shall determine the value of in-kind match contributions for unincorporated communities or their designated entities.

Subsection (c) stipulates that, for purposes of determining the municipal population thresholds used for matching in Subsection (a) of this section, the population data to be used are those employed in the State's municipal assistance and revenue sharing programs. Similarly, to avoid double counting, it also is stipulated that for purposes of this subsection the population of a borough (which legally is a municipality) excludes the population of each city within that borough.

Sec. 37.06.080 - Regulations

This section provides the Department of Administration and the Department of Community and Regional Affairs with the authority to promulgate regulations for grants made to municipalities and named recipients, and for grants made to unincorporated communities, respectively, under the proposed AS 37.06.010 and .020.

Essentially, these provisions allow the departments to promulgate regulations, require reports, conduct audits, etc., for purposes of conducting the program and carrying out the provisions of this section of the bill. Specifically, this subsection requires that such audits must address the departments' methods used to value any contributed labor used to satisfy the local share, as well as their methods of confirming that such contributed labor actually was used.

Sec. 37.06.090 - Definition

This section provides the same definition of "capital project" for the new Chapter 6 as that used in the existing provisions of AS 37.05.315 - .317; i.e., an asset with a life span of more than one year and costing at least \$25 thousand (as defined in AS 37.07 120).

SECTION NINE

This section of the bill establishes a first-year (FY 1993) transition schedule for implementing the capital project matching grant programs for municipalities and unincorporated communities (under AS 37.06.010 and AS 37.06.020, respectively, in Section 8 of the bill).

For this initial year of the programs only, this section requires that municipalities and unincorporated communities or their representative entities must submit their prioritized list of proposed capital projects to the Governor by March 1, 1993, or by the effective date of the bill, whichever is later. (The date for all ensuing years would be October 1, as set out in Section 8 of the bill.)

SECTION TEN

This section of the bill stipulates that capital project grants made under the existing provisions of AS 37.05.315-.317 (to municipalities, named recipients and unincorporated communities) as amended by this bill, and grants made under AS 37.07.06 as proposed by this bill, may not be disbursed or drawn upon until after June 30, 1993. This reason for this provision is to allow the departments affected by this bill to have time for developing and promulgating interim regulations before disbursements and draws begin.

SECTION ELEVEN

This section of the bill provides for an immediate effective date.

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JK

DATE: 2/3/93

FURTHER: FINANCE

Date of 5-Day Notice: 2/11/93
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3-9-93

CRA Committee considered SENATE BILL NO. 89

"An Act making appropriations for capital project matching grant programs; and providing for an effective date."

and recommends:

replace with _____ CS _____ (_____)

attaches amendment(s)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

same title
 new title
 technical title change
(HB only)

FISCAL NOTE INFORMATION

Department	Date	Zero	Fiscal

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

DO PASS:

OTHER RECOMMENDATIONS:

Rich Hallock → NO REC
Paul S. Hanoff NO REC
Christ. Taylor NO REC

Carol E. Cello Do Pass

Chair: Signature and Recommendation

WALTER J. HICKEL
GOVERNOR



P. O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

89

February 3, 1993

The Honorable Rick Halford
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Halford:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making appropriations totaling \$67,000,000 for capital project matching grant programs in the Department of Administration and the Department of Community and Regional Affairs.

Today I am also transmitting a companion bill that establishes those programs in statute, to provide funding for essential capital projects in municipalities and unincorporated communities and to establish local share requirements for these projects.

As provided in the companion bill establishing the two capital project matching grant programs, the appropriations to the two funds will be allocated under two formulas to individual grant accounts for municipalities and unincorporated communities. My office of management and budget will provide information that shows the allocation amounts that would result from these appropriations under those formulas. Subsequent project-specific appropriations will be necessary for municipalities and unincorporated communities to draw project grant money from their individual grant accounts. The appropriations requested in the attached bill assume that municipalities and unincorporated communities will contribute a local share toward each capital project, which will maximize limited state money for those projects.

These appropriations will help improve Alaska's health centers, senior centers, women's shelters, youth centers, and other structures essential to providing quality social and health programs in local areas of our state. Also, these appropriations may improve our energy systems, provide weatherization to save energy in funded projects, and make other improvements for more efficient program administration in funded projects. Finally, these appropriations will be available to provide essential infrastructure to encourage economic development,

The Honorable Rick Halford
Page 2

especially in the rural areas of our state. Alaska must have up-to-date capital structure and technology in order to successfully compete in today's rapidly changing markets.

I seek and encourage your support for this bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Walter A. Hickel". The signature is written in dark ink and is positioned above the printed name.

Walter A. Hickel
Governor

Capital Project Matching Grant Program
Office of the Governor

HB 125 / SB 89 - SECTIONAL ANALYSIS

Section One

This section of the bill appropriates \$65.3 million in general funds to the Municipal Capital Project Matching Grant Fund, a fund which would be created within the Department of Administration upon the passage of accompanying legislation (HB 124/SB 88). Under the provisions of the latter bill, the \$65.3 million appropriated in this section would be allocated by formula to individual accounts within the fund for all municipalities in Alaska.

Section Two

This section of the bill appropriates \$1.7 million in general funds to the Unincorporated Community Capital Project Matching Grant Fund, a fund which would be created within the Department of Community and Regional Affairs upon the passage of accompanying legislation (HB 124/SB 88). Under the provisions of the latter bill, the \$1.7 million appropriated in this section would be allocated in equal amounts to individual accounts within the fund for all unincorporated communities in Alaska which are eligible for the State's FY 1993 revenue sharing program.

Section Three

This section stipulates that the bill will take effect on July 1, 1994, only if the companion enabling legislation (HB 124/SB 88) also is enacted.

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING \$67,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation:	\$65,300,000	<u>Population:</u>			
Minimum State Share:	\$25,000	Under 1,000	1,000- 4,999	5,000- 10,000	Over 10,000
Allocation Factor:		1.5	1.4	1.2	1.0
Local Share %:		5%	15%	30%	30%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Municipality	Population	Grant Allocation Factor	LOCAL SHARE		STATE SHARE		Leverage Ratio
			%	\$	%	\$	
Akiok (KIB)	81	1.5	5%	1,316	95.0%	25,000	1.05
Akiak	287	1.5	5%	2,379	95.0%	45,205	1.05
Akutan (AEB)	487	1.5	5%	4,037	95.0%	76,707	1.05
Alakanuk	559	1.5	5%	4,634	95.0%	88,048	1.05
Aleknagik	200	1.5	5%	1,658	95.0%	31,502	1.05
Aleutians East Borough (AEB):	93	1.5	5%	1,316	95.0%	25,000	1.05
Allakaket	172	1.5	5%	1,426	95.0%	27,092	1.05
Ambler (NAB)	301	1.5	5%	2,495	95.0%	47,410	1.05
Anaktuvuk Pass (NSB)	246	1.5	5%	2,039	95.0%	38,747	1.05
Anchorage, Municipality of	240,258	1.0	30%	10,797,153	70.0%	25,193,358	1.43
Anderson (DB)	649	1.5	5%	5,380	95.0%	102,223	1.05
Angoon	705	1.5	5%	5,844	95.0%	111,044	1.05
Aniak	529	1.5	5%	4,385	95.0%	83,322	1.05
Arvik	104	1.5	5%	1,316	95.0%	25,000	1.05
Atka	87	1.5	5%	1,316	95.0%	25,000	1.05
Almautluak	267	1.5	5%	2,213	95.0%	42,055	1.05
Atkasuk (NSB)	217	1.5	5%	1,799	95.0%	34,179	1.05
Barrow (NSB)	3,702	1.4	15%	96,021	85.0%	544,117	1.18
Bethel	4,868	1.4	15%	126,264	85.0%	715,494	1.18
Bettles	33	1.5	5%	1,316	95.0%	25,000	1.05
Brevig Mission	234	1.5	5%	1,940	95.0%	36,857	1.05
Bristol Bay Borough:	1,415	1.4	15%	36,702	85.0%	207,975	1.18
Buckland (NAB)	318	1.5	5%	2,536	95.0%	50,088	1.05
Chelomak	330	1.5	5%	2,736	95.0%	51,978	1.05
Chevak	619	1.5	5%	5,131	95.0%	97,498	1.05
Chignik (LPB)	177	1.5	5%	1,467	95.0%	27,879	1.05
Chuathbaluk	129	1.5	5%	1,316	95.0%	25,000	1.05
Clark's point	58	1.5	5%	1,316	95.0%	25,000	1.05
Coffman cove	198	1.5	5%	1,641	95.0%	31,187	1.05
Cold bay (AEB)	137	1.5	5%	1,316	95.0%	25,000	1.05
Cordova	2,504	1.4	15%	64,947	85.0%	368,036	1.18
Crag	1,637	1.4	15%	42,460	85.0%	240,605	1.18
Deenng (NAB)	158	1.5	5%	1,316	95.0%	25,000	1.05
Delta Junction	736	1.5	5%	6,101	95.0%	115,927	1.05
Denali Borough (DB):	1,183	1.4	15%	30,684	85.0%	173,876	1.18
Dillingham	2,110	1.4	15%	54,728	85.0%	310,126	1.18
Diomedea	180	1.5	5%	1,492	95.0%	28,352	1.05
Eagle	161	1.5	5%	1,335	95.0%	25,359	1.05
Eek	284	1.5	5%	2,354	95.0%	44,733	1.05
Ekwok	78	1.5	5%	1,316	95.0%	25,000	1.05
Elim	267	1.5	5%	2,213	95.0%	42,055	1.05
Ermonak	692	1.5	5%	5,737	95.0%	108,996	1.05
Fairbanks (FNSB)	32,156	1.0	30%	1,445,085	70.0%	3,371,865	1.43
Fairbanks North Star Borough (FNSB):	45,903	1.0	30%	2,062,873	70.0%	4,813,370	1.43
False Pass (AEB)	84	1.5	5%	1,316	95.0%	25,000	1.05
Fort Yukon	718	1.5	5%	5,952	95.0%	113,051	1.05
Galena	829	1.5	5%	6,872	95.0%	130,575	1.05

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING \$67,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation:	\$65,300,000	<u>Population:</u>				
		Under 1,000	1,000- 4,999	5,000- 10,000	Over 10,000	
Minimum State Share:	\$25,000	Allocation Factor:	1.5	1.4	1.2	1.0
		Local Share %:	5%	15%	30%	30%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Municipality	Population	Grant Allocation Factor	LOCAL SHARE		STATE SHARE		Leverage Ratio
			%	\$	%	\$	
Gambell	546	1.5	5%	4,526	95.0%	86,000	1.05
Golovin	146	1.5	5%	1,316	95.0%	25,000	1.05
Goodnews Bay	236	1.5	5%	1,956	95.0%	37,172	1.05
Grayling	203	1.5	5%	1,683	95.0%	31,974	1.05
Haines (HB)	1,265	1.4	15%	32,811	85.0%	185,929	1.19
Haines Borough (HB):	947	1.5	5%	7,851	95.0%	149,161	1.05
Holy Cross	273	1.5	5%	2,263	95.0%	43,000	1.05
Homer (KPB)	3,937	1.4	15%	102,116	85.0%	578,657	1.18
Hoonah	793	1.5	5%	6,574	95.0%	124,905	1.05
Hooper Bay	890	1.5	5%	7,378	95.0%	140,183	1.05
Houston (MSB)	815	1.5	5%	6,756	95.0%	128,370	1.05
Hughes	66	1.5	5%	1,316	95.0%	25,000	1.05
Huslia	224	1.5	5%	1,857	95.0%	35,282	1.05
Hydaburg	405	1.5	5%	3,357	95.0%	63,791	1.05
Juneau, City and Borough of (JCB)	29,251	1.0	30%	1,314,535	70.0%	3,067,248	1.43
Kachemak (KPB)	372	1.5	5%	3,084	95.0%	58,593	1.05
Kake	725	1.5	5%	6,010	95.0%	114,194	1.05
Kaktovik (NSB)	224	1.5	5%	1,857	95.0%	35,282	1.05
Kaliag	257	1.5	5%	2,131	95.0%	40,480	1.05
Kasaan	52	1.5	5%	1,316	95.0%	25,000	1.05
Kasigluk	459	1.5	5%	3,805	95.0%	72,297	1.05
Kenai (KPB)	6,535	1.2	30%	352,664	70.0%	822,883	1.43
Kenai Peninsula Borough (KPB):	24,638	1.0	30%	1,107,228	70.0%	2,583,531	1.43
Ketchikan (KGB)	8,478	1.2	30%	457,519	70.0%	1,067,544	1.43
Ketchikan Gateway Borough (KGB):	5,253	1.2	30%	283,480	70.0%	661,454	1.43
Kiana (NAB)	401	1.5	5%	3,324	95.0%	63,161	1.05
King Cove (AEB)	871	1.5	5%	7,221	95.0%	137,190	1.05
Kivalina (NAB)	327	1.5	5%	2,711	95.0%	51,505	1.05
Klawock	758	1.5	5%	6,284	95.0%	119,392	1.05
Kobuk (NAB)	110	1.5	5%	1,316	95.0%	25,000	1.05
Kodiak (KIB)	7,229	1.2	30%	390,116	70.0%	910,271	1.43
Kodiak Island Borough (KIB):	7,324	1.2	30%	395,243	70.0%	922,233	1.43
Kotlik	503	1.5	5%	4,170	95.0%	79,227	1.05
Kotzebue (NAB)	3,075	1.4	15%	79,758	85.0%	451,961	1.19
Koyuk	277	1.5	5%	2,296	95.0%	43,630	1.05
Koyukuk	127	1.5	5%	1,316	95.0%	25,000	1.05
Kupreanof	24	1.5	5%	1,316	95.0%	25,000	1.05
Kwethluk	559	1.5	5%	4,634	95.0%	88,048	1.05
Lake and Peninsula Borough (LPB):	948	1.5	5%	7,867	95.0%	149,476	1.05
Larsen Bay (KIB)	149	1.5	5%	1,316	95.0%	25,000	1.05
Lower Kalskag	299	1.5	5%	2,479	95.0%	47,095	1.05
Manokotak	404	1.5	5%	3,349	95.0%	63,634	1.05
Marshall (Fortuna Ledge)	318	1.5	5%	2,636	95.0%	50,088	1.05
Matanuska-Susitna Borough:	33,819	1.0	30%	1,519,820	70.0%	3,546,247	1.43
McGrath	531	1.5	5%	4,402	95.0%	83,637	1.05
Mekoryuk	206	1.5	5%	1,708	95.0%	32,447	1.05
Mellakalla	1,564	1.4	15%	40,566	85.0%	229,875	1.19

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING \$67,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation: \$65,300,000
Minimum State Share: \$25,000

	<u>Population:</u>			
	Under 1,000	1,000-4,999	5,000-10,000	Over 10,000
Allocation Factor:	1.5	1.4	1.2	1.0
Local Share %:	5%	15%	30%	30%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Municipality	Population	Grant Allocation Factor	LOCAL SHARE %	\$	STATE SHARE %	\$	Leverage Ratio
Mountain Village	727	1.5	5%	6,027	95.0%	114,509	1.05
Napakuk	323	1.5	5%	2,678	95.0%	50,875	1.05
Napaskiak	362	1.5	5%	3,001	95.0%	57,018	1.05
Nenana	504	1.5	5%	4,178	95.0%	79,385	1.05
New Stuyahok	396	1.5	5%	3,283	95.0%	62,374	1.05
Newhalen (LPB)	161	1.5	5%	1,335	95.0%	25,359	1.05
Newtok	213	1.5	5%	1,766	95.0%	33,549	1.05
Nightmute	178	1.5	5%	1,476	95.0%	28,037	1.05
Nikolai	107	1.5	5%	1,318	95.0%	25,000	1.05
Nome	4,559	1.4	15%	118,249	85.0%	670,078	1.18
Nondalton (LPB)	212	1.5	5%	1,757	95.0%	33,392	1.05
Noorvik (NAB)	520	1.5	5%	4,311	95.0%	81,905	1.05
North Pole (FNSB)	1,871	1.4	15%	43,342	85.0%	245,602	1.18
North Slope Borough (NSB):	2,582	1.4	15%	66,971	85.0%	379,500	1.18
Northwest Arctic Borough (NAB):	250	1.5	5%	2,072	95.0%	39,377	1.05
Nulqsut (NSB)	391	1.5	5%	3,241	95.0%	61,586	1.05
Nulato	364	1.5	5%	3,018	95.0%	57,333	1.05
Nunapitchuk (Akolmiut)	475	1.5	5%	3,938	95.0%	74,817	1.05
Old Harbor (KIB)	298	1.5	5%	2,470	95.0%	46,932	1.05
Ouzinkie (KIB)	216	1.5	5%	1,791	95.0%	34,022	1.05
Palmer	3,039	1.4	15%	78,824	85.0%	446,668	1.18
Pelican	265	1.5	5%	2,197	95.0%	41,740	1.05
Petersburg	3,680	1.4	15%	96,450	85.0%	540,883	1.18
Pilot Point (LPB)	97	1.5	5%	1,318	95.0%	25,000	1.05
Pilot Station	470	1.5	5%	3,898	95.0%	74,029	1.05
Platinum	54	1.5	5%	1,318	95.0%	25,000	1.05
Point Hope (NSB)	680	1.5	5%	5,637	95.0%	107,106	1.05
Port Alexander	119	1.5	5%	1,318	95.0%	25,000	1.05
Port Heiden (LPB)	126	1.5	5%	1,318	95.0%	25,000	1.05
Port Lions (KIB)	238	1.5	5%	1,973	95.0%	37,487	1.05
Quinhagak	501	1.5	5%	4,153	95.0%	78,912	1.05
Ruby	207	1.5	5%	1,716	95.0%	32,604	1.05
Russian Mission	288	1.5	5%	2,206	95.0%	41,897	1.05
Sand Point (AEB)	1,073	1.4	15%	27,831	85.0%	157,709	1.18
Savoonga	545	1.5	5%	4,518	95.0%	86,842	1.05
Saxman (KGB)	379	1.5	5%	3,142	95.0%	59,696	1.05
Scammon Bay	360	1.5	5%	2,984	95.0%	56,703	1.05
Selawik (NAB)	597	1.5	5%	4,949	95.0%	94,033	1.05
Seldovia (KPB)	302	1.5	5%	2,504	95.0%	47,568	1.05
Seward (KPB)	2,808	1.4	15%	72,781	85.0%	412,423	1.18
Shageluk	144	1.5	5%	1,318	95.0%	25,000	1.05
Shaktolik	212	1.5	5%	1,757	95.0%	33,392	1.05
Sheldon Point	103	1.5	5%	1,318	95.0%	25,000	1.05
Shishmaref	466	1.5	5%	3,863	95.0%	73,399	1.05
Shungnak (NAB)	224	1.5	5%	1,857	95.0%	35,282	1.05
Sitka, City and Borough of (SCB)	8,815	1.2	30%	475,705	70.0%	1,109,979	1.43
Skagway	735	1.5	5%	6,083	95.0%	115,769	1.05

TABLE 1 - MUNICIPALITIES

TOTAL FUNDING \$67,000,000 MINIMUM GRANT: \$25,000

Municipal CPMG Fund Appropriation:	\$65,300,000	<u>Population:</u>				
Minimum State Share:	\$25,000	Under 1,000	1,000- 4,999	5,000- 10,000	Over 10,000	
		Allocation Factor:	1.5	1.4	1.2	1.0
		Local Share %:	5%	15%	30%	30%

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Municipality	Population	Grant Allocation Factor	LOCAL SHARE		STATE SHARE		Leverage Ratio
			%	\$	%	\$	
Soldotna (KPB)	3,652	1.4	15%	94,724	85.0%	536,768	1.18
St. George	287	1.5	5%	2,379	95.0%	45,205	1.05
St. Mary's	477	1.5	5%	3,954	95.0%	75,132	1.05
St. Michael	324	1.5	5%	2,686	95.0%	51,033	1.05
St. Paul	771	1.5	5%	6,382	95.0%	121,439	1.05
Stebbins	442	1.5	5%	3,664	95.0%	69,619	1.05
Tanana	407	1.5	5%	3,374	95.0%	64,106	1.05
Teller	254	1.5	5%	2,106	95.0%	40,007	1.05
Tenakee Springs	106	1.5	5%	1,316	95.0%	25,000	1.05
Thome Bay	637	1.5	5%	5,281	95.0%	100,333	1.05
Togiak	738	1.5	5%	6,118	95.0%	116,242	1.05
Toksook Bay	449	1.5	5%	3,722	95.0%	70,722	1.05
Tuluksak	371	1.5	5%	3,076	95.0%	58,436	1.05
Tununak	333	1.5	5%	2,761	95.0%	52,450	1.05
Unalakleet	732	1.5	5%	6,068	95.0%	115,297	1.05
Unalaska	3,825	1.4	15%	99,211	85.0%	562,185	1.18
Upper Kalskag	173	1.5	5%	1,434	95.0%	27,249	1.05
Valdez	4,360	1.4	15%	113,087	85.0%	640,829	1.18
Wainwright (NSB)	536	1.5	5%	4,443	95.0%	84,425	1.05
Wales	147	1.5	5%	1,316	95.0%	25,000	1.05
Wasilla	4,124	1.4	15%	108,966	85.0%	606,192	1.18
White Mountain	182	1.5	5%	1,509	95.0%	28,667	1.05
Whitier	279	1.5	5%	2,313	95.0%	43,945	1.05
Wrangell	2,539	1.4	15%	65,855	85.0%	373,180	1.18
Yakutat	729	1.5	5%	6,043	95.0%	114,824	1.05
TOTAL:	166	561,840	26%	22,694,473	74%	65,300,000	1.35

NOTES:

- Col. A - Municipalities as of 7/1/82, as certified by DCRA on 12/15/92 for the FY 94 State revenue sharing and municipal assistance programs. Changes may occur prior to program implementation.
- Col. B - Population figures as of 7/1/82, as certified by DCRA on 12/15/92 for the FY 94 State revenue sharing and municipal assistance programs. Changes may occur prior to program implementation.
- Col. D - Equals percentage of total project cost; i.e., Col. E divided by (Col. E + Col. G).
- Col. F - Equals local share percentage (Col. D) divided by state share percentage (Col. F), multiplied by State Share amount (Col. G).
- Col. H - Equals sum of Local Share amount (Col. E) and State Share amount (Col. G), divided by State Share amount (Col. G).

HB 124 / SB 88
Capital Project Matching Grant Program

TABLE 2 - UNINCORPORATED COMMUNITIES

TOTAL FUNDING: \$87,000,000

MINIMUM GRANT: \$25,000

Unincorporated Community CPMG Fund Appropriation: \$1,700,000

Minimum State Share: \$25,000

Local Share Percentage: 5%

(A)	(B)	(C)	(D)
	State Share	Local Share	Local Match %
Akiachak.....	\$25,000	\$1,316	5.0%
Arctic Village.....	25,000	1,316	5.0%
Beaver.....	25,000	1,316	5.0%
Birch Creek.....	25,000	1,316	5.0%
Chalkyitsik.....	25,000	1,316	5.0%
Chenega Bay.....	25,000	1,316	5.0%
Chilkat.....	25,000	1,316	5.0%
Chistochina.....	25,000	1,316	5.0%
Chitina.....	25,000	1,316	5.0%
Circle Civic Community.....	25,000	1,316	5.0%
Circle District.....	25,000	1,316	5.0%
Copper Center.....	25,000	1,316	5.0%
Copper Valley Community.....	25,000	1,316	5.0%
Council.....	25,000	1,316	5.0%
Crooked Creek.....	25,000	1,316	5.0%
Deltana.....	25,000	1,316	5.0%
Dot Lake Services.....	25,000	1,316	5.0%
Dot Lake Village.....	25,000	1,316	5.0%
Eagle Village.....	25,000	1,316	5.0%
Edna Bay.....	25,000	1,316	5.0%
Ellin Cove.....	25,000	1,316	5.0%
Evansville.....	25,000	1,316	5.0%
Four Mile Road Community.....	25,000	1,316	5.0%
Gakona.....	25,000	1,316	5.0%
Gulkana.....	25,000	1,316	5.0%
Gustavus.....	25,000	1,316	5.0%
Healy Lake.....	25,000	1,316	5.0%
Holla.....	25,000	1,316	5.0%
Hyder.....	25,000	1,316	5.0%
Kenny Lake.....	25,000	1,316	5.0%
Kipruk.....	25,000	1,316	5.0%
Kiuti-Kash.....	25,000	1,316	5.0%
Koliganek.....	25,000	1,316	5.0%
Kongiganak.....	25,000	1,316	5.0%
Kwigillingok.....	25,000	1,316	5.0%
Lime Village.....	25,000	1,316	5.0%
Manley Hot Springs.....	25,000	1,316	5.0%
Mentasta.....	25,000	1,316	5.0%
Metlakatla Indian Village.....	25,000	1,316	5.0%
Minto.....	25,000	1,316	5.0%
Nelchina/Mendotna.....	25,000	1,316	5.0%
Nikolski.....	25,000	1,316	5.0%
Northway.....	25,000	1,316	5.0%
Oscarville.....	25,000	1,316	5.0%
Paxson.....	25,000	1,316	5.0%
Pitka's Point.....	25,000	1,316	5.0%
Point Baker.....	25,000	1,316	5.0%
Port Protection.....	25,000	1,316	5.0%
Rampart.....	25,000	1,316	5.0%

HB 124 / SB 88
Capital Project Matching Grant Program

TABLE 2 - UNINCORPORATED COMMUNITIES

TOTAL FUNDING: \$67,000,000

MINIMUM GRANT: \$25,000

Unincorporated Community CPMG Fund Appropriation: \$1,700,000
Minimum State Share: \$25,000
Local Share Percentage: 5%

(A)	(B)	(C)	(D)
	State Share	Local Share	Local Match %
Red Devil.....	25,000	1,316	5.0%
Silver Springs.....	25,000	1,316	5.0%
Siana Community Corporation.....	25,000	1,316	5.0%
Siana League.....	25,000	1,316	5.0%
Sleetmute.....	25,000	1,316	5.0%
Stevens Village.....	25,000	1,316	5.0%
Stony River.....	25,000	1,316	5.0%
Takotna.....	25,000	1,316	5.0%
Tanacross.....	25,000	1,316	5.0%
Tatitlek.....	25,000	1,316	5.0%
Tazlina.....	25,000	1,316	5.0%
Totlin.....	25,000	1,316	5.0%
Tok.....	25,000	1,316	5.0%
Tolsona.....	25,000	1,316	5.0%
Tuntutuliak.....	25,000	1,316	5.0%
Twin Hills.....	25,000	1,316	5.0%
Venstie.....	25,000	1,316	5.0%
Whale Pass.....	25,000	1,316	5.0%
Wiseman.....	25,000	1,316	5.0%
Total:	68	\$1,700,000	\$89,474 5.0%

NOTES:

- Col. A - Unincorporated communities eligible for FY 94 State revenue sharing as of 7/1/92, as certified by DCRA on 12/15/92. Changes may occur prior to program implementation.
- Col. C - Equals local share percentage (Col. D) divided by State share percentage (1 minus local share percentage), multiplied by State share amount (Col. B).
- Col. D - Equals percentage of total project cost; i.e., Col. C divided by (Col. B + Col. C).

Office of the Governor, OMB/JF

File: 93MATCH.XLS

SB

92

John

DATE: 2/5/93

FURTHER: HES
FINANCE

Date of 5-Day Notice: 3/18/93
(in accordance with Uniform Rule 23)

DATE TURNED
INTO OFFICE: 324-93

CRA Committee considered SB 92

"An Act relating to an advisory vote during regional educational attendance area school board elections; and providing for an effective date."

and recommends:

replace with CS SB92 (CRA)

- same title
- new title
- technical title change (HB only)

attaches amendment(s)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

FISCAL NOTE INFORMATION

Department	Date	Zero	Fiscal
Dpt of Governor	3/22/93		0.7
Dept of Educ.	2/19/93	0	

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

DO PASS:

1. [Signature]

1. [Signature]

1. [Signature]

OTHER RECOMMENDATIONS:

Admin. Taylor NO REC

[Signature]

Chair: Signature and Recommendation

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF ELECTIONS

- REGION I ELECTIONS OFFICE
 REGION II ELECTIONS OFFICE
 REGION III ELECTIONS OFFICE
 REGION IV ELECTIONS OFFICE

March 22, 1993

Senator Randy Phillips
 Chairman
 Community and Regional Affairs Committee
 Room 103
 State Capitol
 Juneau, AK 99801-1182

Dear Senator Phillips:

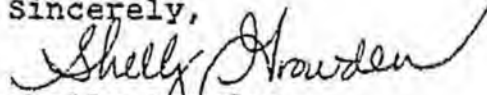
On a temporary basis, I am serving as the Acting Director of the Division of Elections while Director Charlot Thickett is out of state.

I have reviewed Senate Bill 92 "An Act relating to an advisory vote during regional education attendance area elections". The Division of Elections does not support this legislation as written. As currently drafted, this legislation does not provide a date by which the school districts would be required to pass a resolution to get the advisory vote on the ballot. Theoretically, a school district could pass the required resolution in late September and the Division of Elections would be required to place the advisory question on the October ballot.

The Division of Elections would like to see SB 92 amended to include a deadline by which the school districts would be required to pass a resolution to place the advisory question on the ballot. The Division believes the resolution deadline should be the same as the candidate filing deadline which is the first Friday in August. As soon as we have reached the candidate filing deadline, the Division of Elections begins ballot preparations/lay-out with the ballot printer and would need to know at this time if we needed to place an advisory question on the ballot.

I have discussed this proposed amendment with Senator Zharoff's office. If you have any questions regarding the Division's proposed amendment, please feel free to contact me in my Fairbanks office at 451-2835.

Sincerely,



Shelly Gowden
 Region III Elections Supervisor/
 Acting Director Division of Elections

REGION I ELECTIONS OFFICE
 240 MAIN STREET, 4TH FLOOR
 P.O. BOX 110018
 JUNEAU, ALASKA 99811-0018
 (907) 465-3021

REGION II ELECTIONS OFFICE
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 ANCHORAGE, ALASKA 99515-2045
 (907) 622-8883

REGION III ELECTIONS OFFICE
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 FAIRBANKS, ALASKA 99701-4594
 (907) 451-2835

REGION IV ELECTIONS OFFICE
 ALASKA STATE OFFICE BUILDING
 P.O. BOX 577
 NOME, ALASKA 99762-0577
 (907) 443-5285

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BYZL NO. SB92

Revision Dates: _____
Title: BEAA Advisory Votes

Sponsor: Senator Zboroff
Requestor: _____

Department Affected: Office of the Governor
ARJ: Division of Elections
Component: General and Primary Elections

COMPONENT SERIAL NO. 22

EXPENDITURES/REVENUES:

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0.7	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0.7	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE FUND SOURCE:	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

FUNDING:

1002 Federal Receipts	0	0	0	0	0	0
1003 CF Match	0	0	0	0	0	0
1004 GF	0.7	0	0	0	0	0
1005 GF/Program	0	0	0	0	0	0
1006 GF/MHTA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0.7	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

Estimate of current year (FY93) impact: 0

ANALYSIS: (Attach a separate page if necessary.) This figure covers cost printing an additional ballot card for BEAA.

Prepared by: Shelly Crowden Acting Director
Division: Division of Elections

Approved by Commissioner: John H. Costello
Agency: Office of the Gov. Governor

Date: 3/22/93

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FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. SB 92

Revision Date: _____
Title: An Act relating to an advisory vote during regional educational attendance area school board elections; and providing for an effective date.

Dept. Affected: EDUCATION
BRU: Executive Administration
Component: Administrative Services

Sponsor: Senator Zharoff
Requestor: Senator Zharoff's Office

COMPONENT SERIAL NO. 157

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary)

There are no costs for the Department of Education associated with Senate Bill 92.

Prepared by: Gary M. Bader *Gary M. Bader*
Division: Administrative Services

Phone: 465-2875
Date: February 19, 1993

Approved by Commissioner: Hub Walker
Agency: Department of Education

Date: 2/23/93

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STATE OF ALASKA

OFFICE OF THE GOVERNOR

March 22, 1993

Senator Randy Phillips
Chairman
Community and Regional Affairs Committee
Room 103
State Capitol
Juneau, AK 99801-1182

Dear Senator Phillips:

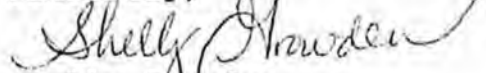
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I have reviewed Senate Bill 92 "An Act relating to an advisory vote during regional education attendance area elections". The Division of Elections does not support this legislation as written. As currently drafted, this legislation does not provide a date by which the school districts would be required to pass a resolution to get the advisory vote on the ballot. Theoretically, a school district could pass the required resolution in late September and the Division of Elections would be required to place the advisory question on the October ballot.

The Division of Elections would like to see SB 92 amended to include a deadline by which the school districts would be required to pass a resolution to place the advisory question on the ballot. The Division believes the resolution deadline should be the same as the candidate filing deadline which is the first Friday in August. As soon as we have reached the candidate filing deadline, the Division of Elections begins ballot preparations/lay-out with the ballot printer and would need to know at this time if we needed to place an advisory question on the ballot.

I have discussed this proposed amendment with Senator Zharoff's office. If you have any questions regarding the Division's proposed amendment, please feel free to contact me in my Fairbanks office at 451-2835.

Sincerely,



Shelly Growden
Region III Elections Supervisor/
Acting Director Division of Elections

DIVISION OF ELECTIONS

- REGION I ELECTIONS OFFICE
- REGION II ELECTIONS OFFICE
- REGION III ELECTIONS OFFICE
- REGION IV ELECTIONS OFFICE

REGION I ELECTIONS OFFICE
240 MAIN STREET, 4TH FLOOR
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(907) 522-8683

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(907) 451-2835

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ALASKA STATE OFFICE BUILDING
P.O. BOX 577
NOME, ALASKA 99762-0577
(907) 443-5285

adopted

8-LS0571A.1

Ford

3/22/93

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR ZHAROFF

TO: SB 92

Page 1, line 8, after "ballot.":

Insert "A resolution described in this subsection must be filed with the division of elections on or before the first Friday in August of the year in which the advisory question is required to be placed on the ballot."

THE
FOLLOWING
DOCUMENTS
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POOR
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COPIES

6 AAC 27.035. DECLARATION OF CANDIDACY. (a) A candidate for school board office must file a declaration of candidacy. The declaration of candidacy must be in the form prescribed by the director and must include

- (1) the candidate's name;
- (2) the candidate's residence address;
- (3) the candidate's mailing address, if different from the residence address;
- (4) the designation of the office and seat being sought;
- (5) a statement that the candidate is qualified for the office that he or she seeks;
- (6) the candidate's name, as the candidate wants it to appear on the ballot;
- (7) identification, in the form of the candidate's voter registration number, social security number, or birthdate;
- (8) the candidate's phone number, if available; and,
- (9) the candidate's signature.

(b) A declaration of candidacy must be filed by delivering it in person or by mail to the director of elections, or to an election supervisor of a regional elections office in Anchorage, Fairbanks, Nome, or Juneau. The deadline for filing a declaration of candidacy is the first Friday in August of the year in which the election is held for the office sought. A declaration must be received by the close of business on the deadline day if it is delivered in person. A declaration sent by mail must be postmarked no later than the first Friday in August, and must be received no later than the close of business on the fifth day after the filing deadline. If the postmark is illegible, a dated postal receipt is acceptable as proof of mailing.

(c) Notwithstanding the requirements of (b) of this section, the deadline for filing a declaration of candidacy for the 1993 CRSA¹ (Coastal Resource Service Area) board and PEAA (Regional Educational Attendance Area) school board elections of March 2, 1993, is Wednesday, December 30, 1992. Accordingly, a declaration sent by mail must be postmarked no later than Wednesday, December 30, 1992. This subsection is repealed January 1, 1993. (Eff. 8/12/90, Register 115; am 8/7/92, Register 123; am 12/24/92, Register 124)

Authority: AS 14.08.071
AS 15.15.010

AS 15.25.170

AS 29.26.020

6 AAC 27.040. APPOINTMENT OF ELECTION BOARDS. In second class cities where the municipal election falls on the same date as the regional educational attendance area election, the election supervisor shall consult the city clerk regarding the election board appointments and may appoint an election board to conduct

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF ELECTIONS

March 22, 1993

- REGION I ELECTIONS OFFICE
- REGION II ELECTIONS OFFICE
- REGION III ELECTIONS OFFICE
- REGION IV ELECTIONS OFFICE

Senator Randy Phillips
 Chairman
 Community and Regional Affairs Committee
 Room 103
 State Capitol
 Juneau, AK 99801-1182

Dear Senator Phillips:

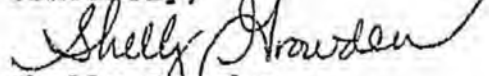
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I have discussed this proposed amendment with Senator Zharoff's office. If you have any questions regarding the Division's proposed amendment, please feel free to contact me in my Fairbanks office at 451-2835.

Sincerely,



Shelly Growden
 Region III Elections Supervisor/
 Acting Director Division of Elections

REGION I ELECTIONS OFFICE
 240 MAIN STREET, 4TH FLOOR
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 JUNEAU, ALASKA 99811-0018
 (907) 465-3021

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 800 E. DIMOND BOULEVARD, SUITE 3-680
 ANCHORAGE, ALASKA 99515-2045
 (907) 522-8889

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 NOME, ALASKA 99762-0577
 (907) 443-5285



SOUTHEAST
ISLAND
SCHOOL
DISTRICT

1621 TONGASS AVENUE SUITE 301
POST OFFICE BOX 8340
KETCHIKAN, ALASKA 99901
(907) 225-9658 OR 225-9659

Robert Weinstein
SUPERINTENDENT

March 3, 1993

Senator Fred Zharoff
Alaska Senate
P.O. Box V
Juneau, Alaska 99811

Dear Senator Zharoff:

At its meeting last week, the Southeast Island School District Board of Education reviewed SB 92, your legislation which would allow advisory questions to be placed upon an REAA ballot at the request of the School Board. The Board is in support of this legislation, as the Board believes there needs to be a legal mechanism to permit such advisory votes.

Sincerely,

A handwritten signature in cursive script that reads "Bob Weinstein".

Robert Weinstein
Superintendent

RW:eb

cc: Board Members



SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

P. O. BOX 405, KODIAK, ALASKA 99815 (907) 486-5259 (FAX ALSO)

DURING SESSION:

STATE CAPITOL, JUNEAU, ALASKA 99801-1182 • (907) 465-3473 • FAX: (907) 463-3043

DISTRICT C

KODIAK ISLAND • RURAL SOUTHEAST • SOUTH KENAI PENINSULA

SB 92 Sponsor Statement-Sen. Zharoff

This bill adds a provision in AS 14.08.071 whereby the communities in REAA school areas are able to voice their positions on education and education related issues of concern to them via an advisory vote on the regular school ballot. REAA schools are spread over a wide area, it is often difficult for members of the community to attend board meetings and make their feelings known. This bill allows the the school board to adopt a resolution requesting that an advisory question be on the next ballot. They then get a certified count from the communities regarding each communities stance on this question.

The Department of Education supports this bill. I believe it is a non-controversial bill and I would appreciate the committee's affirmative action.

POSITION PAPER: DEPARTMENT OF EDUCATION

Division: Administrative Services

Bill Number: SB 92

Bill Title: An Act relating to an advisory vote during regional education attendance area school board elections; and providing for an effective date.

Sponsor: Senator Zharoff

Position Statement: Explain briefly what the bill does, its impact and Department's position, i.e. a) support, b) do not support, c) neutral or d) oppose

SB92 allows REAA school boards to place advisory questions, on the next election ballot. The Department of Education supports this bill because it provides an avenue for citizens to inform REAA school boards of their opinion on relevant educational issues. It therefore, keeps school board members more in touch with the priorities of their constituents.

Director: Gary Bader **Division:** Administrative Services

Signature: *Gary M. Bader* **Date:** Feb 23, 1993

Commissioner/Deputy: Jerry Covey/Mike Maher

Signature: *Mike Maher* **Date:** 2/23/93

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. SB 92

Revision Date: _____
Title: An Act relating to an advisory vote during regional educational attendance area school board elections; and providing for an effective date.

Dept. Affected: EDUCATION
BRU: Executive Administration
Component: Administrative Services

Sponsor: Senator Zharoff
Requestor: Senator Zharoff's Office

COMPONENT SERIAL NO. 157

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other:						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ _____

ANALYSIS: (Attach a separate page if necessary)

There are no costs for the Department of Education associated with Senate Bill 92.

Prepared by: Gary M. Bader
Division: Administrative Services
Approved by Commissioner: _____
Agency: Department of Education

Phone: 465-2875
Date: February 19, 1993
Date: 2/23/93

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MAR 17 1993

SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

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DURING SESSION:


STATE CAPITOL, JUNEAU, ALASKA 99801- (907) 465-3473 • FAX: (907) 463-3043

DISTRICT C

KODIAK ISLAND • RURAL SOUTHEAST • SOUTH KENAI PENINSULA

MEMORANDUM

TO: Senator Randy Phillips, Chairman
Senate Community & Regional Affairs Committee

FROM: Senator Fred F. Zharoff 

DATE: March 16, 1993

SUBJ: Scheduling Request

I would appreciate your consideration in scheduling SB 92, "An Act relating to an advisory vote during regional education attendance area school board elections; and providing for an effective date" for a hearing before the Senate Community & Regional Affairs Committee.

I have attached a copy of SB 92 as well as a sponsor statement and fiscal note and position paper from the Department of Education. A fiscal note and position paper have been requested from the Division of Elections on this bill.

Thank you for your consideration of this request

Attachments

Sec. 14.08.070. [Repealed, § 1 ch 124 SLA 1975.]

Sec. 14.08.071. Elections. (a) In each regional educational attendance area in the unorganized borough, the lieutenant governor, within not less than 60, nor more than 90 days after the establishment of the regional educational attendance area, shall provide for the election of a regional school board.

(b) Except for the first election of regional school members under (a) of this section, elections shall be held annually on the first Tuesday in October. Elections shall be supervised by the director of elections in the office of the lieutenant governor, but shall be administered within second class cities as part of the regular municipal election. The lieutenant governor shall adopt regulations for the conduct of the election of regional school board members comparable, as far as practicable, to those prescribed for election of school board members under AS 14.12 and AS 29.20.300 except that the majority election requirements of AS 29.26.060 do not apply to, nor may the regulations require runoff elections for, the first election of regional school board members under (a) of this section or, if a school board by resolution so requests, to subsequent elections in the regional educational attendance area served by that school board.

(c) The cost of each regional school board election, or recall election under AS 14.08.081, shall be borne by the state. (§ 2 ch 124 SLA 1975; am § 1 ch 1 SLA 1976; am § 1 ch 39 SLA 1978; am § 25 ch 74 SLA 1985)

Collateral references. — What is "public place" within requirements as to posting of school election notices. 90 ALR2d 1212.

Inclusion or exclusion of first and last

days in computing time for giving notice of school district election, which must be given a certain number of days before a known future date. 98 ALR2d 1392.

Sec. 14.08.080. [Repealed, § 1 ch 124 SLA 1975.]

Sec. 14.08.081. Recall. The members of a regional school board are subject to recall in accordance with AS 29.26.240 — 29.26.360, except that the director of elections shall perform the functions of a municipal clerk, the lieutenant governor shall perform the functions of the assembly or council under those sections, and the last regular election is the last regularly scheduled election held within the regional educational attendance area. (§ 2 ch 124 SLA 1975; am § 3 ch 24 SLA 1979; am § 26 ch 74 SLA 1985; am § 20 ch 37 SLA 1986)

Opinions of attorney general. — For opinions of the Attorney General concerning recalls under this section, see May 28, 1987 Op. Att'y Gen.; April 22, 1988 Op.

Att'y Gen.; September 25, 1989 Op. Att'y Gen.; September 26, 1989 Op. Att'y Gen.; January 15, 1991 Op. Att'y Gen.

§ 2 ch 57 SLA 1976; am § 1 ch 147 SLA 1978; am § 4 ch 92 SLA 1982; am § 1 ch 105 SLA 1983; am § 6 ch 106 SLA 1986; am § 4 ch 5 SLA 1990)

Revisor's notes. — In 1987, paragraphs (8)-(10) were renumbered as (10), (8), and (9), respectively, to place the general power at the end of the section.

Effect of amendments. — The 1990 amendment, effective March 1, 1990, made an internal reference change in subsection (7).

NOTES TO DECISIONS

Board's power to make personnel rules. — Implicit in paragraph (4) of this section is a regional school board's power to make personnel rules comparable to those which the state personnel act imposes on public employees subject to its coverage. *Meiners v. Bering Strait Sch. Dist.*, 687 P.2d 287 (Alaska 1984).

As to absence of duty on regional educational attendance areas to bar-

gain collectively with noncertificated employees, see note following chapter analysis. *Northwest Arctic Regional Educ. Attendance Area v. Alaska Pub. Serv. Employees, Local 71*, 591 P.2d 1292 (Alaska 1979), overruled on other grounds, *Alaska Com. Fishing & Agric. Bank v. O/S Alaska Coast*, 715 P.2d 707 (Alaska 1986).

Collateral references. — Power to require construction or repair of school buildings. 1 ALR 1559.

Power of school authorities to employ physicians, nurses, oculists, and dentists. 12 ALR 922.

Extent of legislative power with respect to attendance and curriculum. 39 ALR 477; 53 ALR 832.

Kindergartens or specialized departments, power and duty of school authorities to maintain. 70 ALR 1313.

Power of school or local authorities as to granting leases of school property. 111 ALR 1051.

Sec. 14.08.110. [Repealed, § 1 ch 124 SLA 1975.]

Sec. 14.08.111. Duties. A regional school board shall

- (1) provide, during the school term of each year, an educational program for each school age child who is a resident of the district;
- (2) develop a philosophy of education, principles, and goals for its schools;
- (3) employ a chief school administrator and approve the employment of the professional administrators, teachers, and noncertificated personnel necessary to operate its schools;
- (4) establish the salaries to be paid its employees;
- (5) designate the employees authorized to direct disbursements from the school funds of the board;
- (6) submit the reports prescribed for all school districts;
- (7) provide for an annual audit in accordance with AS 14.14.050;
- (8) provide custodial services and routine maintenance of school buildings and facilities;
- (9) establish procedures for the review and selection of all textbooks and instructional materials before they are introduced into the school

curriculum; the review includes a review for violations of AS 14.18.060;

(10) provide prospective employees with information relating to the availability and cost of housing in rural areas to which they might be assigned, and, when possible, assist them in locating housing; however, nothing in this paragraph requires a regional school board to provide teacher housing, whether owned, leased, or rented or otherwise provided by the regional educational attendance area, nor does it require the board to engage in a subsidy program of any kind with respect to teacher housing; and

(11) train persons required to report under AS 47.17.020, in the recognition and reporting of child abuse, neglect, and sexual abuse of a minor. (§ 2 ch 124 SLA 1975; am § 2 ch 17 SLA 1981; am § 2 ch 105 SLA 1983; am § 2 ch 1 SLA 1986)

NOTES TO DECISIONS

Employment of superintendent. — Implicit in a regional school board's duty to "employ" a superintendent are duties such as the following: to determine what the duties of the position of superintendent shall be, to advise the superintendent on the manner in which it wishes him to perform his duties, to evaluate his performance, and to determine from time to time whether he should be retained or whether they should "employ" someone else. *Meiners v. Bering Strait Sch. Dist.*, 687 P.2d 287 (Alaska 1984).

Supervision of superintendent. — Implicit in AS 14.08.101(4) is a regional school board's power to make personnel rules comparable to those which the state personnel act imposes on public employees subject to its coverage. The board may well delegate to a superintendent, and through him to other employees such as principals and supervisors, its responsibility to "control" the rank-and-file em-

ployees; and in doing so it must of necessity supervise its superintendent. *Meiners v. Bering Strait Sch. Dist.*, 687 P.2d 287 (Alaska 1984).

As to absence of duty on regional educational attendance areas to bargain collectively with noncertificated employees, see note following chapter analysis. *Northwest Arctic Regional Educ. Attendance Area v. Alaska Pub. Serv. Employees, Local 71*, 591 P.2d 1292 (Alaska 1979), overruled on other grounds, *Alaska Com. Fishing & Agric. Bank v. O/S Alaska Coast*, 715 P.2d 707 (Alaska 1986).

Allegations in recall petition. — Legal principles of general application, and not just those in this section, are the measure of the "prescribed duties" which a recall petition must allege a failure to perform. *Meiners v. Bering Strait Sch. Dist.*, 687 P.2d 287 (Alaska 1984).

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(b) An advisory board shall advise the regional school board on all matters concerning schools in the community in which the advisory board is established. (§ 2 ch 24 SLA 1979; am §§ 6, 7 ch 173 SLA 1990)

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(10) provide prospective employees with information relating to the availability and cost of housing in rural areas to which they might be assigned, and, when possible, assist them in locating housing; however, nothing in this paragraph requires a regional school board to provide teacher housing, whether owned, leased, or rented or otherwise provided by the regional educational attendance area, nor does it require the board to engage in a subsidy program of any kind with respect to teacher housing; and

(11) train persons required to report under AS 47.17.020, in the recognition and reporting of child abuse, neglect, and sexual abuse of a minor. (§ 2 ch 124 SLA 1975; am § 2 ch 17 SLA 1981; am § 2 ch 105 SLA 1983; am § 2 ch 1 SLA 1986)

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SOUTHEAST
ISLAND
SCHOOL
DISTRICT

1621 TONGASS AVENUE SUITE 301
POST OFFICE BOX 8340
KETCHIKAN, ALASKA 99901
(907) 225-9652 OR 225-9659

Robert Weinstein
SUPERINTENDENT

March 3, 1993

Senator Fred Zharoff
Alaska Senate
P.O. Box V
Juneau, Alaska 99811

Dear Senator Zharoff:

At its meeting last week, the Southeast Island School District Board of Education reviewed SB 92, your legislation which would allow advisory questions to be placed upon an REAA ballot at the request of the School Board. The Board is in support of this legislation, as the Board believes there needs to be a legal mechanism to permit such advisory votes.

Sincerely,

A handwritten signature in cursive script that reads "Bob Weinstein".

Robert Weinstein
Superintendent

RW:eb

cc: Board Members



SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

P. O. BOX 405, KODIAK, ALASKA 99815 (907) 486-5255 (FAX ALSO)

DURING SESSION:

STATE CAPITOL, JUNEAU, ALASKA 99801-1182 • (907) 465-3473 • FAX: (907) 463-3043

DISTRICT C

KODIAK ISLAND • RURAL SOUTHEAST • SOUTH KENAI PENINSULA

SB 92 Sponsor Statement-Sen. Zharoff

This bill adds a provision in AS 14.08.071 whereby the communities in REAA school areas are able to voice their positions on education and education related issues of concern to them via an advisory vote on the regular school ballot. REAA schools are spread over a wide area, it is often difficult for members of the community to attend board meetings and make their feelings known. This bill allows the the school board to adopt a resolution requesting that an advisory question be on the next ballot. They then get a certified count from the communities regarding each communities stance on this question.

The Department of Education supports this bill. I believe it is a non-controversial bill and I would appreciate the committee's affirmative action.

POSITION PAPER: DEPARTMENT OF EDUCATION

Division: Administrative Services

Bill Number: SB 92

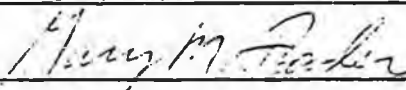
Bill Title: An Act relating to an advisory vote during regional education attendance area school board elections; and providing for an effective date.

Sponsor: Senator Zharoff

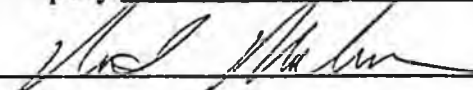
Position Statement: Explain briefly what the bill does, its impact and Department's position, i.e. a) support, b) do not support, c) neutral or d) oppose

SB92 allows REAA school boards to place advisory questions, on the next election ballot. The Department of Education supports this bill because it provides an avenue for citizens to inform REAA school boards of their opinion on relevant educational issues. It therefore, keeps school board members more in touch with the priorities of their constituents.

Director: Gary Bader **Division:** Administrative Services

Signature:  **Date:** Feb 23 1993

Commissioner/Deputy: Jerry Covev/Mike Maher

Signature:  **Date:** 2/23/93



MAR 17 1993

SENATOR FRED F. ZHAROFF

ALASKA STATE LEGISLATURE

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DISTRICT C

KODIAK ISLAND • RURAL SOUTHEAST • SOUTH KENAI PENINSULA

MEMORANDUM

TO: Senator Randy Phillips, Chairman
Senate Community & Regional Affairs Committee

FROM: Senator Fred F. Zharoff 

DATE: March 16, 1993

SUBJ: Scheduling Request

I would appreciate your consideration in scheduling SB 92, "An Act relating to an advisory vote during regional education attendance area school board elections; and providing for an effective date" for a hearing before the Senate Community & Regional Affairs Committee.

I have attached a copy of SB 92 as well as a sponsor statement and fiscal note and position paper from the Department of Education. A fiscal note and position paper have been requested from the Division of Elections on this bill.

Thank you for your consideration of this request

Attachments

Sec. 14.08.070. [Repealed, § 1 ch 124 SLA 1975.]

Sec. 14.08.071. Elections. (a) In each regional educational attendance area in the unorganized borough, the lieutenant governor, within not less than 60, nor more than 90 days after the establishment of the regional educational attendance area, shall provide for the election of a regional school board.

(b) Except for the first election of regional school members under (a) of this section, elections shall be held annually on the first Tuesday in October. Elections shall be supervised by the director of elections in the office of the lieutenant governor, but shall be administered within second class cities as part of the regular municipal election. The lieutenant governor shall adopt regulations for the conduct of the election of regional school board members comparable, as far as practicable, to those prescribed for election of school board members under AS 14.12 and AS 29.20.300 except that the majority election requirements of AS 29.26.060 do not apply to, nor may the regulations require runoff elections for, the first election of regional school board members under (a) of this section or, if a school board by resolution so requests, to subsequent elections in the regional educational attendance area served by that school board.

(c) The cost of each regional school board election, or recall election under AS 14.08.081, shall be borne by the state. (§ 2 ch 124 SLA 1975; am § 1 ch 1 SLA 1976; am § 1 ch 39 SLA 1978; am § 25 ch 74 SLA 1985)

Collateral references. — What is "public place" within requirements as to posting of school election notices. 90 ALR2d 1212.

Inclusion or exclusion of first and last

days in computing time for giving notice of school district election, which must be given a certain number of days before a known future date. 98 ALR2d 1392.

Sec. 14.08.080. [Repealed, § 1 ch 124 SLA 1975.]

Sec. 14.08.081. Recall. The members of a regional school board are subject to recall in accordance with AS 29.26.240 — 29.26.360, except that the director of elections shall perform the functions of a municipal clerk, the lieutenant governor shall perform the functions of the assembly or council under those sections, and the last regular election is the last regularly scheduled election held within the regional educational attendance area. (§ 2 ch 124 SLA 1975; am § 3 ch 24 SLA 1979; am § 26 ch 74 SLA 1985; am § 20 ch 37 SLA 1986)

Opinions of attorney general. — For opinions of the Attorney General concerning recalls under this section, see May 28, 1987 Op. Att'y Gen.; April 22, 1988 Op.

Att'y Gen.: September 25, 1989 Op. Att'y Gen.; September 26, 1989 Op. Att'y Gen.; January 15, 1991 Op. Att'y Gen.

§ 2 ch 57 SLA 1976; am § 1 ch 147 SLA 1978; am § 4 ch 92 SLA 1982; am § 1 ch 105 SLA 1983; am § 6 ch 106 SLA 1986; am § 4 ch 5 SLA 1990)

Revisor's notes. — In 1987, paragraphs (8)-(10) were renumbered as (10), (8), and (9), respectively, to place the general power at the end of the section.

Effect of amendments. — The 1990 amendment, effective March 1, 1990, made an internal reference change in subsection (7).

NOTES TO DECISIONS

Board's power to make personnel rules. — Implicit in paragraph (4) of this section is a regional school board's power to make personnel rules comparable to those which the state personnel act imposes on public employees subject to its coverage. *Meiners v. Bering Strait Sch. Dist.*, 687 P.2d 287 (Alaska 1984).

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Collateral references. — Power to require construction or repair of school buildings. 1 ALR 1559.

Power of school authorities to employ physicians, nurses, oculists, and dentists. 12 ALR 922.

Extent of legislative power with respect to attendance and curriculum. 39 ALR 477; 53 ALR 832.

Kindergartens or specialized departments, power and duty of school authorities to maintain. 70 ALR 1313.

Power of school or local authorities as to granting leases of school property. 111 ALR 1051.

Sec. 14.08.110. [Repealed, § 1 ch 124 SLA 1975.]

Sec. 14.08.111. Duties. A regional school board shall

(1) provide, during the school term of each year, an educational program for each school age child who is a resident of the district;

(2) develop a philosophy of education, principles, and goals for its schools;

(3) employ a chief school administrator and approve the employment of the professional administrators, teachers, and noncertificated personnel necessary to operate its schools;

(4) establish the salaries to be paid its employees;

(5) designate the employees authorized to direct disbursements from the school funds of the board;

(6) submit the reports prescribed for all school districts;

(7) provide for an annual audit in accordance with AS 14.14.050;

(8) provide custodial services and routine maintenance of school buildings and facilities;

(9) establish procedures for the review and selection of all textbooks and instructional materials before they are introduced into the school

curriculum; the review includes a review for violations of AS 14.18.060;

(10) provide prospective employees with information relating to the availability and cost of housing in rural areas to which they might be assigned, and, when possible, assist them in locating housing; however, nothing in this paragraph requires a regional school board to provide teacher housing, whether owned, leased, or rented or otherwise provided by the regional educational attendance area, nor does it require the board to engage in a subsidy program of any kind with respect to teacher housing; and

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