

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8526 HOUSE • COMMUNITY & REGIONAL AFFAIRS •

**SB**

**6**

HOUSE CS FOR SENATE BILL NO. 6(CRA)  
 IN THE LEGISLATURE OF THE STATE OF ALASKA  
 NINETEENTH LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:  
 Referred:

Sponsor(s): SENATORS TAYLOR, Sharp

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to suspension of a driver's license for failure to appear in court  
 2 or failure to pay a fine; relating to court and collection costs for traffic offenses;  
 3 and relating to citations and court procedures for municipal traffic and parking  
 4 offenses."

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

6 \* Section 1. PURPOSE AND INTENT OF SECTION 4. The purpose of sec. 4 of this Act  
 7 is to create a mechanism to enforce citations issued for offenses involving a moving motor  
 8 vehicle. It is the intent of the legislature that after a person has made a required court  
 9 appearance or paid a fine required by the court, that any driver's license suspension imposed  
 10 by the court be terminated as quickly as possible.

11 \* Sec. 2. AS 12.25.200(b) is amended to read:

12 (b) A citation issued under AS 12.25.180 must indicate

13 (1) the amount of bail or fine applicable to the offense;

14 (2) [,] the procedure a person must follow in responding to the citation;

1                   (3) [, AND] that if the person fails to pay the bail or fine the person  
2 must appear in court;

3                   (4) that failure to pay the bail or fine or appear in court for an  
4 offense involving a moving motor vehicle may result in

5                   (A) suspension of the person's driver's license, privilege to  
6 drive, or privilege to obtain a license; or

7                   (B) attachment of the person's permanent fund dividend to  
8 pay the fine plus court and collection costs under AS 28.05.155; and

9                   (5) [. IN ADDITION, A CITATION MUST INDICATE] that the  
10 person has a right to

11                   (A) [(1)] a trial;

12                   (B) [(2)] engage counsel;

13                   (C) [(3)] confront and question witnesses;

14                   (D) [(4)] testify; and

15                   (E) [(5)] subpoena witnesses on the person's behalf.

16 \* Sec. 3. AS 28.05 is amended by adding a new section to read:

17                   Sec. 28.05.155. COURT AND COLLECTION COSTS. If a person's  
18 permanent fund dividend is attached to pay the bail or fine for an offense involving  
19 a moving motor vehicle, the court shall increase the bail or fine of that person by at  
20 least

21                   (1) \$25 for court costs; and

22                   (2) \$10 for collection costs.

23 \* Sec. 4. AS 28.15.181 is amended by adding a new subsection to read:

24                   (h) The court may suspend the driver's license, privilege to drive, or privilege  
25 to obtain a license of a person who fails to appear in court as required by a citation  
26 for an offense involving a moving motor vehicle, or who fails to pay a fine as required  
27 by the court for an offense involving a moving motor vehicle. If the court suspends  
28 a driver's license under this subsection, the court shall also provide notice of the  
29 suspension to the department. A suspension imposed under this subsection remains  
30 in effect until the person appears in court as required by the citation, or pays the fine  
31 as required by the court. When the person appears in court or pays the required fine,

1  
2

the court shall terminate the suspension imposed under this subsection and provide the department and the person with written notice of the termination.

A M E N D M E N T

OFFERED IN THE HOUSE

TO: SB 6 am

- 1 Page 2, line 16, through page 3, line 1:
- 2 Delete all material.
- 3 Renumber the following bill sections accordingly.

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## Facsimile Cover Sheet

**To: Representative Ivan Ivan**

**Company:** Alaska State Legislature  
**Phone:** 907-465-4942  
**Fax:** 907-465-4589

**From: Tom Nicolos**

**Company:**  
**Phone:** (907) 852-2162  
**Fax:** (907) 852-2430

**Date:** 04/27/95

**Pages including this  
cover page:** 9

**Comments:**

Attached, please find my testimony from the teleconference on SB 87 this date, as you requested. Thank you for giving me the opportunity to express my views in what I believe are very important issues.

I would also like to point out some concerns I have about information which was misrepresented during the hearing. Please review AS 04.11.502 as currently written and reference SB 87 Section 30, and I believe you will find that, in fact, time restrictions on elections to remove a local option are much more restrictive than to impose a local option.

Further, I would like to point out that you were informed that Barrow's concerns have all ready been addressed and this is not true. Had our issues been addressed, I would not be testifying at this hearing and it was extremely disturbing to hear someone testify to the Committee that they had.

Please pay particular attention to page eight (8) of my testimony. My greatest concern is that a petition certified by the municipality can so easily and swiftly be swept aside.

Nineteenth Alaska State Legislature  
Juneau, Alaska 99801

April 27, 1995

RE: SB 87

My name is Tom Nicolos. I'd like to commend the Legislature for its efforts to further clarify Title 4; however I have many points of concern with SB 87. As I understand it, SB 87 was sponsored by Senator Taylor for the purpose of clarifying local option elections and to address some technical and common sense amendments to Title 4. While I completely agree with Senator Taylor that Title 4 needs overhauling, I feel this bill is far from being adequate. It contains contradictions within the bill itself and although the attempt to provide clarity and equity, SB 87 has become slanted toward the prohibitionist point of view which is unfair. It should be amended to be fair to both points of view. Personally, I do not think prohibition is the answer to the problems caused by alcohol, and further refining and giving more control to the government to set specific limits on local option law driven by prohibitionists is frightening. Serious consideration should be given before restricting the freedoms of law-abiding citizens, and for these reasons I would like to be heard.

I have grave concern that enacting this bill will perpetuate the present problem of citizens potentially becoming felons because they have "too much beer" in their home. Felony crimes in my estimation are heinous crimes against the State, such as murder, kidnapping, and sexual assault.

It should not be because a citizen has one too many bottles of wine in his possession. I urge you to go home tonight and take stock of you own liquor

RE SB 87

cabinet. If you had a local option election tomorrow and possession was made illegal, would you be "over the limit," thereby a potential felon? Any well-stocked liquor cabinet exceeds the limit (even in a city where liquor stores are available for restocking purposes). However items such as single-malt scotches and schnapps' are rarely used in bootlegging operations, nevertheless according to SB 87, by merely owning them, they can add up to the presumption of sale. This is unfair and untrue.

Specific changes to the bill I would like to see:

Page 3, Sec. 4:        "In a criminal prosecution for possession of alcoholic beverages for sale in violation of (a) of this section, the fact that a person possessed more than 12 liters of distilled spirits, 24 liters or more of wine, or 12 gallons or more of malt beverages in an area where the sale of alcoholic beverages is restricted or prohibited under AS 04.11.491 creates a presumption that the person possessed the alcoholic beverages for sale."        Rewrite this section to aim it toward the populace that        can be presumed to be selling alcoholic beverages. A bootlegger is going to be selling the inexpensive variety to keep profit margins up; a bootlegger is rarely going to be selling cognac, liqueur, etc. Any person convicted of possession of more than these quantities, because this may incorrectly presume sale, is guilty of a Class C felony; the same as a person who sells cocaine.

Page 18, Sec. 24, Line 18-27:        CHANGE OF LOCAL OPTION        This is a commendable change to the law which appears to be well thought-out and will allow a village or municipality to exactly state their desire at the polls, without having to go through multiple elections to do so.

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Page 21, Sec. 30, Line 29: PROCEDURE FOR LOCAL OPTION ELECTION: "Upon receipt of a petition of a number of registered voters equal to 35 percent or more of the number of votes cast at the last regular municipal election, the local governing body of a municipality shall place upon a separate ballot at the next regular election, or at a special election, whichever local option, change in local option or removal of local option constitutes the subject of the petition."

Exactly when a local option election can be held needs to be stipulated in this section. Title 29 and Title 15 specifically address time frames of elections in regards to windows after a petition is certified to clarify whether an item will be voted on in a special election or a general election for referendum, initiative, and recall.

(AS 29.26.180) states that after certification of a petition for referendum, "if no election occurs within 75 days of certification of a petition, the governing body shall hold a special election within 75 days, but not sooner than 45 days after certification."

(AS 29.26.170) states for an initiative election, "if no regular election occurs within 75 days after the certification of a petition, the governing body shall hold a special election within 75 days, but not sooner than 45 days after certification"

(AS 29.26.320) for recall election states "If a regular election occurs within 75 days but not sooner than 45 days after submission of the petition to the governing body, the governing body shall submit the recall at that election. If no regular election occurs within 75 days, the governing body shall hold a special election

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on the recall question within 75 days but not sooner than 45 days after a petition is submitted to the governing body."

However, verbage in SB 87 states "shall place upon a separate ballot at the next regular election, or at a special election." No windows are indicated as are in all other petition-process elections. This needs to be rectified.

Delete ~~or more~~ from paragraph ( c) ~~Upon receipt of a petition of 35 percent~~ ~~or more of the registered voters~~ . (AS 29.26.130) Signature requirements for initiative and referendum state "" equal to 25% of the votes cast if a municipality has fewer than 7,500 persons; or equal to 15% of the votes cast if a municipality has 7,500 persons or more. (AS 29.26.280) Signature requirements for recall states "the petition shall be signed by a number of voters equal to 25% of the number of votes cast for that office." No mention is made in any other election of obtaining a certain percentage ~~or more~~ of signatures on a petition. Exactly at whose discretion is ~~or more~~ ? Would a City Council or the Lieutenant Governor be able to require a set percentage amount, say 85%, at their discretion? The 35% of signatures needed for petitioning the government to place a local option question on the ballot as opposed to the 25% needed for any other election item indicates the strength of a community's desire on this important issue. Since this is such an important issue, the law has adequately built in an additional 10% of signatures needed. The term, " ~~or more~~ " adds vagueness to something you're attempting to clarify. I suggest changing the verbage to " equal to 35% of the number of votes cast at the last regular municipal election".

A recent court decision stated that local option elections are neither referendum nor initiative. So, specific clarification and concrete time frames are needed to

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stipulate when a local option election can be held after the certification of a petition.

Page 22, Sec. 30, Line 22-26: "Notwithstanding any other provisions of law, an election under (b) or (c) of this section to remove a local option or to change to a less restrictive option than the local option previously adopted under AS 04.11.491 may not be conducted during the first 12 months after the local option was adopted or more than once in an 18-month period." If I understand this

correctly, it appears that there's numerous restrictions on when an election can be held to remove an option or to change to a less restrictive option, but imposing more restrictions is unlimited in fact an election could be held monthly. Where's the equity in this law? There seems to be none. Legislation regarding an individual's freedoms should be impartial whether imposing or removing a local option question it should have the same set of time frame criterion.

Page 22, Sec. 30, Line 27-30: "Notwithstanding AS 29.26.140(a), after a petition has been certified as sufficient to meet the requirements of (b) or (c) of this section, another petition may not be filed or certified until after the question presented in the first petition has been voted on. Only one local option question may be presented in an election." I feel that restricting the number of items a

voter be allowed to vote on is a direct restriction of democracy and serves no purpose.

Page 30, Sec. 50, Line 9-12: "The court shall order destroyed any property forfeited under this section that is harmful to the public and shall order any property forfeited under this section that was seized in a municipality to be transferred to the municipality in which the property was seized." Acts of

RE SB 87

property seizures that can be left to the discretion of a local police force should not be permitted especially if the municipality will gain financially from the seizure. Employment and salaries could become dependent upon the amount of property seized. It also tends to punish a person twice for the same offense.

Page 30, Sec. 51, Line 24-30: the monthly amounts of alcoholic beverages a person may import into the municipality. This is to say that the municipality has the right to dictate just how many bottles of distilled spirits they think is proper for a citizen to bring into their home? The problem in a community is caused by alcohol abuse, not alcohol use. And there is a difference. Regulating the quantity of importation is too restrictive and allows a municipality to attempt to legislate morality which is not it's job.

Secondly, the type of alcoholic beverage container that may be possessed in the municipality. What exactly does this mean? If you are trying to clarify something, what sense does it make to add a clause that if you ask five different people what it means, you get five different answers? When it boils right down to it, why does it really matter and who cares what type of alcoholic beverage container may be possessed? What next? Are we going to legislate and regulate what color the container can be? Where does the line get drawn?

Page 30-31, Sec. 52, 31-9: After the adoption of a local option under AS 04.11.491(a), a municipality may adopt an ordinance making the sale, importation or possession of alcoholic beverages a misdemeanor to the extent prohibited under the local option.

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I believe possession and importation should be an infraction. Importation and possession are victimless crimes and shouldn't carry a possibility of a felony, especially when residents in one portion of the State could be felons whereas their neighbors in other locations of State wouldn't. Again, the problem with alcohol is alcohol abuse, not alcohol use....so legislate against abuse, not use as is presently written. Additionally, if possession were made a misdemeanor, this will allow law enforcement agencies to obtain a search warrant to enter a private residence. I, like many other citizens, should not have to fear answering the door to find the Dept. of Public Safety there to invade my privacy based on a tip. The fact of the matter is, I resent it.

Page 27, Sec. 44, Line 22-27: . (AS 04.11.501) clearly states that possession may not be considered a criminal offense. I very much agree with this; making possession a criminal offense can only further burden the State's judicial system and impose a large financial burden on the State for what is clearly a victimless crime. Can the State truly afford this added financial burden especially at a time when we are looking for ways to do more with less? This is clearly a contradiction within the bill and I urge you to maintain possession as an infraction and to reduce importation to an infraction as well.

Page 36, Sec. 72, Line 22-25: TRANSITION: EXISTING LOCAL OPTION PETITIONS. A petition to adopt or remove a local option on file with a municipality or the lieutenant governor on the effective date of this section that has not been voted on is void and may not be placed on an election ballot.

find Section 72 fair, then let's be completely fair and under Section 71, let's just void local options earlier adopted and let everyone start with a clean slate. I can see no reason in voiding existing petitions so they may not be placed on an election ballot merely because the law is being modified. The people of Barrow

If you

RE SB 87

currently have petitions on file with the municipality; I find it absurd, a duplication of effort, and a direct thwart of the will of the people to void their petitions on file with the municipality. This is just as senseless as legislating a transition clause stating that on the effective date of this section that all local option restrictions in place within any municipality shall be nullified and started fresh. I can not imagine why anyone, in their wildest dreams, could find anything fair or just about voiding lawfully-certified petitions on file awaiting an election.

Thank you for your time and allowing me to express my views on this matter.

SB87

FACSIMILE COVER PAGE

To: House Committee on CRA  
Time: 21:12:33  
Pages (including cover): 6

From: James B. Wood  
Date: 4/27/95

For delivery to: Chairman and members of the House Committee on Community and Regional Affairs

This cover is the first of six pages. There are five pages of text.

If all pages are not received or there is an error in transmission, please contact:

James B. Wood  
Box 470  
Barrow, Alaska 99723

907-852-2960

TO: THE HOUSE, ALASKA STATE LEGISLATURE  
NINETEENTH LEGISLATURE - FIRST SESSION  
HOUSE COMMITTEE ON COMMUNITY AND REGIONAL AFFAIRS

Date: April 27, 1995

Subj: CS For Senate Bill No. 87 (FIN), "An Act relating to community local options for control of alcoholic beverages, *et seq*"

Mr. Chairman and Members of the Committee on Community and Regional Affairs:

My name is James Wood. I am a Police Captain employed by the North Slope Borough. I have lived in the North Slope for fifteen years. My home is in Barrow, Alaska, a community that has prohibited the importation, sale and possession of alcoholic beverages by local option election.

Senate Bill No. 87 (FIN version, dated 4/11/95) is, or will soon be, before you. The way possession of an alcoholic beverage in a local option area is treated in Sections 40-45 (pages 26-28) of SB87 is inadequate to deter civilly disobedient citizens who intend to continue drinking alcoholic beverages despite local options that ban it. The possession of an alcoholic beverage in a local option area is a serious breach of order that should be classified as a **crime**, not a mere infraction as it is now treated. We, who live in and experience a local option area daily, believe that the illegal possession of an alcoholic beverage in a local option area is, because of the same unpredictable consequences, every bit as serious as driving while intoxicated, a class A misdemeanor. Possession of alcoholic beverages in violation of local option should be a crime, classified as a misdemeanor or felony according to the amounts possessed the same as is provided for the sending, transporting, or bringing alcoholic beverages into a municipality or established village in violation of local option (Sec. 39, pages 25-26).

Accordingly, Section 39 should be amended to include the following new language identified in brackets:

\* Sec 39. AS 04.16.200(e) is amended to read:

(c) A person who sends, transports, or brings alcoholic beverages into a municipality or established village in violation of AS 04.11.499, [or possesses an alcoholic beverage in a municipality or established village in violation of AS 04.11.501 or an ordinance adopted under AS 04.11.501,] is, upon conviction,

- (1) guilty of a class A misdemeanor if the quantity imported [or possessed] is less than 12 liters of distilled spirits, 24 liters of wine, or 12 gallons of malt beverages, or
- (2) guilty of a class C felony if the quantity imported [or possessed] is 12 liters or more of distilled spirits, 24 liters of wine, or 12 gallons or more of malt beverages.

Sections 40 - 45 (pages 26-28) should be deleted. Section 46 should be amended to include the following new language enclosed in brackets:

\* Sec. 46. AS 04.16.220(a) is amended to read:

(a) The following are subject to forfeiture:

(1) Alcoholic beverages manufactured, sold, offered for sale or possessed for sale, bartered or exchanged for goods and services in this state in violation of AS 04.11.010; alcoholic beverages possessed, stocked, warehoused, or otherwise stored in violation of AS 04.21.060 [or AS 04.11.501]; alcoholic beverages sold, or offered for sale in violation of a local option adopted under AS 04.11.491; alcoholic beverages transported into the state and sold to persons not licensed under this chapter in violation of AS 04.16.170(b);

Current law is too lenient. A possessor of an alcoholic beverage in violation of a local option may only, at a maximum, be fined \$1000.00. Even that cannot be imposed until the violator is caught a third time in illegal possession. This limitation was imposed by the Alaska Supreme Court who mandated, by bail schedule, that the culprit can be fined only a maximum of \$100.00 for the first and second convictions. The fine amounts to less than the \$150.00 price of an illegal bottle of liquor here. This falls far short of deterrence. The result is that few people have any real fear of the punitive consequences of illegal alcohol possession. No meaningful message is conveyed to them about how serious a breach of public trust, confidence, and safety they have committed. Where is the message of public condemnation in such light treatment of so serious a matter? What rehabilitation occurs for the violator? What example is being set for our children?

And, although Section 4 of SB87 (page 3) proposes that possession of a particular amount of an alcoholic beverage in a local option area creates a presumption that the alcoholic beverage was possessed for sale, realistically there is not likely to be found anywhere in Alaska a jurisdiction where violators will be prosecuted for sales based only on the amount of liquor they possessed. To the contrary, District Attorneys steadfastly refuse to prosecute for illegal sales of alcohol based only on the amount of alcohol possessed. This presumption of law is not valid.

Because the possession of an alcoholic beverage in a local option area is an infraction, the police are not likely to be able to obtain a search warrant to find and seize illegally possessed alcohol. They may do so to search for evidence of a crime, but not for an infraction. Without the availability of this basic enforcement tool, alcoholic beverages will continue to leach into our community. The demonstrated danger and harm that alcohol does to families and individuals in their own homes, and the danger and harm to the public posed by those who begin drinking alcohol at home then venture out, justifies making the illegal possession of it a crime in local option areas, and tilts the balance of justice toward condoning the warranted entry into citizen's homes to seize illegal alcohol over condoning illegal possession of alcohol to preserve the sanctity of the home.

Limitations of the numbers of law enforcement officers, of their time and of their resources, and the reality that few citizens involve themselves in law enforcement, make it unlikely that many who illegally possess an alcoholic beverage will get caught until they have done some monstrous act that draws attention to them...some monstrous crime that was the basis for the ban on alcoholic beverages in the first place. Those who illegally possess alcoholic beverages in a local option area are time bombs of violence waiting to explode, or, too often are opportunists getting wealthy from other people's misery and pain. They are a unique danger to the health, welfare and life safety of our community. The penalty for violating a local option ban on the possession of alcoholic beverages must carry a message strong enough to deter them and others, express public condemnation, and to promote opportunities for rehabilitation. Relegating the illegal possession of alcoholic beverages in a local option area to a simple infraction, no more serious than a parking or littering ticket, is grossly unjustified.

We in Barrow, as in communities all across Alaska, have first hand knowledge of the pain and suffering that alcohol abuse has caused among our citizens. Because the majority of us were sickened to our hearts by the murders, violent physical assaults, rapes, suicides, and pandemic family deterioration caused by alcohol abuse in our community, we voted to ban it entirely. Most of us were personally touched by the barrage of tragedies caused by alcohol abuse through the years.

After the ban went into effect in Barrow on November 1, 1994, alcohol related crime (about 95% of our previous crime rate) dropped by 80%. We have not had any murders, serious physical assaults, rapes, or suicides since then, and our community is a healthier, more productive, happier place to live. The public health has improved, and recovering families are being reunited. Even citizens here who opposed the ban on alcohol agree that there has been a big improvement in our health, welfare and life safety. Where there was misery, there is joy. Where there was sickness, there is health. Where there was death, there is life. We feel, with alcohol banned, that local culture and our community has a greater chance of survival.

But, there are people here, as elsewhere, who will violate the law. They will import, sell and possess alcoholic beverages despite the majority's local option to ban them. They will perpetuate the misery and pain of our past. Already they are doing it. During November in Barrow there were 32 alcohol related police calls. In December there were 15. In January

- 26. In February - 32. In March - 53. The numbers are spiraling upward. As people learn about the limitations of enforcement and the lack of a meaningful penalty for possession, more and more alcoholic beverages are being sneaked into our community. People who do so are not afraid of a \$100.00 fine. And, there is little incentive for them to cooperate with the community to keep alcoholic beverages out. The police are hard pressed to catch alcoholic beverages before they get into the community, and they are frustrated by their limited ability to do much after the alcohol has breached the portal. There are just too many ways that alcoholic beverages can be smuggled into our community. And, with each new alcohol related crime, with each child touched by alcohol induced violence and neglect, our future dims just a bit more.

The law simply must be amended to **criminalize the possession** of alcoholic beverages in local option areas. A greater burden must be placed on the illegal possessor and user of illegal alcohol. There are those who say "get the ones who import the liquor. Get the ones who sell it. They are the violators." While importers and sellers of illegal alcohol are law breakers, the guilt must equally be shared by those who solicit and use illegal alcohol. It is they who perpetuate the market for it. It is they who must be held equally accountable, share equally in the responsibility for their actions, and share equally in society's condemnation and punishment.

SB87 proposes to allow municipalities to make the illegal importation, sales or possession of alcoholic beverages a misdemeanor crime within municipal ordinances. Most communities, especially those in bush Alaska where local option bans or limitations on alcohol are most prominent, do not have the resources or money to prosecute misdemeanor crimes. They simply cannot afford the costs of court, prosecutors, public defenders, and all of the related costs. Consequently, most communities in Alaska will not be able to enact, enforce or prosecute misdemeanor laws. Making the possession of alcohol a misdemeanor crime under state law is the best, more workable approach.

There are voices opposed to our majority privilege to ban the importation, sale and possession of alcoholic beverages. There most always are opposing views in such matters. Many of them warn that banning or limiting access to alcohol will only make criminals of innocent citizens. But isn't it our republican form of government to acquiesce to the will of the majority, acting for the common good of all? We who prevail in local option elections to ban or limit alcoholic beverages do not make criminals out of anyone. We simply exercise our option, as a majority, to enact laws that we believe are best for the good of all. People who commit crimes make criminals of themselves.

On behalf of all of those who have reawakened to the vigor of sobriety and those who struggle daily simply to survive with clean hearts and clear minds, I appeal to you to make the will of the majority meaningful. Close the loophole. The conduct of those who violate a local option ban on possession of alcoholic beverages must not be condoned. Violators must risk stern penalties the first time they're caught, not after they are caught a third, fourth or even more times. **Please, make the possession of an alcoholic beverage in a local option area a class A misdemeanor.**

Thank you.

# Alaska State Legislature

Chairman,  
Judiciary Committee  
  
Member,  
Transportation Committee  
  
Member,  
Resources Committee  
Western Legislative Forestry Task Force



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*Senator Robin L. Taylor*

## SPONSOR STATEMENT

### SENATE BILL 6

The intent of this legislation is to encourage individuals to pay some of the 25,000 traffic fines for moving violations that go uncollected each year.

Senate Bill 6 is designed to provide the court system with additional leverage in the collection of fines. It would also apply to an individual who fails to appear in court, as ordered.

SB 6 would be a valuable tool for use by the courts in addressing the problems created by those who choose to ignore the law, especially those who fail to make court-ordered appearances or to pay fines imposed by the court.

The bill is based on statutes from other states. The experience in the state of Washington indicates that over 50 percent of those who receive notice of possible sanctions clear up outstanding matters within one week.

SB 6 allows the court to suspend the driver's license of anyone who fails to make a court appearance or pay a fine. It also includes a provision putting the offender on notice that under existing law their Permanent Fund Dividend could be attached. The bill would actually generate revenue, first by helping to collect outstanding fines and secondly by the reinstatement fees that would be collected by the Division of Motor Vehicles.

Section three of the bill was not included in the original legislation. It addresses perceived problems with the Anchorage Parking Authority and would restrict the amount municipalities could collect on traffic citations issued by someone other than a peace officer.

District A

Hyder • Ketchikan • Kupreanof • Meyers Chuck • Petersburg • Saxman • Sitka • Wrangell

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO: SB 6

Revision Date: 3/10/95 Dept. Affected: Public Safety  
 Title: An Act relating to registration of a motor vehicle and suspension of a driver license BRU: Motor Vehicles  
 Sponsor: Senator Taylor Component: Driver Services & Field Services  
 Requestor: S JUD COMPONENT SERIAL NO. 0500 & 0502

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
<b>OPERATING</b>						
PERSONAL SERVICES	75.4	75.4	75.4	75.4	75.4	75.4
TRAVEL						
CONTRACTUAL	10.7	10.7	10.7	10.7	10.7	10.7
SUPPLIES	1.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT	20.0					
LAND & STRUCTURES						
GRANTS CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>114.6</b>	<b>88.8</b>	<b>98.8</b>	<b>98.8</b>	<b>98.8</b>	<b>98.8</b>
<b>CAPITAL EXPENDITURES</b>	<b>0-</b>	<b>0-</b>	<b>0-</b>	<b>0-</b>	<b>0-</b>	<b>0-</b>
<b>CHANGE IN REVENUES (1004 Revenue Code)</b>	<b>416.2</b>	<b>416.2</b>	<b>416.2</b>	<b>416.2</b>	<b>416.2</b>	<b>416.2</b>

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GE Match						
1004 GE	114.6	88.8	98.8	98.8	98.8	98.8
1005 GE/Program Receipts						
1006 GE/MHTIA						
Other						
<b>TOTAL</b>	<b>114.6</b>	<b>88.8</b>	<b>98.8</b>	<b>98.8</b>	<b>98.8</b>	<b>98.8</b>

Estimate of current year (FY 95) impact: \$ \_\_\_\_\_

**POSITIONS:**

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

ANALYSIS. (Attach a separate page if necessary.)

SEE ATTACHED

Prepared By: Juanita M. Hensley Phone: 465-2650  
 Division: Motor Vehicles Date: 3/10/95  
 Approved by Commissioner: Ronald L. Otte Date: 3/10/95  
 Agency: Ronald L. Otte, Dept. of Public Safety

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This bill allows the courts to suspend a driver's license of a person who has failed to appear in court or failed to pay a fine for a moving traffic offense. The court has advised there are 25,000 moving violations each year where the person fails to pay the fine or fails to appear in court for these offenses. Assuming the court suspends the driver's license of 10 percent or 2,500 driver's license each year.

This bill impacts the Division of Motor Vehicles by resulting to 4,750 updates to the driving record of the persons whose license is being suspended. One computer entry to add the suspension to the driving record and another entry to end the suspension once the person has complied. Reinstating the driver's license will also impact the DMV field offices. The Motor Vehicle Representative will be required to see proof from the court that the person has complied with the court requirements by, appearing in court, or by paying the fine for the moving violation. It is estimated 90 percent of all persons whose license is suspended will reinstate their driving privilege. A \$100 CO reinstatement fee is charged anytime a person has had their license suspended or revoked within the 10 years preceding application for a driver's license. It is estimated 1,125 individuals will pay the \$100. If the license was suspended or revoked more than one time within the 10 years preceding application for a driver's license, the reinstatement fee is increased to \$250. It is estimated 1,125 will pay the \$250. A person will also have to pay a duplicate license fee of \$10 prior to the license being issued. The amount of additional new general fund program receipt revenue generated by this bill is approximately \$416.2.

Total number of suspension notices received from the courts by DMV	2,500
Total number of suspension notices being ended when a person has complied with the courts	2,250
Total number of license reinstated	2,250

<u>OPERATING</u>	<u>FY 96</u>	<u>FY97</u>
<u>Personal Services</u>	Salary and Benefits	
Administrative Clerk III (Juneau)	\$38.4	\$38.4
Motor Vehicle Representative II (Anchorage)	\$36.7	\$36.7
<u>Contractual</u>		
Computer line Charges (Mainframe connection) \$0.5 per workstation	\$1.0	\$1.0
Postage 1st class mail	\$0.8	\$0.8
Postage is for 2,500 courtesy letters informing the individual of the effective date of the license suspension.		
Telephone lease & line charges	\$1.1	\$1.1
Redesign and printing of traffic citations	\$5.8	
Office lease space allocation 440 sq ft @ \$1.35 per sq ft	\$9.8	\$9.8
<u>Supplies</u>		
Routine office supplies	\$1.0	\$1.0
<u>Equipment</u>		
2 Computer Workstations @ \$10.0 each (One time costs)	\$20.0	
<b>TOTAL OPERATING</b>	<b>\$114.8</b>	<b>\$88.8</b>
 <u>REVENUE</u>		
2,250 Reinstatements 1,125 @ \$100, 1,125 @ \$250	\$393.7	\$393.7
2,250 Duplicate license fees @ \$10	\$22.5	\$22.5
<b>TOTAL REVENUE</b>	<b>\$416.2</b>	<b>\$416.2</b>

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. SB 6

Revision Date:

Dept. Affected: Alaska Court System

Title: License/Registration - Suspension/

BRU: Trial Courts

Denial

Components:

Sponsor: Sen. Taylor

Requestor:

COMPONENT SERIAL NO. 768

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

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	5.5	5.5	5.5	5.5	5.5	5.5
TRAVEL						
CONTRACTUAL	1.5	1.5	1.5	1.5	1.5	1.5
SUPPLIES	0.2	0.2	0.2	0.2	0.2	0.2
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
<b>TOTAL OPERATING</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ( )						
------------------------	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	7.2	7.2	7.2	7.2	7.2	7.2
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>	<b>7.2</b>

**POSITIONS**

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY 95) cost: \$ None

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

See attached fiscal analysis.

Prepared by: C. S. Christensen III, Staff Counsel Phone: 284-8228  
 Agency: Alaska Court System Date: 02/02/95

Approved by: Arthur H. Snowden, II, Administrative Director  
 Agency: Alaska Court System Date: 02/02/95

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# FISCAL NOTE

STATE OF ALASKA

BILL NO. 51

SB6

1995 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Dept. Affected: Public Safety  
 Title: "An Act relating to registration of a motor vehicle...suspension...for failure to pay a fine..." BRUJ: Alaska State Troopers  
 Sponsor: Senator Robin Taylor Component: Detachments  
 Requestor: (S) State Affairs COMPONENT SERIAL NO. 0799

**EXPENDITURES/REVENUES: (Thousands of Dollars) (inflation not included)**

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CAPITAL EXPENDITURES</b>	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHANGE IN REVENUES ( )</b>	-0-	-0-	-0-	-0-	-0-	-0-
<small>Revenue Code</small>						

**FUNDING: (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-

Estimate of current year (FY 95) impact: \$ -0-

**POSITIONS:**

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

**ANALYSIS: (Attach a separate page if necessary.)**  
 See attached discussion.

Prepared By: Francis C. Allan Phone: 269-5391  
 Division: Alaska State Troopers Date: 01/31/95  
 Approved by Commissioner: *Dee Smith* Date: 2/1/95  
 Agency: Ronald L. Otte, Dept. of Public Safety

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For further distribution information call the Governor's Legislative Office

# Alaska State Legislature

Legislative Research Agency



130 Seward Street, Suite 218  
Juneau, Alaska 99801-2196

Phone: (907) 465-3991  
Fax: (907) 463-3351

February 23, 1993

## MEMORANDUM

TO: Senator Robin Taylor

FROM: Christine M. Cheff *Cheff*  
Legislative Analyst

RE: Sanctions for Failure to Pay Traffic Fines or Make Court Appearances  
Research Request 93.116

You asked about the Hawaii, Oregon and Washington laws which pertain to sanctions imposed for failure to pay traffic fines or to make related court appearances. Additionally, you wanted to know if there were any problems with implementation of the laws, and whether driver's license revocation and nonrenewal of vehicle registration are effective sanctions. Your request is related to draft legislation that is modeled on California Vehicle Code 40509.

From our analysis of the Hawaii, Oregon and Washington laws it is clear that a differentiation is made between a parking violation sanction, generally nonrenewal of vehicle registration, and a moving violation sanction which affects driving privileges. That differentiation was also noted in our previous analysis of the California law upon which your draft bill is based.<sup>1</sup>

In the states you asked about, Oregon is the only one which suspends a driver's license for failure to appear in court or to pay fines for moving traffic violations, whereas, Hawaii and Washington have nonrenewal provisions. None of the three states suspend vehicle registrations for failure to pay parking fines. Washington does, however, have a proviso against renewal of a vehicle registration if the registrant has more than two outstanding parking violations.

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<sup>1</sup>Christine Cheff, "Draft Bill -- Fines and Court Appearances," Legislative Research Agency Memorandum 91.193, 1991.

Senator Taylor  
February 23, 1993  
Page 2

No legal opinions related to the sanction laws appear to have been issued, either by the courts or by the states' attorneys general.<sup>2</sup>

Although we spoke with court personnel about the effectiveness of sanctions, most of the information we obtained was from persons employed in the driver's license and motor vehicle registration departments in each state. The primary responsibility for enforcing court suspensions or nonrenewal orders, as well as for maintaining recordkeeping systems, falls to those departments. The persons with whom we spoke were knowledgeable concerning the application of sanctions and provided general overviews of their effectiveness. Although we were unable to determine what initial problems may have been encountered with implementing the sanctions programs, the principal recommendation we received from the departments contacted was that an automated recordkeeping system and communications link should be in place before implementation.

Summaries of our contacts with the staff of various agencies and of the individual state laws are provided below.

## Hawaii

Highway Safety Code Section 286-109 provides that anyone who fails to respond to a traffic citation or summons for violation of traffic laws, or who fails to comply with orders of the court, may be denied issuance or renewal of a driver's license. There is no provision for revocation or suspension of driving privileges.

The municipal courts on each island are responsible for notifying the respective traffic violations divisions about outstanding fines or citations. That information is entered into a computerized recordkeeping system which serves as the checkpoint when a person makes application for or attempts to renew a driver's license. Although each island has a traffic violations division, there is no electronic link between their recordkeeping systems. According to Milton Hee, manager of the Honolulu Traffic Violations section, the computer systems throughout the islands are very old and it is, therefore, impossible to track the number of persons currently on suspension or nonrenewal status. The only comprehensive source for that information is a computer printout. When an outstanding obligation has been satisfied, the court will issue a clearance notice to the traffic violation division and the person's name is removed from the computer.

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<sup>2</sup>We conducted a WESTLAW search of the Attorney General Opinions and case law for Hawaii, Oregon and Washington, and called the Attorney General's office in Oregon.

Hawaii does not have a statutory provision for suspension or nonrenewal of a vehicle registration for outstanding parking fines. Persons who fail to respond to a summons or citation for an illegally parked vehicle may be issued a penal summons to appear in court (Traffic Code Section 291C-168). Failure to appear in court can result in the person's arrest (Traffic Code Section 291C-169).

### Oregon

Under Oregon law (ORS 809.210 and 809.220), failure to appear (FTA) for a court hearing or to pay a traffic fine will result in the suspension of a person's driving privileges.<sup>3</sup> There are no sanctions (other than towing) for failure to pay fines related to parking offenses.

The Oregon Department of Motor Vehicles (DMV) is electronically connected to over 300 courts statewide--district, municipal, justice, and circuit. According to Jeaneile Naatz, Data Entry Division supervisor, about 12,000 FTAs are processed by the division each month. Ms. Naatz believes that the incidence of repeat offenders is quite high, possibly 50-75 percent. The courts clear between 6,000 and 7,000 driver's licenses for reinstatement per month. After five years, a statute of limitations allows the violator to clear a suspension by simply coming to the DMV office and paying the fine, plus interest. No court appearance is necessary.

Lane Borg, manager of the Criminal Division for the Multnomah County Circuit and District Courts, believes that sanctions are not particularly effective because of the limitations on enforcement. Conceivably, a person may drive on a suspended or expired license for five years and then clear the record without having to go to court.

### Washington

Currently, the only sanction for those who fail to appear in court or to pay parking fines is nonrenewal of a driver's license (RCW 46.20.031(3)) or vehicle registration (RCW 46.16.216) respectively.

A bill to suspend driver's licenses for FTAs related to moving violations has been introduced in the legislature, but at present the offense is a misdemeanor (RCW 46.64.020). Anyone with two or more outstanding FTAs within five years is guilty of "failure to comply" (RCW 46.64.027), which is a gross misdemeanor punishable by up to one year in the county jail or a fine of up to \$5,000, or both (RCW 9A20.020).

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<sup>3</sup>In Oregon an FTA refers to outstanding fines as well as to failure to appear in court.

Senator Taylor  
February 23, 1993  
Page 4

Approximately 85 of the 150 eligible court jurisdictions in Washington participate in the automated vehicle registration suspension program maintained by the state's Title & Registration Department. Statewide, the department processes 30-35 parking violation suspensions per day. Bob Bardish, internal operations manager, says that over 50 percent of the suspensions which come in during a week are cleared by the end of that week.

Copies of the statutes referenced in this memorandum are attached. I hope the information will be useful. Please do not hesitate to call if we can be of further assistance.

Attachments

**OFFICE OF THE CITY ATTORNEY**  
CITY OF KETCHIKAN, ALASKA

*Steven H. Schweppe*  
City Attorney  
334 FRONT STREET  
KETCHIKAN, ALASKA 99901  
(907) 225-3111, EXT. 327  
Facsimile (907) 247-2111

---

November 30, 1994

Mr. Joe Ambrose  
Senator Robin Taylor's Office  
352 Front Street  
Ketchikan, Alaska 99901

Re: Statutory Changes to Improve Collection  
of Traffic Citations

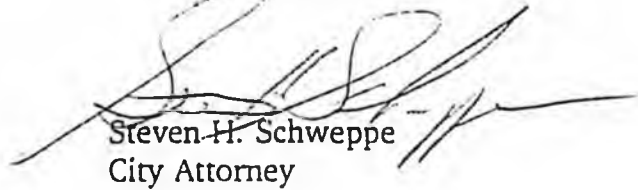
Dear Joe:

Earlier this month I attended the Alaska Municipal Attorney's Association Convention in Juneau. During the convention I had an opportunity to speak with Senator Taylor and with other municipal attorneys on the topic of enforcement of traffic citations. It appeared that municipal attorneys from around the State were all confronting difficulties in the current system of collecting fines imposed in traffic cases and in pursuing violators who fail to appear in court when scheduled. Senator Taylor talked to us about his proposal to require payment of outstanding citations prior to allowing a driver to register a vehicle or renew his driver's license. As you probably know, Judge Gucker has been a strong advocate of this concept as well. I have had some previous experience with this system in the State of Wisconsin and found it to be highly effective when applied to outstanding unpaid parking tickets. Judge Gucker believes that it is used effectively in California. It could be an effective way to collect fines from people who leave the State. Senator Taylor suggested that I contact you concerning my interest in this topic and my willingness to provide such assistance as I can to obtain its passage. It appeared that the municipal attorneys in Barrow, Kenai, and Juneau found this concept to be attractive and might be willing to provide some assistance to obtain its passage. The same system should be applied to persons who fail to appear for arraignment or trial of a traffic offense.

I understand that setting up and maintaining a system for recording traffic offenses with the Department of Public Safety, may cause some expense to the State. The expense

can be covered by imposing an additional fee on the violator. This fee is justifiable on two counts. First, it seems only appropriate that the persons who cause the additional expense should pay for it. Secondly, these same offenders found it too inconvenient to pay the fine as required by the court or to appear in court. Since they would now desire the additional convenience of paying their fines through the licensing process, they should pay for this additional service. In short, it appears to me that this system can provide a direct, fair, and efficient method to enforce laws which are now expensive and time consuming to enforce.

Yours very truly,



Steven H. Schweppe  
City Attorney

EG/M/JA



# City and Borough of Sitka

100 LINCOLN STREET, SITKA, ALASKA 99835

December 12, 1994

Steven H. Schweppe  
City Attorney  
334 Front Street  
Ketchikan, Alaska 99901

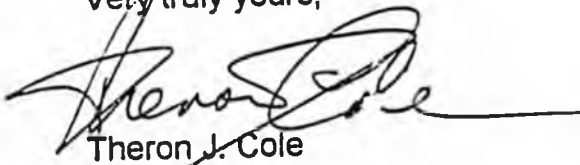


**RE: PROPOSED LEGISLATION TO PERMIT THE SUSPENSION OF DRIVER'S  
LICENSES UPON FAILURE TO APPEAR OR PAY TRAFFIC OR PARKING  
CITATIONS**

Dear Mr. <sup>Steve</sup>Schweppe:

After such a large reference, I have very little to say. The proposed legislation looks good to me.

Very truly yours,

  
Theron J. Cole  
Municipal Attorney

cc: Sitka Police Department

**SB**

**16**

BY: SEN. ZHAROFF

TO: CS SB 16 (FIN)

LETTER OF INTENT  
FOR  
CS SB 16 (FIN)

It is the intent of the legislature the University of Alaska require the continuation of customary and traditional uses to the maximum extent practicable in any conveyance or disposal of land to a third party under the provisions of AS 14.40.369.

4/10/95:Adopted by the Senate

\*\*\*\*\*

**FACT SHEET**  
**SB 16 - Enhancing UA Land Grant**

\*\*\*\*\*

1. Does not take effect until final settlement of the mental health land dispute;
2. Gives priority to Municipal land selections;
3. Provides that land transfers are subject to:
  - \* 6(i) of Alaska Statehood Act
  - \* Permanent Fund requirements for oil, gas and mineral royalties and bonuses
  - \* Other rights of the state
4. Allows UA to select 1,000,000 acres including lands:
  - \* Not conveyed by the state
  - \* Not reserved from public domain
  - \* Not included in 5-year oil & gas leasing program
  - \* Not necessary for interagency agreement
  - \* Not subject to land exchange
  - \* Unconveyed and unencumbered, except:
    - Leases (other than oil and gas)
    - Timber contracts
    - Mining claims
    - Materials sales
    - Land use permits
    - Exploration licensing area
5. Department of Natural Resources can refuse to convey land if the Commissioner considers the retention of land in state ownership to be in the best interests of the state;
6. The University can appeal the Commissioner's decision to the Governor, but is prohibited from entering into litigation;
7. The University pays the costs of land conveyance and surveying;
8. The University and DNR will allow leases, licenses, permits, rights-of-way, or easements prior to final conveyance, with 90% of proceeds held in escrow pending final conveyance;
9. Existing leases and encumbrances will be honored throughout the term, including any provisions for lease extensions;
10. Income from existing encumbrances (leases, mining claims, timber contracts, etc.) go to state until term of existing agreement is completed.
11. Mineral entry or location and mineral leasing on UA land will be substantially similar to provisions currently provided on state lands;
12. Customary and traditional uses of resources on UA land, including hunting and fishing, will be permitted to the maximum extent practicable;
13. Provides additional requirement for UA regarding public notification and comment on land plans.

SB 16 has had three substantive hearings in the Senate that resulted in additional amendments. The changes and clarifications that have been made in response to concerns and questions raised by legislators and members of the public.

**Senate Community & Regional Affairs Committee**

- \* Provides tort immunity for personal injuries, death, or property damage occurring on UA land because of continuation of customary and traditional use
- \* Clarifies that UA oil and gas development is subject to Permanent Fund royalties and bonus provisions

**Senate Resources Committee:**

- \* No amendments were made in Resources Committee

**Senate Finance Committee:**

- \* Adds language that allows UA and DNR to approve entry on land following selection but prior to conveyance. 90% of proceeds are to be held in escrow pending final conveyance; the state retains 10% of proceeds.

DIVISION OF LEGAL SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

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

MEMORANDUM

April 20, 1995

**SUBJECT:** CSSB 16 (FIN) am, relating to the University of Alaska -- sectional analysis (Work Order No. 9-LS0165/F)

**TO:** Senator Steve Frank

**FROM:** Jack Chenoweth  
Legislative Counsel

The measure proposes (1) to permit the University of Alaska to select and receive the conveyance of 1 million acres of land that has been selected by the state under the provisions of section 6(b) of the Alaska Statehood Act and (2) to hold the land selected in trust as part of the University endowment.

Specifically--

Bill section 4, proposing a new section, AS 14.40.365, would authorize selection of, and conveyance of, state land by the University:

-- Subsection (a) sets the total amount of land the University may select and describes the kind of land that is available to the University to complete its selection, tying the description of the kind of land that may be selected to its status on the date the land is selected.

-- Subsection (b) sets aside the effect of AS 38.05.125(a) to allow the state to pass the mineral or subsurface estate in the land selected to the University. However, the state's oil and gas interest in land that the University may select passes only as to land that the University selects after the fifth anniversary date of the Act's effective date.

-- Subsection (c) mandates conveyance of University selections "unless the commissioner [of natural resources] determines under [subsection (e)] that the title should not be conveyed." Conveyances are subject to later divestiture.

-- Subsection (d) prescribes the authority of the respective parties, the state and the University, for land that the University has selected but as to which it has not received title, and sets out the circumstances under which the respective parties have a claim on the earnings

or proceeds of the land selected before and after issuance of a document of interim conveyance or a patent.

-- Subsection (e) precludes the commissioner of natural resources from conveying land if the conveyance of the proposed selection conflicts with a municipal land selection, is subject to an oil and gas exploration license, or is not in the state's best interests, and identifies factors that the commissioner is to consider.

-- If there is a difference of opinion between the Board of Regents and the commissioner of natural resources as to a land selection, subsection (f) directs the governor to make a final decision with respect to the conflict over the selection.

-- Subsection (g) declares that the University takes land conveyed to it subject to any outstanding possessory interest--any outstanding interest in the party held or asserted by a third party--but gives to the University the right to any consideration otherwise due the state for that possessory interest from date of conveyance to termination of the possessory interest.

-- Subsection (h), applicable to the land conveyances, imposes on the commissioner of natural resources the duty to provide notice and allow access.

-- Subsection (i) subjects the land that is transferred or conveyed to the University to certain other laws:

- section 6(i) of the Statehood Act, reserving to the state--under subsection (b), presumably to the University the mineral estate;
- article IX of the state constitution, addressing, generally, matters of finance and taxation;
- AS 19.10.010, a provision relating to the reservation of state land for public highway purposes;
- payment of all amounts due the Alaska Permanent Fund; and
- the rights of the state under former 43 U.S.C. 932--more commonly known as RS 2477--relating to rights-of-way over unreserved public land for public highway construction;

but it excludes from selection by and conveyance to the University certain lands obtained by the state under the Alaska Omnibus Act, P.L. 86-70. In addition, under paragraph (3) of the subsection, for land selections made by the University within five years of the taking effect of the Act, the state shall reserve to itself in perpetuity any oil and gas interests on that land.

-- Subsection (j) requires the University to bear the costs of selection, platting, surveying, and conveyance of its selections and sets limits on the nature of the survey requirements that attach to land selections. This subsection also sets a time limit of one year on the conveyance of selected land that is unsurveyed.

-- Subsection (k) permits use of documents of interim conveyance. This subsection also sets a time limit of one year on the issuance of a document of interim conveyance.

-- Subsection (l) declares that, with the exception specifically noted, management of land conveyed by a final or an interim conveyance document vests with the University from the date of the document's recording. The state is to bear the costs of recording the conveyance documents.

-- Subsection (m) sets a final land selection limitation date of December 31, 2009.

-- Subsection (n) establishes a divestiture mechanism under which the land may be reconveyed to the state if, within 10 years of the date of conveyance, the University is not actively managing the land to provide income.

The remainder of the bill includes a series of collateral provisions --

Bill section 2 amends AS 14.40.170(a) to add to the duties of the Board of Regents responsibility for the land selected and conveyed to the University under AS 14.40.365, and requires the Regents to include within their required annual report a discussion of the expenditures made based on the earnings of that land.

Bill section 3 adds "land selected by and conveyed to the University [of Alaska] under AS 14.40.365" as land that is not to be treated as part of the state public domain land. The section further directs that the land conveyed is to be treated as other public land and that it is to be managed by the University as provided by law and in accordance with management rules established by the Board of Regents.

Bill section 5 adds a series of new related bill sections. Proposed AS 14.40.366 directs the University to establish rules for mineral entry, location, or leasing on the land selections, and to develop an annual plan for the management and disposition of land and describes a framework under which the public has the opportunity to comment on the Regents' plan. Proposed AS 14.40.368 addresses the manner of the management and disposition of income from encumbrances on land selected by and conveyed to the University. That responsibility shifts from the state to the University only after conclusion of the term of an existing encumbrance and the term of any renewal that may be authorized by the language of the existing encumbrance. Proposed AS 14.40.369 declares that the University's management of land conveyed to and held by it must permit continued "customary and traditional uses of the resources of that land to the maximum extent possible."

Bill section 6 adds a tort immunity provision to protect the University against claims for personal injury, death, or property damage on its land that is unimproved or not actively maintained. Under this bill section, the University does not enjoy tort immunity as to that land when injury or damage is due to its gross negligence or its reckless or intentional misconduct.

Senator Steve Frank  
April 20, 1995  
Page 4

Bill section 7: This amendment of AS 14.40.400(a) alters the provision that directs the University to establish an endowment trust fund for land conveyed to it under the 1929 grant to the Territory of Alaska for the benefit of the University to require deposit into the trust the land selected by the University and conveyed by the state under AS 14.40.365. The land selections made under bill section 4 would be managed under applicable trust principles.

Bill section 8 amends the definition of "university receipts" to incorporate reference to the net income of the University trust fund.

Bill section 9: This amendment of AS 29.45.030(a) would extend to the land selected by the University and conveyed to it under AS 14.40.365 the exemption from municipal taxation that is provided to other land granted by the federal or state governments to the University for land grant purposes, by extending to this selected land the exception to an exemption of state land held for purposes of investment.

Bill section 10 sets aside land that may be used to satisfy the obligation to reconstitute the mental health trust as other land that may not be conveyed to the University under the Act.

Finally, bill section 1 incorporates into proposed findings and a statement of purpose a brief history of University land transactions and a justification for this measure.

JBC:glc:lmb  
95-176.lmb

# FISCAL NOTE

Bill Version: 9

(S) Publish Date: 3-27-95

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

Revision Date: 3/9/95 Dept. Affected: Revenue  
 Title: Increase Land Grant to UAA SFU: Revenue Oos  
 Component: Oil and Gas Audit  
 Sponsor: Frank  
 Requester: (S)RES COMPONENT SERIAL NO. 115

Expenditures/Revenues		(Thousands of Dollars)					
OPERATING EXPENDITURES		FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES							
TRAVEL							
CONTRACTUAL							
SUPPLIES							
EQUIPMENT							
LAND & STRUCTURES							
GRANTS, CLAIMS							
MISCELLANEOUS							
<b>TOTAL OPERATING</b>		0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES

CHANGE IN REVENUES ( )

FUND SOURCE		(Thousands of Dollars)					
1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1006 GF/MHTIA							
Other							
<b>TOTAL</b>		0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ \_\_\_\_\_

POSITIONS							
FULL-TIME							
PART-TIME							
TEMPORARY							

There would be no identifiable revenue or cost impacts resulting from the passage of this legislation over the period covered by this fiscal note.

Prepared by: Deborah Voort Phone: 907-276-1363  
 Division: Oil and Gas Audit Date: 3/9/95  
 Approved by: Deborah Voort  
 Commissioner: Deborah Voort Date: 3/9/95  
 Agency: Revenue

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SB 16

No. 8

Version: CSSB 16 Final

(S) Publish Date: 3-27-95

# FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. CSSB 16 (CRA)

Revision Date: 3/9/95 Dept. Affected: Fish and Game  
 Title: University Land Selection BRU: Habitat and Restoration Division  
 Component: Habitat  
 Sponsor: Senator Frank  
 Requester: Sonata Resources COMPONENT SERIAL NO. 488

## Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	31.2	31.2	31.2	31.2	31.2	31.2
TRAVEL	1.8	1.8	1.3	1.8	1.8	1.3
CONTRACTUAL	1.0	1.0	1.0	1.0	1.0	1.0
SUPPLIES	0.5	0.5	0.5	0.5	0.5	0.5
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES ( )	0.0	0.0	0.0	0.0	0.0	0.0

## FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	34.3	34.3	34.3	34.3	34.3	34.3
1005 GF/Program Receipts						
1008 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>	<b>34.3</b>

Estimate of any current year (FY95) cost: \$ 0.0

## POSITIONS

FULL-TIME	0.5	0.5	0.5	0.5	0.5	0.5
PART-TIME						
TEMPORARY						

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

The Department of Fish and Game will require approximately one-half full time equivalent for a Habitat Biologist to review university land selections and advise the Department of Natural Resources on the effects of conveyance to fish and wildlife resources, public uses of fish and wildlife; and potentially for legislatively designated state game refuges, critical habitat areas, and game sanctuaries. Additionally, as university land selections are made, existing state land management and Special Area plans will have to be revised to reflect the changes in land management. This will require approximately one-half full time equivalent of Habitat Biologist participation to advise the Department of Natural Resources on their revised land management plans and to revise the Department of Fish and Game's Special Area plans.

Prepared by: Ellen Fritts, Acting Director

Phone: 465-4105

Division: Habitat and Restoration

Date: 3/8/95

Approved by Commissioner: Oliver Brown

Date: 3/9/95

Agency: Alaska Department of Fish and Game

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FISCAL NOTE (S) Publish Date: 3-27-95

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO. CSSB16(CRA)

Revision Date: 9-Mar-95 Dept Affected: Natural Resources  
Title: An Act relating to the University of Alaska and BRU: Resource Development  
University land, authorizing the University of Alaska to select... Component: Information Resource Management  
Sponsor: Senator(s) Frank, Kelly, Sharo, Reider Land Development  
Requestor: \_\_\_\_\_ Component Serial No. 427

Expenditures/Revenues	(Thousands of Dollars)					
	FY96	FY97	FY98	FY99	FY00	FY01
<b>OPERATING EXPENDITURES</b>						
PERSONAL SERVICES	50.01	50.01	50.01	50.01	50.01	50.01
TRAVEL	5.01	5.01	5.01	5.01	5.01	5.01
CONTRACTUAL	5.01	5.01	5.01	5.01	5.01	5.01
SUPPLIES	1.01	1.01	1.01	1.01	1.01	1.01
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other I/A Receipts	71.01	71.01	71.01	71.01	71.01	71.01
<b>TOTAL</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>	<b>71.01</b>

Estimate of any current year (FY95) cost: \$ None

POSITIONS						
FULL-TIME	01	01	01	01	01	01
PART-TIME	01	01	01	01	01	01
TEMPORARY	01	01	01	01	01	01

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

This fiscal note is for the minimum necessary for DNR to process land conveyances to the University of Alaska. All costs for the conveyance work will be paid by the University to DNR using Interagency Receipts. We assume this includes all costs to include selection, conveyance, records notation, deed recordation, survey, litigation, etc.

\*It is impossible to project the exact amount of revenue these conveyances will generate for the University, and will be lost to the state, without knowing what lands will be transferred. With the inclusion of oil and gas, the revenue lost to the state will be significant.

Prepared by: Ron Swanson, Director Phone: 465-2406  
Division: Division of Land Date: 9-Mar-95  
Approved by Commissioner: \_\_\_\_\_ Date: 3-4-95  
Agency: Natural Resources

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515 16

# FISCAL NOTE

No. 6

Bill Version: CS SB16 (CRA)

(S) Publish Date: 3/26/95

STATE OF ALASKA

BILL

## LEGISLATIVE SESSION

Revision Date: 9-Mar-95 Dept Affected: Natural Resources  
 Title: An Act relating to the University of Alaska and B.U.: Resource Development  
university land, authorizing the University of Alaska to select... Component: Information Resource Management  
 Sponsor: Senator(s) Frank, Kelly, Sharp, Reiger  
 Requestor: \_\_\_\_\_ Component Serial No. 427

Expenditures/Revenues	(Thousands of Dollars)					
OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	22.0					
TRAVEL						
CONTRACTUAL	2.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>24.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE	(Thousands of Dollars)					
1002 Federal Receipts						
1003 GF Match						
1004 GF	24.0					
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>24.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY95) cost: \$ None

POSITIONS	FY96	FY97	FY98	FY99	FY00	FY01
FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

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

This proposed legislation involves considerable public records notation work; however, since the University of Alaska is responsible for covering all cost associated with the selection, platting, survey and conveyance, those costs will be identified after we have worked with the University to identify a deliverables and a contract. The Land Records Information Section assumes that the records work associated with each of these steps will be paid by the University based on actual cost.

LRIS will need to set up a tracking system to facilitate the selection and conveyance process. LRIS must develop a new Land Administration System (LAS) casetype for these conveyances, and will establish a tracking subsystem within LAS. A separate tracking mechanism is necessary to comply with Sec. 14.40.365(n), where the commissioner is required to recover title after 10 years if certain conditions are not met. These are not expenses specified to be covered by the University.

Prepared by: Nico Bus, Acting Director Phone: 465-2406  
 Division: Support Services Date: 3-Mar-95  
 Approved by Commissioner: \_\_\_\_\_ Date: 3-9-95  
 Agency: Natural Resources

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STEVE FRANK

119 N. Cushman, Rm. 213  
Fairbanks, Alaska 99701  
(907) 452-3421

# Alaska State Legislature



Senate

While in Juneau  
P.O. Box V  
Juneau, Alaska 99811  
(907) 465-3709  
Capitol Rm. 417

## Sponsor Statement - Senate Bill No. 16

"An Act relating to land of the University of Alaska and authorizing the University of Alaska to select additional state public domain land."

SB 16 would allow the University of Alaska to select one million acres of unencumbered land from the State of Alaska.

In this era of declining state funds, endowing the university with additional lands will allow it to develop those lands to produce income for university programs.

Under the Congressional Morrill Act of 1862, each state was entitled to receive a grant for public lands, the income from which would provide the financial base of operation for at least one college or university. The University of Alaska received about 112,000 acres of land, less than any other western public land state and less than the national average entitlement of over 300,000 acres. Some universities in states with much smaller state land grants, such as New Mexico and Oklahoma, have received up to one million acres.

An additional grant of land would bring Alaska up to the level of other western states and follows through with the original purpose of land grant colleges.

Thank you for your consideration.

STEVE FRANK

119 N. Cushman, Rm. 213  
Fairbanks, Alaska 99701  
(907) 452-3421

# Alaska State Legislature



Senate

While in Juneau  
P.O. Box V  
Juneau, Alaska 99811  
(907) 465-3709  
Capitol Rm. 417

TO: Representative Alan Austerman, Co-Chair  
Representative Ivan Ivan, Co-Chair  
House Community and Regional Affairs Committee

FROM:  Senator Steve Frank, Co-Chair  
Senate Finance Committee

RE: Hearing Request: CS SB 16 (FIN)- Increase Land Grant  
to the University of Alaska

DATE: April 13, 1995

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I am writing to request a hearing for CS SB 16 (FIN) in the House Community and Regional Affairs Committee at your earliest possible convenience.

The legislation would allow the University of Alaska to select up to one million acres of land from the State of Alaska, and the income produced from those lands would be available for university programs subject to legislative appropriation.

Under the Congressional Morrill Act of 1862, each state was entitled to receive a grant for public lands, the income from which would provide the financial base of operation for at least one college or university. The University of Alaska received about 112,000 acres of land, less than any other western public land state and less than the national average entitlement of over 300,000 acres. For example, New Mexico and Oklahoma have each received about one million acres.

I believe that an additional grant of land would bring Alaska up to the level of other western states and follows through with the original intent of the land grant college tradition.



## SB 16 EXPANDING UNIVERSITY OF ALASKA LAND GRANT

By Senators FRANK, Kelly, Sharp

The University of Alaska is called a "Land Grant University" in the tradition of American land grant universities, providing teaching, research and public service to the people of Alaska. While the University has attempted to mold itself in the land grant tradition, one piece of that tradition is lacking -- a sufficient land grant.

In 1915, Congress provided a land grant of approximately 250,000 acres -- every section 33 in the Tanana Valley -- to support the Territorial Agricultural College and School of Mines, together with a site for the institution itself. In 1929 Congress granted an additional 100,000 acres of public lands for the use and benefit of the Agricultural College and School of Mines.

In 1959, the Alaska Statehood act extinguished the University's right to receive the unsurveyed sections 33 of the Tanana Valley, leaving the University with 100,000 acres. Congress so acted because its land grant to the state was by far the most generous of all state land grants. Supporters of the extinguishment said the state clearly was receiving enough land that it could provide necessary land to support the University. The State of Alaska has never kept this moral obligation to the University of Alaska.

Forty-nine of the states received land grants to support their universities. In all but one, the universities received more land than the University of Alaska, notwithstanding the fact that Alaska's state land grant is 16 times the size of the average state land grant. In eighteen of the lower 48 states, the entire federal land grants -- 100% -- went to support the universities. In Alaska, less than one percent -- 0.11% -- went to the University.

The State of Alaska did not manage what land the University received well. In 1978, following legislative appropriation of the University's most valuable acreage, the University sued, eventually winning a legislative settlement that reconstituted the University land trust. Later litigation brought replacement land for the legislatively-appropriated acreage. The University's total land grant holdings today total 140,000 acres. Still, nearly 50,000 acres of limited timber cutting rights west of Icy Bay remains tied up in litigation.

Alaskans look to the University of Alaska to provide for some of its financial needs by earning income from the federal land grant, yet Alaskans do not realize the paucity of lands managed by the university.

If the University of Alaska received the average percentage of the total federal grant to the state -- 42.01% of the State of Alaska grant -- the University would be managing 43 million acres, and would probably need no further state support. If the University of Alaska received a proportional share of the total federal grant to universities -- 5.09% of the State of Alaska grant -- the University would be managing 5.3 million acres. Even bringing the University of Alaska's federal grant up to the average of the smaller states -- 340,000 -- would triple the size of the University's federal grant.

Passage of this legislation will allow expansion of the University of Alaska land grant, and allow the University to generate additional revenue in support of its programs. The lands would be responsibly managed to generate income. The University is currently involved in a wide range of projects including commercial leasing, development and sale of residential and remote subdivisions, oil and gas lease sales, timber and gravel sales and mineral leasing.

Position Paper

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### contact:

Wendy Redman  
University Relations  
463-3086/474-7582

**SB**

**20**

EFFECTS OF CSSB20 ON FY 97 BRS/SAFE PAYMENTS (BASED UPON GOV.'S BUDGET; NO BASE AMOUNT HOLD HARMLESS - \$40,000 OVERALL MINIMUM ENTITLEMENT)

Municipality	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	Potential Interest Earnings From Early SAFE Payment		
	Estimated FY 97 BRS \$	Estimated FY 97 MA \$	Estimated FY 97 MA/RS Total \$	CSSB20 FY 97 BRS \$	CSSB20 FY 97 SAFE \$ (No Hold Harmless)	FY 97 CSSB20 BRS/SAFE \$ Pre Min Ent.	% Change From Current Programs	CSSB20 Minimum Ent. Add-On	CSSB20 Minimum Ent. Prorated	CSSB20 FY 97 SAFE \$ Prorated	CSSB20 FY 97 SAFE \$ Final Payment	FY 97 CSSB20 BRS/SAFE \$ Total Payment	% Change From Current Programs	FY 97 SAFE \$ at 6% Interest for 6 Months	FY 97 CSSB20 BRS/SAFE \$ Plus Interest	% Change From Current Programs
City of Aldrich	\$24,442	\$2,934	\$27,376	\$24,442	\$3,012	\$27,454	0.28%	\$12,648	\$12,448	\$2,988	\$18,433	\$39,875	45.86%	\$385	\$40,259	47.86%
City of Aldrich	\$30,828	\$10,124	\$40,952	\$30,828	\$10,887	\$41,715	1.09%	\$0	\$0	\$10,482	\$10,482	\$41,198	0.88%	\$201	\$41,399	1.52%
City of Alakanuk	\$29,377	\$13,848	\$43,225	\$29,377	\$14,446	\$43,823	1.39%	\$0	\$0	\$14,328	\$14,328	\$43,705	1.12%	\$387	\$44,093	1.94%
City of Alakanuk	\$32,887	\$24,128	\$57,015	\$32,887	\$24,563	\$57,450	0.77%	\$0	\$0	\$24,385	\$24,385	\$57,032	0.42%	\$687	\$57,719	1.49%
City of Aleknagik	\$28,079	\$8,140	\$36,219	\$28,079	\$8,392	\$36,471	0.82%	\$4,558	\$4,522	\$8,311	\$10,823	\$39,912	13.33%	\$270	\$40,182	14.08%
Mudana East Borough	\$80,501	\$10,420	\$90,921	\$80,501	\$10,005	\$90,506	-0.46%	\$0	\$0	\$9,924	\$9,924	\$90,425	-0.65%	\$247	\$90,672	-0.27%
City of Alakabuk	\$32,821	\$5,037	\$37,858	\$32,821	\$5,248	\$37,770	0.89%	\$2,230	\$2,212	\$5,208	\$7,419	\$39,940	6.34%	\$185	\$40,125	8.83%
City of Ambler	\$38,901	\$10,278	\$49,179	\$38,901	\$10,888	\$49,789	0.82%	\$0	\$0	\$10,881	\$10,881	\$49,482	0.64%	\$284	\$49,766	1.28%
City of Anaktuvuk Pass	\$31,302	\$8,218	\$39,520	\$31,302	\$8,624	\$40,926	1.00%	\$0	\$0	\$8,647	\$9,547	\$40,848	0.81%	\$238	\$41,087	1.40%
Municipality of Anchorage	\$8,552,048	\$12,984,382	\$21,536,430	\$8,552,048	\$12,938,808	\$21,490,856	-0.14%	\$0	\$0	\$12,832,338	\$12,832,338	\$21,384,387	-0.88%	\$319,830	\$21,704,318	0.88%
City of Anderson	\$32,947	\$20,894	\$53,841	\$32,947	\$21,873	\$54,820	1.48%	\$0	\$0	\$21,489	\$21,489	\$54,448	1.12%	\$538	\$54,986	2.12%
City of Angoon	\$22,885	\$21,718	\$44,603	\$22,885	\$22,333	\$45,218	1.38%	\$0	\$0	\$22,153	\$22,153	\$45,138	0.97%	\$552	\$45,690	2.21%
City of Aniak	\$51,604	\$21,380	\$72,984	\$51,604	\$21,845	\$73,449	0.77%	\$0	\$0	\$21,788	\$21,788	\$73,372	0.53%	\$543	\$73,915	1.28%
City of Anvik	\$32,448	\$3,100	\$35,548	\$32,448	\$3,228	\$35,676	0.36%	\$4,324	\$4,289	\$3,202	\$7,491	\$39,939	12.35%	\$187	\$40,126	12.88%
City of Atka	\$30,538	\$3,131	\$33,669	\$30,538	\$3,260	\$33,798	0.38%	\$8,201	\$8,181	\$3,234	\$9,385	\$39,924	18.57%	\$374	\$40,158	19.27%
City of Atkasuk	\$31,302	\$24,571	\$55,873	\$31,302	\$23,518	\$54,820	-1.88%	\$0	\$0	\$23,328	\$23,328	\$54,630	-2.22%	\$567	\$55,212	-1.18%
City of Barrow	\$100,075	\$158,185	\$258,260	\$100,075	\$180,289	\$260,344	1.89%	\$0	\$0	\$158,977	\$158,977	\$259,052	1.09%	\$3,984	\$263,015	2.84%
City of Bethel	\$278,448	\$228,181	\$506,629	\$278,448	\$230,241	\$508,689	0.41%	\$0	\$0	\$228,385	\$228,385	\$507,831	0.05%	\$5,887	\$513,525	1.17%
City of Bettles	\$33,807	\$1,577	\$35,384	\$33,807	\$1,884	\$35,691	0.02%	\$4,908	\$4,889	\$1,571	\$6,441	\$39,948	13.88%	\$171	\$40,188	14.32%
City of Brevig Mission	\$32,181	\$8,445	\$40,626	\$32,181	\$8,807	\$40,988	0.89%	\$0	\$0	\$8,738	\$8,738	\$40,897	0.72%	\$218	\$41,115	1.25%
Isot Bay Borough	\$51,843	\$84,718	\$136,561	\$51,843	\$85,448	\$137,291	0.89%	\$0	\$0	\$85,001	\$85,001	\$136,844	0.27%	\$1,371	\$138,216	1.65%
City of Buckland	\$42,388	\$13,358	\$55,746	\$42,388	\$13,813	\$56,201	1.00%	\$0	\$0	\$13,801	\$13,801	\$56,189	0.80%	\$344	\$56,533	1.42%
City of Cheloniak	\$30,488	\$12,138	\$42,626	\$30,488	\$12,818	\$43,306	1.13%	\$0	\$0	\$12,818	\$12,818	\$43,111	0.89%	\$312	\$43,323	1.82%
City of Cheyark	\$28,919	\$21,828	\$50,747	\$28,919	\$22,478	\$51,397	1.84%	\$0	\$0	\$22,294	\$22,294	\$51,213	1.48%	\$558	\$51,771	2.57%
City of Chitina	\$28,882	\$4,730	\$33,612	\$28,882	\$4,804	\$33,686	0.81%	\$5,544	\$5,500	\$4,804	\$10,384	\$39,916	18.43%	\$288	\$40,174	12.18%
City of Chuathbaluk	\$32,088	\$4,230	\$36,318	\$32,088	\$4,381	\$36,469	0.42%	\$3,683	\$3,634	\$4,348	\$7,880	\$39,938	10.86%	\$188	\$40,132	10.80%
City of Coffman Cove	\$32,307	\$8,035	\$40,342	\$32,307	\$8,588	\$40,895	0.88%	\$0	\$0	\$8,320	\$8,320	\$40,627	0.47%	\$207	\$40,834	0.82%
City of Cold Bay	\$28,848	\$10,973	\$39,821	\$28,848	\$10,957	\$39,805	-0.04%	\$0	\$0	\$10,889	\$10,889	\$40,415	-0.28%	\$271	\$40,686	0.41%
City of Cordova	\$188,135	\$125,405	\$313,540	\$188,135	\$128,427	\$316,562	0.01%	\$0	\$0	\$124,418	\$124,418	\$312,551	-0.32%	\$3,102	\$315,653	0.87%
City of Craig	\$58,122	\$85,741	\$143,863	\$58,122	\$88,101	\$146,223	1.81%	\$0	\$0	\$87,532	\$87,532	\$145,874	1.48%	\$1,884	\$147,758	2.82%
City of Deering	\$48,848	\$5,242	\$54,090	\$48,848	\$5,422	\$54,270	0.33%	\$0	\$0	\$5,378	\$5,378	\$54,024	0.25%	\$134	\$54,158	0.50%
City of Delta Junction	\$28,853	\$55,129	\$83,982	\$28,853	\$53,881	\$82,734	-1.40%	\$0	\$0	\$53,528	\$53,528	\$82,079	-1.82%	\$1,334	\$83,413	-0.32%
Small Borough	\$31,302	\$55,995	\$87,297	\$31,302	\$56,780	\$88,082	0.91%	\$0	\$0	\$56,328	\$56,328	\$87,630	0.38%	\$1,404	\$89,034	1.99%
City of Dillingham	\$102,220	\$87,188	\$189,408	\$102,220	\$88,198	\$190,418	0.81%	\$0	\$0	\$87,405	\$87,405	\$189,825	0.11%	\$2,428	\$192,253	1.33%
City of Otsego	\$31,302	\$4,888	\$36,190	\$31,302	\$5,108	\$36,410	0.59%	\$3,588	\$3,581	\$5,087	\$8,678	\$39,930	10.91%	\$218	\$40,148	10.80%
City of Eagle	\$28,488	\$5,381	\$33,869	\$28,488	\$5,531	\$34,019	0.44%	\$7,983	\$7,918	\$5,488	\$13,405	\$39,891	28.14%	\$334	\$40,225	28.18%
City of Eek	\$30,880	\$9,117	\$39,997	\$30,880	\$9,493	\$40,373	0.95%	\$0	\$0	\$9,419	\$9,419	\$40,089	0.78%	\$235	\$40,324	1.35%
City of Ekwok	\$28,079	\$3,281	\$31,360	\$28,079	\$3,400	\$31,479	0.43%	\$7,521	\$7,480	\$3,373	\$10,833	\$39,912	23.41%	\$270	\$40,182	24.25%
City of Elm	\$32,873	\$9,131	\$42,004	\$32,873	\$9,601	\$42,474	0.88%	\$0	\$0	\$9,424	\$9,424	\$42,207	0.70%	\$235	\$42,442	1.28%
City of Emmonak	\$51,522	\$28,874	\$80,396	\$51,522	\$27,709	\$79,231	1.08%	\$0	\$0	\$27,485	\$27,485	\$79,007	0.78%	\$885	\$79,892	1.85%
City of Fairbanks	\$527,847	\$2,088,878	\$2,616,725	\$527,847	\$2,028,482	\$2,556,329	-1.45%	\$0	\$0	\$2,013,125	\$2,013,125	\$2,540,772	-2.08%	\$50,180	\$2,590,952	-0.14%
Divisions NSB	\$1,742,873	\$2,128,827	\$3,871,700	\$1,742,873	\$2,155,338	\$3,898,211	0.86%	\$0	\$0	\$2,137,984	\$2,137,984	\$3,880,837	0.22%	\$53,303	\$3,934,140	1.89%
City of False Pass	\$28,079	\$2,810	\$30,889	\$28,079	\$3,019	\$31,098	0.34%	\$7,902	\$7,839	\$2,994	\$10,833	\$39,912	24.77%	\$270	\$40,182	25.81%
City of Fort Yukon	\$84,388	\$27,407	\$111,795	\$84,388	\$27,810	\$112,198	0.36%	\$0	\$0	\$27,688	\$27,688	\$111,974	0.18%	\$888	\$112,862	0.77%
City of Galena	\$45,888	\$23,384	\$69,272	\$45,888	\$23,888	\$69,776	0.88%	\$0	\$0	\$23,388	\$23,388	\$69,666	0.00%	\$533	\$69,899	0.85%
City of Gambel	\$32,828	\$21,032	\$53,860	\$32,828	\$21,809	\$54,637	1.45%	\$0	\$0	\$21,833	\$21,833	\$54,161	1.12%	\$539	\$54,700	2.13%
City of Golovin	\$32,801	\$5,813	\$38,614	\$32,801	\$5,883	\$38,684	0.44%	\$1,418	\$1,405	\$5,837	\$7,042	\$39,943	3.98%	\$178	\$40,118	4.44%
City of Goodnews Bay	\$30,172	\$7,882	\$38,054	\$30,172	\$8,348	\$38,520	0.93%	\$1,488	\$1,488	\$8,281	\$8,749	\$39,921	4.60%	\$243	\$40,164	6.24%
City of Grayling	\$32,370	\$7,021	\$39,391	\$32,370	\$7,289	\$39,659	0.88%	\$341	\$338	\$7,230	\$7,888	\$39,839	1.39%	\$188	\$40,127	1.87%
City of Haines	\$49,480	\$85,872	\$135,352	\$49,480	\$83,945	\$133,425	0.33%	\$0	\$0	\$83,428	\$83,428	\$132,908	-0.13%	\$1,681	\$134,589	1.27%
Island Borough	\$28,824	\$38,831	\$67,655	\$28,824	\$37,893	\$66,717	1.80%	\$0	\$0	\$37,290	\$37,290	\$66,814	0.72%	\$830	\$67,644	2.18%
City of Holy Cross	\$31,888	\$9,804	\$41,692	\$31,888	\$10,243	\$42,131	0.82%	\$0	\$0	\$10,181	\$10,181	\$41,859	0.82%	\$253	\$42,112	1.23%
City of Homer	\$183,607	\$181,037	\$364,644	\$183,607	\$181,898	\$365,505	0.28%	\$0	\$0	\$180,391	\$180,391	\$365,888	-0.18%	\$4,747	\$370,635	1.18%
City of Hooper Bay	\$85,803	\$35,189	\$120,992	\$85,803	\$35,809	\$121,612	0.80%	\$0	\$0	\$35,620	\$35,620	\$121,123	0.58%	\$888	\$122,011	1.08%
City of Hooper Bay	\$28,881	\$33,549	\$62,430	\$28,881	\$34,785	\$63,666	1.82%	\$0	\$0	\$34,485	\$34,485	\$63,338	-1.18%	\$880	\$64,198	2.83%
City of Houston	\$32,888	\$31,480	\$64,368	\$32,888	\$32,714	\$65,602	1.80%	\$0	\$0	\$32,451	\$32,451	\$64,900	2.74%	\$880	\$65,780	2.74%
City of Hughes	\$32,240	\$2,818	\$35,058	\$32,240	\$2,818	\$35,058	0.30%	\$5,141	\$5,099	\$2,588	\$7,687	\$39,937	14.91%	\$182	\$40,129	15.48%
City of Huslia	\$33,841	\$8,811	\$42,652	\$33,841	\$9,820	\$43,661	0.73%	\$0	\$0	\$8,848	\$8,848	\$42,689	0.66%	\$221	\$42,910	1.08%
City of Hydaburg	\$22,119	\$14,878	\$36,997	\$22,119	\$14,888	\$37,007	1.15%	\$2,882	\$2,859	\$14,878	\$17,737	\$39,850	8.82%	\$442	\$40,292	9.82%

EFFECTS OF C85B20 ON FY 67 BR/MA PAYMENTS (BASED UPON GOV.'S BUDGET; NO BASE AMOUNT HOLD HARMLESS - \$40,000 OVERALL MINIMUM ENTITLEMENT)

Municipality	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	Potential Interest Earnings From Early SAFE Payment		
	Estimated FY 67 BR \$	Estimated FY 67 MA \$	Estimated FY 67 MA/RS Total \$	C85B20 FY 67 BR \$	C85B20 FY 67 SAFE \$ (No Hold Harmless)	FY 67 C85B20 BR/SAFE \$ Pre Min Ent.	% Change From Current Programs	C85B20 Minimum Ent. Add-On	C85B20 Minimum Ent. Prorated	C85B20 FY 67 SAFE \$ Prorated	C85B20 FY 67 SAFE \$ Final Payment	FY 67 C85B20 BR/SAFE \$ Total Payment	% Change From Current Programs	FY 67 SAFE \$ at 6% Interest for 6 Months	FY 67 C85B20 BR/SAFE \$ Plus Interest	% Change From Current Programs
y & Borough of Juneau	\$1,684,112	\$1,301,027	\$2,985,139	\$1,684,112	\$1,313,455	\$2,977,567	0.43%	\$0	\$0	\$1,302,669	\$1,302,669	\$2,880,236	0.00%	\$32,482	\$2,889,463	1.20%
y of Kachemak	\$24,191	\$19,100	\$37,291	\$24,191	\$19,834	\$37,825	1.43%	\$2,178	\$2,157	\$19,825	\$18,682	\$39,673	6.92%	\$391	\$40,264	7.97%
y of Kake	\$49,181	\$24,180	\$73,341	\$49,181	\$24,871	\$74,132	1.08%	\$0	\$0	\$24,789	\$24,789	\$73,930	0.80%	\$818	\$74,848	1.85%
y of Kakevik	\$31,302	\$7,639	\$38,941	\$31,302	\$7,850	\$39,152	9.84%	\$848	\$841	\$7,787	\$8,828	\$39,930	2.64%	\$215	\$40,145	3.09%
y of Kaituma	\$32,929	\$9,021	\$40,950	\$32,929	\$9,399	\$41,314	0.89%	\$0	\$0	\$9,318	\$9,318	\$41,148	0.73%	\$207	\$41,354	1.24%
y of Kasan	\$23,341	\$1,310	\$24,651	\$23,341	\$1,365	\$24,706	0.22%	\$10,284	\$18,170	\$1,354	\$18,825	\$39,866	61.72%	\$412	\$40,278	63.39%
y of Kenai	\$209,899	\$384,620	\$574,625	\$209,899	\$382,888	\$572,788	-0.30%	\$0	\$0	\$359,984	\$359,984	\$569,863	-0.81%	\$6,974	\$576,838	0.75%
nal Peninsula Borough	\$1,848,249	\$1,227,349	\$2,875,598	\$1,848,249	\$1,259,882	\$2,887,831	0.43%	\$0	\$0	\$1,229,591	\$1,229,591	\$2,877,840	0.08%	\$30,656	\$2,908,496	1.14%
y of Ketchikan	\$388,263	\$475,988	\$842,251	\$388,263	\$471,418	\$837,978	-0.84%	\$0	\$0	\$487,818	\$487,818	\$833,879	-0.89%	\$11,658	\$845,537	0.39%
chikan Gateway Borough	\$182,849	\$223,712	\$406,561	\$182,849	\$229,791	\$412,640	1.80%	\$0	\$0	\$227,939	\$227,939	\$410,768	1.04%	\$5,853	\$416,471	2.44%
y of Klana	\$29,855	\$14,370	\$44,025	\$29,855	\$14,853	\$44,808	1.10%	\$0	\$0	\$14,734	\$14,734	\$44,369	0.83%	\$387	\$44,756	1.66%
y of King Cove	\$44,838	\$29,278	\$73,814	\$44,838	\$30,377	\$74,913	1.48%	\$0	\$0	\$30,133	\$30,133	\$74,689	1.18%	\$751	\$75,420	2.18%
y of Kvina	\$51,034	\$11,052	\$62,086	\$51,034	\$11,835	\$62,589	0.78%	\$0	\$0	\$11,442	\$11,442	\$62,476	0.83%	\$285	\$62,761	1.09%
y of Klawock	\$33,352	\$25,229	\$58,581	\$33,352	\$28,182	\$59,534	1.83%	\$0	\$0	\$25,971	\$25,971	\$59,323	1.27%	\$648	\$59,971	2.37%
y of Kohuk	\$33,077	\$2,833	\$35,810	\$33,077	\$2,843	\$35,720	0.31%	\$4,280	\$4,245	\$2,822	\$9,887	\$38,944	12.17%	\$171	\$40,115	12.55%
y of Kodiak	\$148,299	\$400,338	\$548,637	\$148,299	\$398,148	\$544,447	-0.40%	\$0	\$0	\$394,939	\$394,939	\$541,238	-0.99%	\$9,848	\$551,085	0.81%
ak Island Borough	\$447,398	\$231,112	\$678,510	\$447,398	\$239,007	\$686,403	1.18%	\$0	\$0	\$237,080	\$237,080	\$684,478	0.88%	\$5,911	\$690,389	1.75%
y of Kodiak	\$30,495	\$10,199	\$40,694	\$30,495	\$11,889	\$42,384	1.42%	\$0	\$0	\$18,737	\$18,737	\$49,232	1.11%	\$407	\$49,639	2.08%
y of Kotzebue	\$191,025	\$125,923	\$316,948	\$191,025	\$127,388	\$318,413	0.48%	\$0	\$0	\$128,361	\$128,361	\$317,369	0.14%	\$3,150	\$320,519	1.13%
y of Koyuk	\$32,883	\$9,983	\$41,048	\$32,883	\$9,339	\$41,421	0.81%	\$0	\$0	\$9,283	\$9,283	\$41,346	0.73%	\$231	\$41,577	1.23%
y of Koyukuk	\$31,788	\$4,348	\$36,114	\$31,788	\$4,488	\$36,258	0.39%	\$3,744	\$3,714	\$4,452	\$8,168	\$39,934	10.58%	\$204	\$40,137	11.14%
y of Kuparuk	\$23,318	\$749	\$24,067	\$23,318	\$783	\$24,101	0.14%	\$18,889	\$18,771	\$777	\$18,648	\$39,866	65.84%	\$413	\$40,278	67.38%
y of Kwethluk	\$29,844	\$22,889	\$52,733	\$29,844	\$23,782	\$53,626	1.83%	\$0	\$0	\$23,560	\$23,560	\$53,504	1.27%	\$587	\$54,091	2.36%
ka and Peninsula Borough	\$224,784	\$41,808	\$266,592	\$224,784	\$41,913	\$266,697	0.11%	\$0	\$0	\$41,876	\$41,876	\$266,580	-0.01%	\$1,037	\$267,617	0.38%
y of Larsen	\$24,191	\$4,037	\$28,228	\$24,191	\$4,242	\$28,433	0.88%	\$11,887	\$11,474	\$4,288	\$15,882	\$39,673	41.16%	\$381	\$40,054	42.84%
y of Lower Kalskag	\$31,208	\$8,821	\$40,029	\$31,208	\$10,241	\$41,449	1.02%	\$0	\$0	\$10,169	\$10,169	\$41,367	0.52%	\$259	\$41,626	1.44%
y of Manokotak	\$29,494	\$12,888	\$42,382	\$29,494	\$13,411	\$42,905	1.29%	\$0	\$0	\$13,303	\$13,303	\$42,787	1.03%	\$332	\$43,119	1.81%
y of Marshall	\$30,495	\$9,824	\$40,319	\$30,495	\$10,205	\$40,700	0.94%	\$0	\$0	\$10,122	\$10,122	\$40,617	0.74%	\$252	\$40,870	1.37%
li-Su Borough	\$1,623,894	\$1,369,392	\$2,993,286	\$1,623,894	\$1,417,082	\$3,040,776	1.70%	\$0	\$0	\$1,405,881	\$1,405,881	\$3,029,355	1.31%	\$35,045	\$3,084,400	2.48%
y of McGrath	\$34,280	\$18,300	\$52,580	\$34,280	\$18,712	\$52,972	0.78%	\$0	\$0	\$18,881	\$18,881	\$52,821	0.60%	\$463	\$53,284	1.38%
y of Metlakatla	\$30,828	\$8,852	\$37,680	\$30,828	\$7,134	\$37,862	0.78%	\$2,038	\$2,022	\$7,078	\$9,098	\$39,026	6.88%	\$227	\$40,153	6.88%
y of Mountain Village	\$31,252	\$26,971	\$57,223	\$31,252	\$28,801	\$58,113	1.68%	\$0	\$0	\$28,845	\$28,845	\$57,897	1.18%	\$884	\$58,781	2.34%
y of Napakiak	\$30,888	\$11,722	\$42,610	\$30,888	\$12,080	\$43,028	0.78%	\$0	\$0	\$11,963	\$11,963	\$42,932	0.66%	\$298	\$43,230	1.26%
y of Nanakiaak	\$30,495	\$12,824	\$43,319	\$30,495	\$13,189	\$43,684	1.35%	\$0	\$0	\$13,080	\$13,080	\$43,583	1.08%	\$328	\$43,911	1.84%
y of Nenana	\$49,223	\$27,828	\$77,051	\$49,223	\$27,821	\$76,744	-0.40%	\$0	\$0	\$27,299	\$27,299	\$76,522	-0.89%	\$681	\$77,203	0.20%
y of New Stuyahok	\$29,079	\$13,819	\$42,898	\$29,079	\$14,088	\$43,164	1.33%	\$0	\$0	\$13,972	\$13,972	\$43,051	1.08%	\$348	\$43,399	1.88%
y of Newhalen	\$29,391	\$9,817	\$39,208	\$29,391	\$9,741	\$39,132	0.64%	\$4,888	\$4,829	\$9,695	\$10,523	\$39,914	14.34%	\$282	\$40,177	18.09%
y of Nightmute	\$30,172	\$5,819	\$35,991	\$30,172	\$6,185	\$36,357	0.74%	\$3,843	\$3,813	\$6,135	\$9,748	\$39,821	10.81%	\$243	\$40,164	11.28%
y of Nikolai	\$31,828	\$3,918	\$35,742	\$31,828	\$4,082	\$35,918	0.48%	\$4,082	\$4,049	\$4,059	\$8,108	\$39,934	11.73%	\$202	\$40,136	12.23%
y of Nome	\$289,073	\$177,407	\$476,480	\$289,073	\$178,814	\$477,887	0.30%	\$0	\$0	\$177,373	\$177,373	\$476,448	-0.01%	\$4,422	\$480,870	0.92%
y of Nondalton	\$38,434	\$7,824	\$46,258	\$38,434	\$8,128	\$46,560	0.70%	\$0	\$0	\$8,001	\$8,001	\$46,495	0.65%	\$201	\$46,696	1.01%
y of Noonvik	\$47,835	\$19,893	\$67,728	\$47,835	\$20,412	\$68,047	1.07%	\$0	\$0	\$20,248	\$20,248	\$67,893	0.82%	\$505	\$68,398	1.67%
y of North Pole	\$27,215	\$82,808	\$110,023	\$27,215	\$82,841	\$109,858	-0.15%	\$0	\$0	\$81,976	\$81,976	\$109,190	-0.78%	\$2,044	\$111,234	1.10%
th Slope Borough	\$349,803	\$1,283,832	\$1,633,635	\$349,803	\$1,191,189	\$1,640,991	-8.87%	\$0	\$0	\$1,181,887	\$1,181,887	\$1,531,090	-8.26%	\$28,459	\$1,680,649	-4.48%
thwest Arctic Borough	\$234,187	\$24,378	\$258,565	\$234,187	\$24,674	\$258,731	0.08%	\$0	\$0	\$24,378	\$24,378	\$258,633	0.00%	\$608	\$259,141	0.23%
y of Nuiqsut	\$31,302	\$12,928	\$44,128	\$31,302	\$13,405	\$44,707	1.31%	\$0	\$0	\$13,297	\$13,297	\$44,699	1.07%	\$332	\$44,931	1.82%
y of Nulato	\$32,915	\$11,854	\$44,769	\$32,915	\$12,311	\$45,226	1.02%	\$0	\$0	\$12,212	\$12,212	\$45,127	0.80%	\$304	\$45,432	1.48%
y of Nunapituk	\$42,949	\$14,645	\$57,494	\$42,949	\$16,187	\$59,110	1.08%	\$0	\$0	\$15,045	\$15,045	\$57,994	0.87%	\$375	\$58,369	1.62%
y of Old Harbor	\$24,889	\$10,028	\$34,917	\$24,889	\$10,440	\$35,038	1.18%	\$4,882	\$4,822	\$10,358	\$15,278	\$39,876	15.13%	\$381	\$40,257	18.26%
y of Ouzinkie	\$24,482	\$8,418	\$32,900	\$24,482	\$9,768	\$33,238	1.04%	\$8,782	\$8,708	\$9,888	\$16,393	\$39,876	21.21%	\$384	\$40,260	22.38%
y of Palmer	\$220,078	\$183,282	\$403,360	\$220,078	\$184,834	\$404,912	0.38%	\$0	\$0	\$183,345	\$183,345	\$403,423	0.02%	\$4,871	\$407,994	1.15%
y of Pelican	\$24,823	\$9,428	\$34,251	\$24,823	\$9,493	\$34,316	0.18%	\$8,984	\$8,938	\$9,416	\$15,352	\$39,876	17.45%	\$383	\$40,258	18.88%
y of Petersburg	\$217,281	\$148,204	\$365,485	\$217,281	\$148,468	\$365,746	0.38%	\$0	\$0	\$148,280	\$148,280	\$365,541	0.02%	\$3,888	\$369,238	1.03%
y of Pilot Point	\$29,079	\$3,378	\$32,457	\$29,079	\$3,478	\$32,559	0.30%	\$7,145	\$7,385	\$3,449	\$10,833	\$39,812	22.97%	\$270	\$40,182	23.10%
y of Pilot Station	\$30,708	\$18,899	\$47,607	\$30,708	\$17,318	\$48,027	1.82%	\$0	\$0	\$17,179	\$17,179	\$47,887	1.23%	\$428	\$48,315	2.13%
y of Platinum	\$31,403	\$1,889	\$33,292	\$31,403	\$1,911	\$33,314	0.07%	\$0,880	\$8,832	\$1,893	\$8,888	\$39,931	19.84%	\$219	\$40,143	20.86%
y of Point Hope	\$31,302	\$28,021	\$59,323	\$31,302	\$28,770	\$59,072	1.31%	\$0	\$0	\$28,854	\$28,854	\$57,858	0.93%	\$682	\$58,540	2.09%
y of Port Alexander	\$23,318	\$3,728	\$27,044	\$23,318	\$3,888	\$27,178	0.49%	\$12,824	\$12,720	\$3,827	\$16,548	\$39,886	47.41%	\$413	\$40,378	48.84%
y of Port Heiden	\$32,957	\$4,171	\$37,128	\$32,957	\$4,330	\$37,287	0.44%	\$3,813	\$3,583	\$4,288	\$7,879	\$39,936	10.24%	\$188	\$40,122	10.71%

EFFECTS OF C88B20 ON FY 87 BRS/MA PAYMENTS (BASED UPON GOV.'S BUDGET; NO BASE AMOUNT HOLD HARMLESS - \$40,000 OVERALL MINIMUM ENTITLEMENT)

Municipality	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	Potential Interest Earnings From Early SAFE Payment		
	Estimated FY 87 BRS \$	Estimated FY 87 MA \$	Estimated FY 87 MA/BRS Total \$	C88B20 FY 87 BRS \$	C88B20 FY 87 SAFE \$ (No Hold Harmless)	FY 87 C88B20 BRS/SAFE \$ Pre Min Ent.	% Change From Current Programs	C88B20 Minimum Ent. Add-On	C88B20 Minimum Ent. Prorated	C88B20 FY 87 SAFE \$ Prorated	C88B20 FY 87 SAFE \$ Final Payment	FY 87 C88B20 BRS/SAFE \$ Total Payment	% Change From Current Programs	FY 87 SAFE \$ at 5% Interest for 6 Months	FY 87 C88B20 BRS/SAFE \$ Plus Interest	% Change From Current Programs
of Port Lions	\$24,630	\$8,641	\$33,271	\$24,630	\$8,641	\$33,271	1.05%	\$0	\$0	\$0	\$33,271	20.54%	\$382	\$40,258	21.70%	
of Quinhagak	\$30,824	\$17,828	\$48,652	\$30,824	\$18,551	\$49,375	1.48%	\$0	\$0	\$18,401	\$48,225	1.18%	\$459	\$49,684	2.12%	
of Ruby	\$22,328	\$7,321	\$29,649	\$22,328	\$7,558	\$29,886	0.80%	\$114	\$113	\$7,497	\$29,938	0.73%	\$180	\$40,128	1.21%	
of Russian Mission	\$30,881	\$8,252	\$39,133	\$30,881	\$9,667	\$40,548	1.04%	\$0	\$0	\$9,589	\$40,250	0.65%	\$239	\$40,490	1.44%	
of Sand Point	\$50,067	\$35,312	\$85,379	\$50,067	\$38,360	\$88,427	1.23%	\$0	\$0	\$38,067	\$88,134	0.88%	\$399	\$87,933	1.84%	
of Savoonga	\$32,043	\$21,192	\$53,235	\$32,043	\$21,882	\$53,925	1.28%	\$0	\$0	\$21,888	\$53,729	0.93%	\$541	\$54,270	1.94%	
of Sazan	\$22,778	\$12,874	\$35,652	\$22,778	\$11,154	\$33,932	1.32%	\$3,070	\$3,045	\$14,040	\$39,861	9.36%	\$428	\$40,287	10.53%	
of Scammon Bay	\$30,232	\$14,087	\$44,329	\$30,232	\$14,669	\$44,901	1.29%	\$0	\$0	\$14,651	\$44,783	1.02%	\$383	\$45,140	1.84%	
of Selawik	\$71,207	\$21,278	\$92,485	\$71,207	\$22,111	\$93,318	0.90%	\$0	\$0	\$21,933	\$93,140	0.71%	\$547	\$93,887	1.30%	
of Seldovia	\$28,478	\$18,981	\$47,459	\$28,478	\$18,818	\$47,296	0.08%	\$0	\$0	\$18,780	\$47,078	-0.22%	\$394	\$47,472	0.73%	
of Seward	\$281,644	\$140,327	\$421,971	\$281,644	\$140,881	\$422,525	0.16%	\$0	\$0	\$139,844	\$422,488	-0.12%	\$3,487	\$425,975	0.75%	
of Shageluk	\$31,302	\$4,863	\$36,165	\$31,302	\$4,854	\$36,156	0.83%	\$3,844	\$3,813	\$4,815	\$36,971	11.02%	\$218	\$40,145	11.82%	
of Shaktoolik	\$31,878	\$8,319	\$40,197	\$31,878	\$8,693	\$40,571	0.71%	\$1,429	\$1,418	\$8,640	\$40,935	4.26%	\$188	\$40,134	4.80%	
of Shelton Point	\$30,172	\$5,201	\$35,373	\$30,172	\$5,423	\$35,595	0.83%	\$4,405	\$4,389	\$5,380	\$39,921	12.86%	\$243	\$40,164	13.54%	
of Shishmaref	\$32,181	\$17,899	\$50,080	\$32,181	\$18,382	\$50,563	1.37%	\$0	\$0	\$18,233	\$50,354	1.07%	\$455	\$50,809	1.88%	
of Shungnak	\$34,871	\$8,788	\$43,659	\$34,871	\$8,033	\$42,904	0.88%	\$0	\$0	\$8,961	\$43,865	0.40%	\$223	\$43,755	0.91%	
and Borough of Sika	\$388,130	\$418,890	\$807,020	\$388,130	\$421,183	\$809,313	0.31%	\$0	\$0	\$417,709	\$826,039	-0.11%	\$10,414	\$836,453	1.17%	
of Shuyne	\$28,835	\$48,892	\$77,727	\$28,835	\$48,318	\$77,153	-0.74%	\$0	\$0	\$48,842	\$77,677	-0.26%	\$1,149	\$78,826	0.28%	
of Soldotna	\$127,812	\$227,884	\$355,696	\$127,812	\$224,973	\$352,785	-0.73%	\$0	\$0	\$223,180	\$351,962	-1.24%	\$5,884	\$357,846	0.33%	
of St. George	\$77,314	\$8,223	\$85,537	\$77,314	\$8,488	\$85,802	0.32%	\$0	\$0	\$8,438	\$85,740	0.28%	\$180	\$85,920	0.45%	
of St. Mary's	\$83,887	\$18,887	\$102,774	\$83,887	\$18,188	\$102,075	0.63%	\$0	\$0	\$18,067	\$101,942	0.50%	\$401	\$102,343	0.91%	
of St. Michael	\$32,142	\$14,750	\$46,892	\$32,142	\$14,905	\$47,047	0.33%	\$0	\$0	\$14,789	\$46,927	0.07%	\$389	\$47,316	0.88%	
of St. Paul	\$88,116	\$24,442	\$112,558	\$88,116	\$25,480	\$113,596	0.85%	\$0	\$0	\$25,285	\$113,401	0.68%	\$630	\$114,031	1.18%	
of Stebbins	\$32,744	\$18,142	\$50,886	\$32,744	\$18,791	\$51,535	1.38%	\$0	\$0	\$18,684	\$50,428	1.09%	\$391	\$48,786	1.90%	
of Tanana	\$39,329	\$12,804	\$52,133	\$39,329	\$13,822	\$53,151	0.81%	\$0	\$0	\$13,413	\$52,742	0.40%	\$334	\$53,077	1.03%	
of Tetli	\$31,884	\$8,724	\$40,608	\$31,884	\$9,039	\$40,923	0.83%	\$0	\$0	\$9,025	\$40,948	0.75%	\$225	\$40,834	1.31%	
of Tenakee Springs	\$23,318	\$4,858	\$28,176	\$23,318	\$4,905	\$28,223	0.17%	\$11,777	\$11,883	\$4,885	\$28,108	-0.24%	\$413	\$40,278	42.95%	
of Thome Bay	\$28,885	\$21,414	\$50,299	\$28,885	\$22,248	\$51,133	1.73%	\$0	\$0	\$22,088	\$50,973	1.36%	\$550	\$49,201	2.51%	
of Toke	\$30,384	\$28,350	\$58,734	\$30,384	\$27,189	\$57,573	1.43%	\$0	\$0	\$28,940	\$57,324	1.04%	\$672	\$57,996	2.22%	
of Toksook Bay	\$30,485	\$17,132	\$47,617	\$30,485	\$17,788	\$48,273	1.40%	\$0	\$0	\$17,655	\$47,840	1.10%	\$440	\$48,280	2.02%	
of Unalakleet	\$32,844	\$27,844	\$60,688	\$32,844	\$28,700	\$61,544	1.25%	\$0	\$0	\$28,489	\$60,033	0.87%	\$710	\$60,743	2.04%	
of Unalakleet	\$234,884	\$134,929	\$369,813	\$234,884	\$140,122	\$375,006	1.41%	\$0	\$0	\$138,893	\$373,897	1.10%	\$3,485	\$377,382	2.04%	
of Upper Kaktovik	\$31,193	\$7,021	\$38,214	\$31,193	\$7,180	\$38,373	0.42%	\$1,827	\$1,814	\$7,122	\$38,255	-0.03%	\$218	\$40,147	8.06%	
of Valdez	\$211,001	\$507,897	\$718,898	\$211,001	\$484,881	\$695,882	-3.22%	\$0	\$0	\$480,875	\$696,875	-0.76%	\$11,884	\$708,759	-2.09%	
of Wainwright	\$31,382	\$17,344	\$48,726	\$31,382	\$18,883	\$50,265	1.02%	\$0	\$0	\$17,837	\$48,223	1.22%	\$447	\$48,670	2.14%	
of Wales	\$31,837	\$8,400	\$40,237	\$31,837	\$8,848	\$40,685	0.86%	\$2,717	\$2,698	\$8,601	\$39,933	7.82%	\$207	\$40,140	8.38%	
of Westville	\$118,258	\$188,188	\$306,446	\$118,258	\$201,409	\$319,667	0.70%	\$0	\$0	\$189,788	\$309,046	0.18%	\$4,881	\$323,927	1.75%	
of White Mountain	\$31,111	\$8,853	\$39,964	\$31,111	\$8,848	\$39,959	0.78%	\$2,041	\$2,025	\$8,712	\$39,928	-0.01%	\$220	\$40,148	6.80%	
of Whittier	\$28,784	\$10,488	\$39,272	\$28,784	\$10,770	\$39,554	0.73%	\$2,488	\$2,448	\$10,684	\$39,232	-0.11%	\$327	\$40,221	7.84%	
of Wrangell	\$187,359	\$124,918	\$312,277	\$187,359	\$125,721	\$313,080	0.28%	\$0	\$0	\$124,707	\$312,066	-0.06%	\$3,109	\$325,176	0.90%	
and Borough of Yaktah	\$27,889	\$38,988	\$66,877	\$27,889	\$39,003	\$66,892	0.03%	\$0	\$0	\$38,889	\$66,778	-0.44%	\$885	\$67,663	1.00%	

\$185,800 move from certain communities to other communities as a result of change in MA Base Amount (i.e., base not held harmless) (this represents .38 of 1% of all BRS/MA appropriation)

\$238,888 = Minimum Entitlement Make-Up \$3  
All communities share in making up this \$238,888 (this represents .48 of 1% of all BRS/MA appropriation)

Three communities were not included in the above table for a variety of reasons. Their estimated allocations are listed below.

	EST. 87 BRS	EST. 87 MA	Total 87 BRS/MA	87 SAFE	Total BRS/SAFE	Difference	
Chukchi	\$7,148	\$70,318	\$77,466	\$78,248	\$85,396	(\$88)	Metlakatla participates in BRS as an unincorporated community, and MA effectively as a municipality
St. Point	\$0	\$1,898	\$1,898	\$2,084	\$2,084	\$88	Clark's Point has been largely inactive as a municipality. Has not filed program applications.
Yukon-Charley	\$28,078	\$8,880	\$36,958	\$10,931	\$39,910	\$6,471	Newly Incorporated Municipality.

# Alaska State Legislature



## District Address

145 Main St. Loop; Suite 226  
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(907) 283-2690 • Fax 283-9267

## Session Address

State Capitol; Room 427  
Juneau, AK 99801-1182  
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Senator John Torgerson

## SPONSOR STATEMENT

### Committee Substitute for Sponsor Substitute for Senate Bill 20(FIN)

This legislation changes the name of the Revenue Sharing program to "Priority Revenue Sharing for Municipal Services," changes the Municipal Assistance Fund to the Safe Communities Fund, and requires that payments from the Safe Communities Fund be used for specific prioritized purposes. The intent of these changes is to more accurately reflect the purposes for which payments received are used. These programs appear to have fostered the perception that it is a type of "slush fund," for communities. The change in name and requirements for use help to dispel that notion.

Communities are required to spend funds received from the Safe Community Fund on specific purposes in the following order of priority: 1) Police protection and related public safety services; 2) Fire protection and emergency medical services; 3) Water and sewer services not offset by user fees; 4) Solid waste management; and 5) Other services the governing body determines to have the highest priority. Communities are not however required to fund all requests for services in a category before funding services in another category.

Communities that levy and collect property taxes are required to list the allocation received from Revenue Sharing for Safe Communities and its millage equivalent on the "Notice to Taxpayers."

This bill also revises how appropriations to the Safe Community Fund are allocated. In the event appropriations continue to be reduced, allocations to and the resulting payments from the base amount account will be proportionately reduced. In the past, this account was "held harmless" and appropriation reductions were taken entirely from the per capita account. This resulted in an inequitable reduction of payments to communities.

The minimum entitlement to communities is increased to \$40,000. If, however, appropriations continue to decline, this minimum entitlement may be proportionately reduced along with payments from the base amount and the per capita accounts.

Finally, the date of payment has been changed so that communities receive entitlements from both Priority Revenue Sharing and the Safe Communities Fund on July 31. Previously, payments from revenue sharing were made on July 31 and municipal assistance payments were made on February 1.

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## Senator John Torgerson

### Committee Substitute for Sponsor Substitute for Senate Bill 20(FIN) Overview by Section

- Section 1: AS 29.10.200 (50) "Limitation of home rule powers." Changes name from state aid to priority revenue sharing.
- Section 2: AS 29.20.640 (b) "Reports." Changes name from state aid for miscellaneous municipal services to priority revenue sharing for municipal services.
- Section 3: AS 29.45.020 "Taxpayer Notice" Changes name from state aid for miscellaneous municipal services to priority revenue sharing for municipal services. Requires communities that levy and collect property taxes to list the allocation received from revenue sharing for safe communities and its millage equivalent on the notice to taxpayer. Currently these funds do not have to be reported to the public.
- Section 4: AS 29.45.660(b) "Notice of sale and use tax." Changes name from state aid for miscellaneous municipal services to priority revenue sharing for municipal services.
- Section 5: AS 29.60.100 "Revenue Sharing Payable." Changes name from revenue sharing to priority revenue sharing for municipal services.
- Section 6: AS 29.60.170 "Miscellaneous services account" Changes name from miscellaneous services to municipal services
- Section 7: AS 29.60.280(b) "Allocation and distribution" Changes name from miscellaneous services to municipal services

Section 8: AS 29.60.350 "Municipal Assistance Fund" Renames Municipal Assistance fund to the Safe Communities fund. Establishes two accounts within the fund--the base amount account and the per capita account. Allocates 1/3 of the appropriation to the Safe Communities Fund to the "base amount account" and 2/3 of the appropriation to the "per capita account." Changes the date the funds are distributed from February 1 to July 31.

Section 9: AS 29.60.350 (c) Adds a new section requiring payments received from both accounts in the Safe Communities Fund to be spent on the following services in the following order of priority:

- Police protection and related public safety services;
- Fire protection and emergency medical services;
- Water and sewer services not offset by user fees;
- Solid waste management;
- Other services determined by the governing body to have the highest priority

This section does not require a municipality to fund all requests it receives for services in a category before funding services in a another category.

Section 10: AS 29.60.360 "Base amount of assistance" This section is renamed to "Base amount account distributions." Excludes boroughs with a per capita full and true property value exceeding \$500,000 when calculating the base amount to be received by new boroughs. Allows the distributions from the base amount account to be prorated if the amount allocated to the account is insufficient to pay the full base amount to each eligible municipality.

Section 11: AS 29.60.370(a) Renames increased assistance to per capita account distribution. Specifies that allocations to the per capita account will be distributed to municipalities on a per capita basis.

Section 12: AS 29.60.372 and 373 Adds a new section stating that the minimum entitlement to those communities eligible for payments under equalization of tax resources for municipal services, priority revenue sharing for municipal services and revenue sharing for safe communities, is \$40,000. Adds an additional section allowing the minimum entitlement to be reduced proportionately in the event future appropriations to the safe communities fund are reduced.

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Alaska Municipal Basic Services Program BRU: Revenue Operations  
 Component: Treasury  
 Sponsor: Torgerson  
 Requestor: (S) CRA COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>	<b>(874.0)</b>	<b>(874.0)</b>	<b>(874.0)</b>	<b>(874.0)</b>	<b>(874.0)</b>	<b>(874.0)</b>

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost \$ \_\_\_\_\_

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill will advance the payment of municipal assistance from February 1 of the fiscal year to July 31 of the same year. This will result in the loss of 6 months of earnings on these funds in the general fund. Based upon this year's payout of approximately \$27.1 million and the current general fund rate of return of 5.4%, this amounts to \$874.0 in interest earnings that the general fund will forgo.

Prepared by: Vern Voss, Cash Manager Betty Martin, Controller Phone: 465-3700  
 Division: Treasury Date: February 19, 1996  
 Approved by Commissioner: Ross Kinney, Deputy Commissioner Date: February 19, 1996  
 Agency: Department of Revenue

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# FISCAL NOTE

No. 1  
Bill Version: CS SS SB 20CCRA  
(S) Publish Date: 3-18-96

Revision Date: February 20, 1996 Dept. Affected: Community & Regional Affairs  
Title: An Act relating to certain programs of state aid to municipalities and recipients in the ... BRU: none  
Sponsor: Sen. Torgerson Component none  
Requestor: Senate C&RA COMPONENT SERIAL NO. -

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

REVENUE FUND SOURCE:

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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

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

Estimate of current (FY94) impact \$ none

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

This bill would make changes in formula allocations and payment dates for the Municipal Assistance Program (AS 29.60.350-375), however, these changes would not significantly affect program administration. Consequently, no fiscal impacts are anticipated for the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
Division: Division of Administrative Services Date: 2/20/96  
Approved by Commissioner: *Mike Durin* Date: 2/20/96  
Agency: Community & Regional Affairs

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# Comparison of an 8 % Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

(1) Payments municipalities would receive if the FY 97 appropriation to Municipal Assistance was the same as the FY 96 appropriation

## Existing Program

- (2) Payments municipalities will receive under the existing program if the FY 97 appropriation for Municipal Assistance is 8 percent less than the FY 96 appropriation (Governor's request). The existing program funds the base amount of assistance in its entirety and takes the reduction out of increased assistance.  
 (3) Amount each municipality's allocation is reduced from its FY 96 allocation under the existing program  
 (4) Percent reduction each municipality realizes under the existing program.

## Hold Harmless Removed

- (5) Payments municipalities would receive if FY 97 if the base amount of assistance and the increased assistance are both reduced by the same percentage as the overall appropriation reduction between FY 96 and FY 97  
 (6) Amount each municipality's allocation would be reduced from its FY 96 allocation with the hold harmless removed.  
 (7) Percent reduction each municipality would realize.

## Relative Differences

- (8) The difference in each municipality's FY 97 allocation under the existing program, and by removing the hold harmless  
 (9) The percent difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	(1) Estimated FY 97 MA Payments	(2) MA Payments With 8% Cut	(3) \$\$ Difference	(4) % Difference	(5) MA Base Amounts Not Held Harmless With 8% Cut	(6) \$\$ Difference	(7) % Difference	(8) Relative \$\$ Difference	(9) Relative % Difference
City of Akhiok	\$3,274	\$2,934	(\$340)	-10.38%	\$3,012	(\$262)	-8.00%	\$78	2.38%
City of Akiak	\$11,486	\$10,124	(\$1,362)	-11.86%	\$10,567	(\$919)	-8.00%	\$443	3.86%
City of Akutan	\$15,701	\$13,848	(\$1,855)	-11.81%	\$14,445	(\$1,256)	-8.00%	\$599	3.81%
City of Alakanuk	\$26,699	\$24,128	(\$2,571)	-9.63%	\$24,563	(\$2,136)	-8.00%	\$435	1.63%
City of Aleknagik	\$8,915	\$6,140	(\$2,775)	-11.21%	\$6,362	(\$553)	-8.00%	\$222	3.21%
Aleutiana East Borough	\$10,875	\$10,420	(\$455)	-4.18%	\$10,005	(\$870)	-8.00%	(\$415)	-3.82%
City of Allakaket	\$5,705	\$5,037	(\$668)	-11.71%	\$5,249	(\$456)	-8.00%	\$212	3.71%
City of Ambler	\$11,594	\$10,279	(\$1,315)	-11.34%	\$10,688	(\$906)	-8.00%	\$387	3.34%
City of Anaktuvuk Pass	\$10,461	\$9,218	(\$1,243)	-11.88%	\$9,624	(\$837)	-8.00%	\$406	3.88%
Municipality of Anchorage	\$14,061,530	\$12,964,382	(\$1,097,148)	-7.80%	\$12,936,608	(\$1,124,922)	-8.00%	(\$27,774)	-0.20%
City of Anderson	\$23,558	\$20,894	(\$2,664)	-11.31%	\$21,673	(\$1,885)	-8.00%	\$779	3.31%
City of Angoon	\$24,275	\$21,718	(\$2,557)	-10.53%	\$22,333	(\$1,942)	-8.00%	\$615	2.53%
City of Aniak	\$23,853	\$21,380	(\$2,473)	-10.37%	\$21,945	(\$1,908)	-8.00%	\$565	2.37%
City of Arvik	\$3,509	\$3,100	(\$409)	-11.66%	\$3,228	(\$281)	-8.00%	\$128	3.66%
City of Atka	\$3,544	\$3,131	(\$413)	-11.65%	\$3,280	(\$264)	-8.00%	\$129	3.65%
City of Atkasuk	\$25,583	\$24,571	(\$992)	-3.88%	\$23,518	(\$2,065)	-8.00%	(\$1,053)	-4.12%
City of Barrow	\$174,205	\$156,185	(\$18,020)	-10.34%	\$160,269	(\$13,936)	-8.00%	\$4,084	2.34%
City of Bethel	\$250,262	\$228,151	(\$22,111)	-8.84%	\$230,241	(\$20,021)	-8.00%	\$2,090	0.84%
City of Bettles	\$1,722	\$1,577	(\$145)	-8.42%	\$1,584	(\$138)	-8.00%	\$7	0.42%
City of Brevig Mission	\$9,573	\$8,445	(\$1,128)	-11.78%	\$8,807	(\$766)	-8.00%	\$362	3.78%
Bristol Bay Borough	\$60,270	\$54,716	(\$5,554)	-9.22%	\$55,448	(\$4,822)	-8.00%	\$732	1.22%
City of Buckland	\$15,123	\$13,358	(\$1,765)	-11.68%	\$13,913	(\$1,210)	-8.00%	\$557	3.68%
City of Chelema	\$13,715	\$12,136	(\$1,579)	-11.51%	\$12,818	(\$897)	-8.00%	\$482	3.51%
City of Chevak	\$24,430	\$21,528	(\$2,902)	-11.88%	\$22,476	(\$1,954)	-8.00%	\$948	3.88%
City of Chignik	\$5,330	\$4,730	(\$600)	-11.28%	\$4,904	(\$426)	-8.00%	\$174	3.26%
City of Chuathbaluk	\$4,782	\$4,230	(\$552)	-11.17%	\$4,381	(\$401)	-8.00%	\$151	3.17%
City of Coffman Cove	\$9,117	\$8,035	(\$1,082)	-11.87%	\$8,388	(\$729)	-8.00%	\$353	3.87%
City of Cold Bay	\$11,910	\$10,973	(\$937)	-7.87%	\$10,957	(\$953)	-8.00%	(\$16)	-0.13%
City of Cordova	\$136,334	\$125,405	(\$10,929)	-8.02%	\$125,427	(\$10,907)	-8.00%	\$22	0.02%
City of Craig	\$74,023	\$68,741	(\$5,282)	-11.19%	\$68,101	(\$5,922)	-8.00%	\$2,360	3.19%
City of Deering	\$5,893	\$5,242	(\$651)	-11.05%	\$5,422	(\$471)	-8.00%	\$180	3.05%
City of Delta Junction	\$58,853	\$55,129	(\$3,724)	-6.33%	\$53,981	(\$4,872)	-8.00%	(\$1,168)	-1.99%
Densil Borough	\$81,724	\$55,995	(\$25,729)	-31.36%	\$56,786	(\$24,938)	-8.00%	\$791	1.28%
City of Dillingham	\$106,735	\$97,108	(\$9,627)	-9.02%	\$98,198	(\$8,537)	-8.00%	\$1,008	0.94%
City of Diomedes	\$5,552	\$4,898	(\$654)	-11.82%	\$5,108	(\$444)	-8.00%	\$212	3.82%
City of Eagle	\$6,012	\$5,391	(\$621)	-10.33%	\$5,531	(\$481)	-8.00%	\$140	2.33%

# Comparison of an 8 % Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

(1) Payments municipalities would receive if the FY 97 appropriation to Municipal Assistance was the same as the FY 96 appropriation

### Existing Program

- (2) Payments municipalities will receive under the existing program if the FY 97 appropriation for Municipal Assistance is 8 percent less than the FY 96 appropriation (Governor's request). The existing program funds the base amount of assistance in its entirety and takes the reduction out of increased assistance.  
 (3) Amount each municipality's allocation is reduced from its FY 96 allocation under the existing program  
 (4) Percent reduction each municipality realizes under the existing program.

### Hold Harmless Removed

- (5) Payments municipalities would receive if FY 97 if the base amount of assistance and the increased assistance are both reduced by the same percentage as the overall appropriation reduction between FY 96 and FY 97  
 (6) Amount each municipality's allocation would be reduced from its FY 96 allocation with the hold harmless removed.  
 (7) Percent reduction each municipality would realize.

### Relative Differences

- (8) The difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless  
 (9) The percent difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	(1) Estimated FY 97 MA Payments	(2) MA Payments With 8% Cut	(3) \$\$ Difference	(4) % Difference	(5) MA Base Amounts Not Held Harmless With 8% Cut	(6) \$\$ Difference	(7) % Difference	(8) Relative \$\$ Difference	(9) Relative % Difference
City of Eek	\$10,321	\$9,117	(\$1,204)	-11.67%	\$9,495	(\$826)	-8.00%	\$378	3.67%
City of Ekwok	\$3,696	\$3,261	(\$435)	-11.77%	\$3,400	(\$296)	-8.00%	\$139	3.77%
City of Elim	\$10,327	\$9,131	(\$1,196)	-11.58%	\$9,501	(\$826)	-8.00%	\$370	3.58%
City of Emmonak	\$30,118	\$26,874	(\$3,244)	-10.77%	\$27,709	(\$2,409)	-8.00%	\$835	2.77%
City of Fairbanks	\$2,205,959	\$2,066,975	(\$138,984)	-6.30%	\$2,029,482	(\$176,477)	-8.00%	(\$37,493)	-1.70%
Fairbanks NSB	\$2,342,757	\$2,129,627	(\$213,130)	-9.10%	\$2,155,336	(\$187,421)	-8.00%	\$25,709	1.10%
City of False Pass	\$3,281	\$2,910	(\$371)	-11.31%	\$3,019	(\$262)	-8.00%	\$109	3.31%
City of Fort Yukon	\$30,228	\$27,407	(\$2,821)	-9.33%	\$27,810	(\$2,418)	-8.00%	\$403	1.33%
City of Galena	\$25,637	\$23,394	(\$2,243)	-8.75%	\$23,586	(\$2,051)	-8.00%	\$192	0.75%
City of Gambell	\$23,705	\$21,032	(\$2,673)	-11.28%	\$21,809	(\$1,896)	-8.00%	\$777	3.28%
City of Gokovin	\$6,177	\$5,513	(\$664)	-10.75%	\$5,683	(\$494)	-8.00%	\$170	2.75%
City of Goodnews Bay	\$9,074	\$7,992	(\$1,082)	-11.92%	\$8,348	(\$726)	-8.00%	\$356	3.92%
City of Grayling	\$7,923	\$7,021	(\$902)	-11.38%	\$7,289	(\$634)	-8.00%	\$268	3.38%
City of Halnes	\$69,505	\$63,572	(\$5,933)	-8.54%	\$63,945	(\$5,560)	-8.00%	\$373	0.54%
Haines Borough	\$40,862	\$36,831	(\$4,031)	-9.86%	\$37,593	(\$3,269)	-8.00%	\$762	1.86%
City of Holy Cross	\$11,134	\$9,904	(\$1,230)	-11.05%	\$10,243	(\$891)	-8.00%	\$339	3.05%
City of Homer	\$208,628	\$191,037	(\$17,591)	-8.43%	\$191,938	(\$16,690)	-8.00%	\$901	0.43%
City of Hoonah	\$39,032	\$35,189	(\$3,843)	-9.95%	\$35,909	(\$3,123)	-8.00%	\$720	1.85%
City of Hooper Bay	\$37,788	\$33,549	(\$4,239)	-11.22%	\$34,765	(\$3,023)	-8.00%	\$1,216	3.22%
City of Houston	\$35,559	\$31,490	(\$4,069)	-11.44%	\$32,714	(\$2,845)	-8.00%	\$1,224	3.44%
City of Hughes	\$2,847	\$2,515	(\$332)	-11.66%	\$2,819	(\$28)	-8.00%	\$104	3.66%
City of Huslia	\$9,696	\$8,611	(\$1,085)	-11.19%	\$8,920	(\$776)	-8.00%	\$309	3.19%
City of Hycaburg	\$16,303	\$14,575	(\$1,728)	-10.60%	\$14,899	(\$1,304)	-8.00%	\$424	2.60%
City & Borough of Juneau	\$1,427,669	\$1,301,027	(\$126,642)	-8.87%	\$1,313,455	(\$114,214)	-8.00%	\$12,428	0.87%
City of Kachemak	\$14,820	\$13,100	(\$1,720)	-11.61%	\$13,634	(\$1,186)	-8.00%	\$534	3.61%
City of Kake	\$27,142	\$24,180	(\$2,962)	-10.91%	\$24,971	(\$2,171)	-8.00%	\$791	2.91%
City of Kaktovik	\$8,533	\$7,839	(\$694)	-10.48%	\$7,850	(\$683)	-8.00%	\$211	2.48%
City of Kallag	\$9,115	\$8,021	(\$1,094)	-12.00%	\$8,386	(\$729)	-8.00%	\$65	4.00%
City of Kasauan	\$1,484	\$1,310	(\$174)	-11.73%	\$1,365	(\$119)	-8.00%	\$55	3.73%
City of Kenai	\$394,445	\$364,628	(\$29,819)	-7.56%	\$362,889	(\$31,556)	-8.00%	(\$1,737)	-0.44%
Kenai Peninsula Borough	\$1,347,372	\$1,227,349	(\$120,023)	-8.91%	\$1,239,582	(\$107,790)	-8.00%	\$12,233	0.91%
City of Ketchikan	\$512,408	\$475,988	(\$36,420)	-7.11%	\$471,419	(\$40,993)	-8.00%	(\$4,573)	-0.89%
Ketchikan Gateway Borough	\$249,773	\$223,712	(\$26,061)	-10.43%	\$229,791	(\$19,982)	-8.00%	\$8,079	2.43%
City of Klana	\$18,145	\$14,370	(\$3,775)	-10.98%	\$14,853	(\$1,292)	-8.00%	\$483	2.99%
City of King Cove	\$33,019	\$29,278	(\$3,741)	-11.33%	\$30,377	(\$2,642)	-8.00%	\$1,099	3.33%
City of Kivalina	\$12,538	\$11,052	(\$1,486)	-11.85%	\$11,535	(\$1,003)	-8.00%	\$483	3.85%

# Comparison of an 8 % Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

(1) Payments municipalities would receive if the FY 97 appropriation to Municipal Assistance was the same as the FY 96 appropriation

### Existing Program

- (2) Payments municipalities will receive under the existing program if the FY 97 appropriation for Municipal Assistance is 8 percent less than the FY 96 appropriation (Governor's request). The existing program funds the base amount of assistance in its entirety and takes the reduction out of increased assistance.  
 (3) Amount each municipality's allocation is reduced from it's FY 96 allocation under the existing program  
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- (5) Payments municipalities would receive if FY 97 if the base amount of assistance and the increased assistance are both reduced by the same percentage as the overall appropriation reduction between FY 96 and FY 97  
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### Relative Differences

- (8) The difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless  
 (9) The percent difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Municipality	Estimated FY 97 MA Payments	MA Payments With 8% Cut	\$\$ Difference	% Difference	MA Base Amounts Not Held Harmless With 8% Cut	\$\$ Difference	% Difference	Relative \$\$ Difference	Relative % Difference
City of Klawock	\$28,459	\$25,229	(\$3,230)	-11.35%	\$26,182	(\$2,277)	-8.00%	\$953	3.35%
City of Kobuk	\$2,873	\$2,533	(\$340)	-11.83%	\$2,643	(\$230)	-8.00%	\$110	3.83%
City of Kodiak	\$432,770	\$400,338	(\$32,432)	-7.49%	\$398,148	(\$34,622)	-8.00%	(\$2,190)	-0.51%
Kodiak Island Borough	\$259,790	\$231,112	(\$28,678)	-11.04%	\$239,007	(\$20,783)	-8.00%	\$7,895	3.04%
City of Kotlik	\$20,532	\$18,199	(\$2,333)	-11.38%	\$18,889	(\$1,643)	-8.00%	\$690	3.36%
City of Kolzabue	\$138,462	\$125,923	(\$12,542)	-9.08%	\$127,388	(\$11,077)	-8.00%	\$1,465	1.06%
City of Koyuk	\$10,150	\$8,903	(\$1,187)	-11.69%	\$9,338	(\$812)	-8.00%	\$375	3.69%
City of Koyukuk	\$4,878	\$4,346	(\$532)	-10.91%	\$4,488	(\$390)	-8.00%	\$142	2.91%
City of Kupreanof	\$851	\$749	(\$102)	-11.99%	\$783	(\$68)	-8.00%	\$34	3.99%
City of Kwethluk	\$25,817	\$22,889	(\$2,928)	-11.34%	\$23,752	(\$2,065)	-8.00%	\$863	3.34%
Lake and Peninsula Borough	\$45,558	\$41,608	(\$3,950)	-8.67%	\$41,913	(\$3,645)	-8.00%	\$305	0.67%
City of Larsen Bay	\$4,611	\$4,057	(\$554)	-12.01%	\$4,242	(\$369)	-8.00%	\$185	4.01%
City of Lower Kalskag	\$11,132	\$9,821	(\$1,311)	-11.78%	\$10,241	(\$891)	-8.00%	\$420	3.78%
City of Manokotak	\$14,577	\$12,866	(\$1,711)	-11.74%	\$13,411	(\$1,166)	-8.00%	\$545	3.74%
City of Marshall	\$11,092	\$9,824	(\$1,268)	-11.43%	\$10,205	(\$887)	-8.00%	\$381	3.43%
Mat-Su Borough	\$1,540,307	\$1,366,362	(\$173,945)	-11.29%	\$1,417,092	(\$123,225)	-8.00%	\$50,720	3.29%
City of McGrath	\$20,339	\$18,300	(\$2,039)	-10.03%	\$18,712	(\$1,627)	-8.00%	\$412	2.03%
City of Mekoryuk	\$7,754	\$6,852	(\$902)	-11.63%	\$7,114	(\$620)	-8.00%	\$282	3.63%
City of Mountain Village	\$29,197	\$25,971	(\$3,226)	-11.05%	\$28,861	(\$2,336)	-8.00%	\$890	3.05%
City of Napakiak	\$13,109	\$11,722	(\$1,387)	-10.58%	\$12,030	(\$1,049)	-8.00%	\$338	2.58%
City of Napaskiak	\$14,344	\$12,824	(\$1,720)	-11.99%	\$13,196	(\$1,148)	-8.00%	\$572	3.99%
City of Nenana	\$29,914	\$27,828	(\$2,086)	-6.97%	\$27,521	(\$2,393)	-8.00%	(\$307)	-1.03%
City of New Stuyahok	\$15,310	\$13,519	(\$1,791)	-11.70%	\$14,085	(\$1,225)	-8.30%	\$566	3.70%
City of Newhalen	\$6,240	\$5,517	(\$723)	-11.59%	\$5,741	(\$499)	-8.00%	\$224	3.59%
City of Nightmute	\$6,723	\$5,919	(\$804)	-11.96%	\$6,185	(\$538)	-8.00%	\$266	3.96%
City of Nikolai	\$4,448	\$3,918	(\$532)	-11.98%	\$4,092	(\$356)	-8.00%	\$176	3.96%
City of Nome	\$194,363	\$177,407	(\$16,956)	-8.72%	\$178,814	(\$15,549)	-8.00%	\$1,407	0.72%
City of Nondalton	\$8,833	\$7,824	(\$1,009)	-11.42%	\$8,126	(\$707)	-8.00%	\$302	3.42%
City of Noorvik	\$22,187	\$19,693	(\$2,494)	-11.24%	\$20,412	(\$1,775)	-8.00%	\$719	3.24%
City of North Pole	\$89,827	\$82,808	(\$7,019)	-7.81%	\$82,841	(\$7,186)	-8.00%	(\$187)	-0.10%
North Slope Borough	\$1,294,770	\$1,283,832	(\$10,938)	-0.84%	\$1,191,188	(\$103,582)	-8.00%	(\$92,644)	-7.10%
Northwest Arctic Borough	\$26,711	\$24,378	(\$2,333)	-8.73%	\$24,574	(\$2,137)	-8.00%	\$196	0.73%
City of Nulqsut	\$14,571	\$12,826	(\$1,745)	-11.98%	\$13,405	(\$1,166)	-8.00%	\$579	3.98%
City of Nulato	\$13,382	\$11,854	(\$1,528)	-11.42%	\$12,311	(\$1,071)	-8.00%	\$457	3.42%
City of Nunapituk	\$18,488	\$14,545	(\$1,941)	-11.77%	\$15,167	(\$1,319)	-8.00%	\$822	3.77%
City of Old Harbor	\$11,348	\$10,028	(\$1,320)	-11.63%	\$10,440	(\$908)	-8.00%	\$412	3.63%

# Comparison of an 8 % Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

(1) Payments municipalities would receive if the FY 97 appropriation to Municipal Assistance was the same as the FY 96 appropriation

## Existing Program

- (2) Payments municipalities will receive under the existing program if the FY 97 appropriation for Municipal Assistance is 8 percent less than the FY 96 appropriation (Governor's request). The existing program funds the base amount of assistance in its entirety and takes the reduction out of increased assistance.  
 (3) Amount each municipality's allocation is reduced from it's FY 96 allocation under the existing program  
 (4) Percent reduction each municipality realizes under the existing program.

## Hold Harmless Removed

- (5) Payments municipalities would receive if FY 97 if the base amount of assistance and the increased assistance are both reduced by the same percentage as the overall appropriation reduction between FY 96 and FY 97  
 (6) Amount each municipality's allocation would be reduced from it's FY 96 allocation with the hold harmless removed.  
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## Relative Differences

- (8) The difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless  
 (9) The percent difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	(1) Estimated FY 97 MA Payments	(2) MA Payments With 8% Cut	(3) \$\$ Difference	(4) % Difference	(5) MA Base Amounts Not Held Harmless With 8% Cut	(6) \$\$ Difference	(7) % Difference	(8) Relative \$\$ Difference	(9) Relative % Difference
City of Ouzinkle	\$9,517	\$8,415	(\$1,102)	-11.58%	\$8,756	(\$761)	-8.00%	\$341	3.58%
City of Palmer	\$200,907	\$183,282	(\$17,625)	-8.77%	\$184,834	(\$16,073)	-8.00%	\$1,552	0.77%
City of Pelican	\$10,318	\$9,428	(\$890)	-8.63%	\$9,493	(\$825)	-8.00%	\$65	0.63%
City of Petersburg	\$162,462	\$148,204	(\$14,258)	-8.78%	\$149,465	(\$12,997)	-8.00%	\$1,261	0.76%
City of Pilot Point	\$3,778	\$3,378	(\$400)	-10.59%	\$3,476	(\$302)	-8.00%	\$98	2.59%
City of Pilot Station	\$18,825	\$16,599	(\$2,226)	-11.82%	\$17,319	(\$1,506)	-8.00%	\$720	3.82%
City of Platinum	\$2,077	\$1,889	(\$188)	-9.05%	\$1,911	(\$166)	-8.00%	\$22	1.05%
City of Point Hope	\$29,098	\$26,021	(\$3,077)	-10.57%	\$26,770	(\$2,328)	-8.00%	\$749	2.57%
City of Port Alexander	\$4,194	\$3,728	(\$466)	-11.16%	\$3,858	(\$336)	-8.00%	\$132	3.16%
City of Port Heiden	\$4,707	\$4,171	(\$536)	-11.38%	\$4,330	(\$377)	-8.00%	\$159	3.39%
City of Port Lions	\$9,861	\$8,541	(\$1,120)	-11.59%	\$8,888	(\$773)	-8.00%	\$347	3.59%
City of Quinhagak	\$20,164	\$17,828	(\$2,336)	-11.59%	\$18,551	(\$1,613)	-8.00%	\$723	3.59%
City of Ruby	\$8,215	\$7,321	(\$894)	-10.88%	\$7,558	(\$657)	-8.00%	\$237	2.88%
City of Russian Mission	\$10,508	\$9,252	(\$1,256)	-11.95%	\$9,687	(\$841)	-8.00%	\$415	3.95%
City of Sand Point	\$39,522	\$35,312	(\$4,210)	-10.65%	\$38,360	(\$3,162)	-8.00%	\$1,048	2.65%
City of Savoonga	\$23,783	\$21,192	(\$2,571)	-10.82%	\$21,862	(\$1,901)	-8.00%	\$670	2.82%
City of Saxman	\$15,385	\$13,674	(\$1,711)	-11.12%	\$14,164	(\$1,231)	-8.00%	\$480	3.12%
City of Scammon Bay	\$15,945	\$14,097	(\$1,848)	-11.59%	\$14,869	(\$1,276)	-8.00%	\$572	3.59%
City of Selawik	\$24,034	\$21,276	(\$2,758)	-11.48%	\$22,111	(\$1,923)	-8.00%	\$835	3.48%
City of Seldovia	\$17,303	\$15,881	(\$1,422)	-8.22%	\$15,919	(\$1,384)	-8.00%	\$38	0.22%
City of Seward	\$153,240	\$140,327	(\$12,913)	-8.43%	\$140,981	(\$12,259)	-8.00%	\$654	0.43%
City of Shageluk	\$5,276	\$4,663	(\$613)	-11.62%	\$4,854	(\$422)	-8.00%	\$191	3.62%
City of Shaktoolik	\$7,168	\$6,319	(\$847)	-11.82%	\$6,593	(\$573)	-8.00%	\$274	3.82%
City of Sheldon Point	\$5,895	\$5,201	(\$694)	-11.77%	\$5,423	(\$472)	-8.00%	\$222	3.77%
City of Shishmaref	\$19,980	\$17,899	(\$2,081)	-11.42%	\$18,382	(\$1,598)	-8.00%	\$683	3.42%
City of Shungnak	\$9,819	\$8,789	(\$1,030)	-10.49%	\$9,033	(\$786)	-8.00%	\$244	2.49%
City and Borough of Sitka	\$457,721	\$418,590	(\$39,131)	-8.55%	\$421,103	(\$36,618)	-8.00%	\$2,513	0.55%
City of Skagway	\$50,343	\$46,892	(\$3,451)	-6.85%	\$46,316	(\$4,027)	-8.00%	(\$578)	-1.15%
City of Soldotna	\$244,536	\$227,554	(\$16,982)	-6.94%	\$224,973	(\$19,563)	-8.00%	(\$2,581)	-1.06%
City of St. George	\$7,053	\$6,223	(\$830)	-11.77%	\$6,489	(\$504)	-8.00%	\$268	3.77%
City of St. Mary's	\$17,806	\$15,587	(\$2,039)	-11.58%	\$16,198	(\$1,408)	-8.00%	\$631	3.58%
City of St. Michael	\$16,201	\$14,750	(\$1,451)	-8.96%	\$14,905	(\$1,296)	-8.00%	\$155	0.96%
City of St. Paul	\$27,707	\$24,442	(\$3,265)	-11.78%	\$25,490	(\$2,217)	-8.00%	\$1,048	3.78%
City of Stebbins	\$17,184	\$15,142	(\$2,022)	-11.78%	\$16,791	(\$1,373)	-8.00%	\$649	3.78%
City of Tanana	\$14,688	\$13,204	(\$1,484)	-10.16%	\$13,522	(\$1,178)	-8.00%	\$318	2.16%
City of Teller	\$9,880	\$8,724	(\$1,188)	-11.79%	\$9,089	(\$791)	-8.00%	\$375	3.79%

## Comparison of an 8 % Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

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### Relative Differences

- (8) The difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless  
 (9) The percent difference in each municipality's FY 97 allocation under the existing program and by removing the hold harmless

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Municipality	Estimated FY 97 MA Payments	MA Payments With 8% Cut	\$\$ Difference	% Difference	MA Base Amounts Not Held Harmless With 8% Cut	\$\$ Difference	% Difference	Relative \$\$ Difference	Relative % Difference
City of Tenakee Springs	\$5,331	\$4,858	(\$473)	-8.87%	\$4,905	(\$426)	-8.00%	\$47	0.87%
City of Thome Bay	\$24,180	\$21,414	(\$2,766)	-11.44%	\$22,246	(\$1,934)	-8.00%	\$832	3.44%
City of Togiak	\$29,521	\$26,350	(\$3,171)	-10.74%	\$27,159	(\$2,362)	-8.00%	\$809	2.74%
City of Toksook Bay	\$19,340	\$17,132	(\$2,214)	-11.44%	\$17,798	(\$1,548)	-8.00%	\$666	3.44%
City of Unalakleet	\$31,190	\$27,944	(\$3,252)	-10.42%	\$28,700	(\$2,496)	-8.00%	\$756	2.42%
City of Unalaska	\$152,307	\$134,929	(\$17,378)	-11.41%	\$140,122	(\$12,185)	-8.00%	\$5,193	3.41%
City of Upper Kalskag	\$7,804	\$7,021	(\$783)	-10.03%	\$7,180	(\$624)	-8.00%	\$159	2.03%
City of Valdez	\$526,718	\$507,697	(\$19,021)	-3.61%	\$484,581	(\$42,137)	-8.00%	(\$23,116)	-4.39%
City of Wainwright	\$19,855	\$17,344	(\$2,311)	-11.76%	\$18,083	(\$1,572)	-8.00%	\$739	3.76%
City of Wales	\$8,137	\$5,400	(\$2,737)	-12.01%	\$5,846	(\$491)	-8.00%	\$246	4.01%
City of Wasilla	\$218,923	\$199,198	(\$19,727)	-9.01%	\$201,409	(\$17,514)	-8.00%	\$2,213	1.01%
City of White Mountain	\$7,443	\$6,553	(\$890)	-11.96%	\$6,848	(\$595)	-8.00%	\$295	3.96%
City of Whittier	\$11,707	\$10,498	(\$1,209)	-10.33%	\$10,770	(\$937)	-8.00%	\$272	2.33%
City of Wrangell	\$138,653	\$124,915	(\$11,738)	-8.59%	\$125,721	(\$10,932)	-8.00%	\$806	0.59%
City and Borough of Yakutat	\$42,395	\$38,988	(\$3,409)	-8.04%	\$39,003	(\$3,392)	-8.00%	\$17	0.04%

**Effects of CSSSSB20 (CRA) on FY 97 SRS/MA Payments**  
**(Based upon Governor's Budget; No base amount held harmless, \$40,000 overall minimum entitlement**  
**Explanation of Columns**

**Existing Program**

- (1) Payments municipalities will receive from revenue sharing under the FY 97 budget request
- (2) Payments municipalities will receive from municipal assistance under the FY 97 budget request
- (3) Total payments municipalities will receive from the two programs under the FY 97 budget request.

**CSSSSB 20 (CRA)**

**Hold Harmless**

- (4) Payments municipalities will receive from revenue sharing under the FY 97 budget request (no change from existing program shown on column 1)
- (5) Payment municipalities will receive from the Safe Communities Fund with the hold harmless provision of the base amount removed (may be compared with column 2)
- (6) Total payments municipalities would receive from the two programs if only the hold harmless provision were enacted (may be compared with column 3)
- (7) Percent difference in what would be received under CSSSSB 20 (CRA) and existing program if only the hold harmless provision were enacted

**Minimum Entitlement**

- (8) Additional funds needed for each community to receive a minimum of \$40,000. This amounts to \$238,909 or .45 percent of the total appropriation request of \$53.6 million
- (9) Additional funds that would actually be received after pro rating
- (10) Amount municipalities receive from the Safe Communities Fund after proration is made to make up the \$238,909 needed for minimum entitlements (may be compared with column 5)
- (11) Actual payment municipalities would receive from the Safe Communities Funds (may be compared to Columns 2 and 5)

**CSSSSB20(CRA) in its Entirety**

- (12) Total payments municipalities will receive from both revenue sharing and safe communities fund (may be compared to Columns 3 and 6)
- (13) Percent difference in what would be received under CSSSSB 20 (CRA) and existing program (may be compared with column 7).

**Potential Interest**

- (14) Amount of interest that could be earned because of the earlier payout of Safe Communities funds at 5 percent
- (15) Total amount received by municipalities from revenue sharing, safe communities and earned interest
- (16) Percent difference in what would be received under CSSSSB 20 (CRA) with interest and the existing program.

**Overview**  
**State Revenue Sharing/Municipal Assistance vs.**  
**Safe Communities Program**

***CURRENT PROGRAMS***

<u>Municipal Assistance</u>		<u>State Revenue Sharing</u>	
<u>Base Distribution</u>	<u>Per Capita Distribution</u>	<u>Primary Allocation</u>	<u>Separate Entitlements</u>
1978 Business Tax as a base  (about \$10 million "hold harmless" is distributed off the top)	Per capita distribution of the balance among all communities	$\frac{\text{All local revenue}}{\text{Community tax base} \times \text{Population}}$  (\$25,000 minimum entitlement)	<ol style="list-style-type: none"> <li>1. Roads</li> <li>2. Hospitals/health facilities</li> <li>3. Unincorporated cities (not in boroughs)</li> <li>4. Vol. fire departments (not in boroughs)</li> </ol>

Distributed annually on February 1st

Distributed annually on July 31st

***NEW PROPOSAL - SB 20 - SAFE COMMUNITIES***

<u>Safe Communities Program</u>	<u>Priority Revenue Sharing Program</u>
All Safe Communities money must be used in the following order of priority: <ol style="list-style-type: none"> <li>1. Police protection</li> <li>2. Fire protection &amp; EMS</li> <li>3. Water &amp; Sewer</li> <li>4. Solid Waste Mgmt</li> <li>5. Other services</li> </ol>	Same provisions as State Revenue Sharing above

**Consolidated Provisions**

1. \$40,000 minimum entitlement for the total of both programs: (may be prorated if funding is reduced after FY 97).
2. Date of distribution for both programs adjusted to July 31 (Municipal Assistance is currently distributed on February 1).
3. "Hold harmless" provision removed.

## WHAT ARE THE FOUR "LEGS" OF SB 20 "SAFE COMMUNITIES" BILL?

1. Requires that the funds received under this program (the old Municipal Assistance Program) be used for **public safety/health basic services**. Changes program to "Safe Communities".
2. Creates a new **\$40,000 minimum** payment for small incorporated municipalities. (Larger communities contribute about \$238,000 of their allocation to raise minimums for small communities. Anchorage, Fairbanks, Fairbanks North Star Borough, Juneau, Kenai Peninsula Borough, Mat-Su Borough, and all other large municipalities support this provision to reduce dissolutions of small municipalities.)
3. **Removes the 'hold harmless'** which is about half of the funding of the current Municipal Assistance Program. The "hold harmless" provision creates wide variations among communities for no good reason. (For example, currently an 8% cut to Municipal Assistance may account for a 2.5% to 9.9% actual individual cut to a city.)
4. **Advances the payment date** for Municipal Assistance from February 1 to July 31, the same date on which Revenue Sharing payments are made. This provision **creates the internal equity** in the bill that allows support from all municipalities.



## CITY OF HOONAH

P.O. Box 380 • Hoonah, Alaska 99829 • (907) 945-3663 • FAX (907) 945-3445

March 1, 1996

Honorable Tony Knowles  
Governor of the State of Alaska  
Po Box 110001  
Juneau, Alaska 99811-0001

Re: Support for SB 20 - "Safe Communities" Bill.

Dear Governor Knowles:

The City of Hoonah cannot afford any more cuts in our Municipal Assistance and State Revenue Sharing as proposed by the administration. The City of Hoonah is in full support of SB 20 as I have testified at the last hearing. By passage of this bill it enables the community to effectively project their fiscal year budgets. I am at a loss as why the Administration would be in opposition to this bill. This bill enables the small communities to receive much needed support from the larger communities with the larger communities taking the larger cuts.

The Alaska Conference of Mayors have worked for the past two years to develop a bill that is not only good for the communities but also for the State of Alaska. Small communities use these funds to provide essential services to their communities and without these funds they will be required to start cutting services or even completely dissolving their governments.

Over the past ten years we have had more than 50% cuts in our Municipal Assistance and State Revenue Sharing that has a serious impact on our budget. As the Mayor of Hoonah it has been hard taking these cuts. By changing Municipal Assistance to "Safe Communities" it enables the state to prioritize state revenues to be spent on critical municipal services.

I am requesting for you as Governor to please consider supporting and signing Senate Bill 20 in its present form.

Sincerely,

Albert W. Dick  
Mayor of Hoonah

cc: Senator Zharoff  
Representative Mackie  
Alaska Municipal League



RECEIVED

AUG 24 1995

ALASKA MUNICIPAL LEAGUE

## CITY OF HOONAH

P.O. Box 360 • Hoonah, Alaska 99829 • (907) 945-3863 • FAX (907) 945-3445

August 21, 1995

Long Range Fiscal Planning Commission  
Brian Rogers, Chairperson  
716 West 4th  
Anchorage, Alaska 99501

Dear Mr. Rogers:

For the past three years small communities such as Hoonah have fought hard to keep the Legislature from cutting Municipal Assistance and State Revenue Sharing completely. In the past six years they have cut the funding for both Municipal Assistance and State Revenue Sharing more than 50%. As a small community with only a 4% sales tax for revenue we would be unable to continue providing services to the people of Hoonah if they eliminate these two programs.

The City of Hoonah feels that it would be a major mistake to completely eliminate the Municipal Assistance, State Revenue Sharing, Capital Matching Grants, and other Municipal Grants and Programs. Every year when our Finance Committee works on our budget it gets more complicated to find the money needed just to provide basic services.

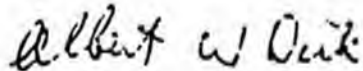
As the Mayor of Hoonah I have been working on finding the needed resources from both the State of Alaska and from the Federal Government to build a much needed water treatment plant. In the past three years we have had little to no success and with each passing day it continues to get harder to provide treated water to our community.

As I stated in my first paragraph without these programs, small communities will be forced too dissolved. If that happens the cost to the State to provide these services will be much higher. Small government issues are not an easy task. Any cuts to the School Foundation Funding Programs affect the local government. The local fishermen are having a very slow if not bad year and the effects will show in our Raw Fish Tax. The Subsistence issues, the IFQ issue, all these affect the City along with the cut backs in the fishing season. The total lost of forest service receipts will also drastically effect the City and the School. Generators generate our power and without the power equalization fund most of our citizens cannot afford power to their homes. Our community is also going to have to face what the Welfare Reform Act will do to some of our citizens.

So what I am asking you, when the committee is sitting around making suggestions to the Governor concerning long range fiscal planning. Please do not forget what the effects are going to be not only to the State, but also the small local governments.

I would like to thank the committee for taking the time in reading this letter, and to ask that they keep us informed concerning any recommendations your commission may develop.

Sincerely,



Albert W. Dick, Mayor

cc: Governor Tony Knowles  
Senator Fred Zharoff  
Representative Jerry Mackie  
Kevin Ritchie, AML Executive Director  
Senator Jim Duncan

*Pictured is the original  
Eagle City Hall,  
still currently in use.*



*Eagle is the oldest  
incorporated city in  
interior Alaska.  
(January 8, 1901)*

CITY OF EAGLE - BOX 122 - EAGLE, ALASKA 99738

October 24, 1995

Tony Knowles  
Governor  
State of Alaska  
Juneau, AK 99801

RECEIVED  
OCT 27 1995  
ALASKA MUNICIPAL LEAGUE

Dear Governor Knowles,

We fully understand the need to make cuts in the state budget, but we are writing to request that you do not do it on the backs of the incorporated cities, though we do need to assist you in balancing the budget. Our community is small, but we do have taxes and we work to provide basic services to all the residents. The cuts that have been made in the state revenue sharing over the past years are disproportionately felt in our rural towns.

We support the proposal to maintain the revenue sharing appropriation to 3% of the state operating budget. Our city needs this stability in order to carry on our basic programs. With this compromise, we could all share and work together in balancing the state budget.

We also support setting a \$40,000 minimum funding level for incorporated communities. This would encourage the smaller areas to incorporate and maintain that status which I understand is one of the state's goals. More attention also needs to be given to assure that all communities get a fair share now and in the future.

We would be very appreciative if you would support the above recommendations.

Sincerely,

*Elva Scott*

Elva Scott, Mayor  
Eagle City Council

cc: Alaska Municipal League

**Municipality  
of  
Anchorage**



P.O. Box 196630  
Anchorage, Alaska 99519-0630  
Telephone: (907) 343-4451  
Fax: (907) 343-4499

*Rick Mystrom, Mayor*

February 14, 1996

OFFICE OF THE MAYOR

**FAX: 465-2779**

Senator John Torgerson  
State Capitol  
Room 427  
Juneau, AK 99801-1182

Dear Senator Torgerson:

I have reviewed, and strongly support, the latest work draft of Senate Bill 20. Your efforts have produced a bill which will benefit all Alaskan communities.

For too long, Alaska's municipalities have had to bear the brunt of state budget cuts. From 1986 to 1996, the Municipality of Anchorage has seen a 62% drop in state assistance. During this same ten-year period, the state operating budget has actually increased by about 4%. Other Alaska communities have faced similar reductions. As these state revenues decreased, the taxes paid by local residents have increased.

SB 20 emphasizes a Safe Communities approach, and will prioritize state revenues be spent on critical municipal Safe Communities services. It will redefine the state shared revenues formula so citizens will better understand its goals and the role state dollars play in creating and maintaining Safe Communities. I believe this approach will make these critical local basic services more visible.

Thank you for your continued assistance in initiating and supporting this important legislation. Your efforts help make our communities safer and better places in which to live, work, and raise our families.

Sincerely,

Rick Mystrom  
Mayor

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Submitted by: Assemblymembers Murdy, Wuerch and Abney

Prepared by: Assembly Policy & Budget Office

For reading: February 27, 1996

CLERK'S OFFICE

APPROVED

Date: 2-27-96

ANCHORAGE, ALASKA

AR 96- 41

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY REQUESTING THAT THE GOVERNOR AND STATE LEGISLATURE CEASE MAKING DISPROPORTIONATE CUTS TO EXISTING MUNICIPAL REVENUES AND PROGRAMS THAT FORCE HIGHER LOCAL TAXES OR CUTS TO BASIC LOCAL PUBLIC SERVICES**

WHEREAS, oil revenues are collected by the State government, but do not belong to the State Government. Oil revenues belong to all of the people of the State to ensure a basic level of public services in all communities, whether provided by State or Municipal government; and

WHEREAS, State revenue sharing with municipalities is not unique to Alaska and is not an oil boom program. According to a federal research agency, every state in the United States provides some form of revenue sharing. Alaska is now below the average among the western states for sharing state revenue with its municipalities; and

WHEREAS, the percentage of the State budget appropriated for municipal revenue sharing has now been cut to the same level as in 1972, well before the oil boom, when many municipalities lacked the finances to construct and support basic services such water, sewer, adequate public safety services, and health services; and

WHEREAS, since 1986 the State has shifted an estimated \$200 million of costs to local taxpayers through cuts to municipal revenue sharing, transfers of State service responsibilities, and unfunded State mandates on municipalities. Since 1986, all sales and property tax increases among municipal governments total only \$188 million per year. Therefore, all or most sales and property tax increases paid by Alaska citizens since 1986 went to balance the State's budget; and

WHEREAS, since 1986, the State has cut the Municipal Assistance/Revenue Sharing by \$83 million, which is approximately twice the amount of any "new tax" proposed by the Long Range Financial Planning Commission for implementation during this century; and

WHEREAS, the impact of the State's cuts in revenue sharing, cuts in other municipal programs, and new unfunded mandates on municipalities since 1988 is roughly equal to taking away the value of one Permanent Fund Dividend check from every family that pays property tax; and

WHEREAS, approximately half (or \$10 million) of the actual reductions in the State's proposed budget for next year simply "passes the buck" to local taxpayers; and

WHEREAS, the proposed State budget for next year would cut the State operations less than 1% while the proposed cut to direct municipal revenue sharing is 8%; and

1 WHEREAS, cuts in municipal revenue sharing and the resulting fiscal pressures have  
 2 been a major factor in municipal dissolutions. Many smaller communities are considering  
 3 unincorporating and giving the responsibility for providing local services back to the State  
 4 government. The cost to the State to provide services will be much higher than the cost of  
 5 municipal revenue sharing; and  
 6

7 WHEREAS, in the explanation of the proposed State budget, it states that the "Overall  
 8 reduction in State aid to local governments/school districts is 1.2%". Schools are not a  
 9 municipal aid program. The Alaska Constitution states, "The legislature shall by general law  
 10 establish and maintain a system of public schools...". It is clearly a State responsibility to  
 11 provide for education. The actual proposed overall reduction in State aid to local governments  
 12 is actually 8-10%; and  
 13

14 WHEREAS, all municipal governments balance their budgets and that many municipal  
 15 governments use long range fiscal planning tools; and  
 16

17 WHEREAS, the Alaska Municipal League and the Alaska Conference of Mayors have  
 18 adopted resolutions supporting the development of a Long Range Financial Plan for Alaska,  
 19 and have offered to work in partnership with the State to develop the plan (see attached AML  
 20 Resolution 96-3).  
 21

22 NOW, THEREFORE, The Anchorage Municipal Assembly resolves:  
 23

24 That the Governor and State Legislature are requested to:  
 25

- 26 1. Carefully study the impact of State budget actions and avoid passing a  
 27 disproportionate share of cuts, transfers, and unfunded mandates on local  
 28 taxpayers.  
 29
- 30 2. Support the implementation of the "Revenue Sharing for Safe Communities"  
 31 program developed by the Alaska Municipal League (AML) and the Alaska  
 32 Conference of Mayors (ACoM) to improve and stabilize the current Municipal  
 33 Assistance and Revenue Sharing Programs (see attached background  
 34 information).  
 35
- 36 3. Work in formal partnership with municipalities as proposed by the AML and  
 37 ACoM to develop a State/Municipal Long Range Financial and Services Plan for  
 38 Alaska in recognition of the fact that the State and Municipal governments jointly  
 39 provide Alaska's public services and that both serve the same citizens/taxpayers.  
 40

41 PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_\_ day of  
 42 \_\_\_\_\_ 1996.  
 43

44 \_\_\_\_\_  
 45 Chair

46 ATTEST:  
 47

48 \_\_\_\_\_  
 49  
 50 Municipal Clerk  
 51



CITY OF UNALAKLEET

BOX 28  
UNALAKLEET, ALASKA  
99884  
(907) 824-3531  
FAX (907) 824-3130

February 27, 1996

Senator John Torgerson  
State Capitol, Rm. 427  
Juneau, Alaska 99801-1182

Dear Senator Torgerson:

Post-It™ brand fax transmittal memo 7871 # of pages = 2

To	AML EYT	From	City of Unak
Co.		Ca.	
Dept.		Phone #	
Fax #		Fax #	

The City of Unalakleet strongly urges the passage of Senate Bill 20-- "Safe Communities". It has become increasingly difficult over recent years for our community to make cuts in keeping with the cuts sustained to Municipal Assistance and Revenue Sharing. We are not alone in this situation because as I talk to members of other communities I find that they are also hurting and in many cases are on the brink of dissolving local government entirely.

We are constantly working to improve our tax base. Here in Unalakleet we are working in conjunction with the local Native Corporation, the local IRA and other groups to replace our old fish plant with emphasis not only on market-ready fresh fish but with value-added products as well. We are supporting the tourism efforts of the Unalakleet Native Corporation with their Unalakleet River Lodge. We are working to expand our community across a narrow slough which is the only place to expand, as we sit on a spit of land currently with water on three sides and the airport on the other. In short, we are working very diligently and in harmony with all the various community groups to make our community a thriving place to live. We need the "Safe Communities" support to sustain us in our efforts.

Public Safety is something that, in our second class city, is not sustained by any particular revenue source other than the current Municipal Assistance and Revenue Sharing and the minimal amount of protective custody fees. So the City runs a Bingo/Pulltab game of which 100% of all revenues derived go directly to support the police department. However, that amounts to \$25,000-\$30,000/yr. With a Chief, two officers and support dispatchers/jailers, our current Public Safety budget is \$179,318. The City collects a 5% Sales Tax, 2% of which is dedicated to support our new solid waste baler facility. The Sales Tax revenue that was not dedicated to the baler operation in FY95 was \$139,138. The City does not receive revenues from fish taxes as do many coastal communities in Southeast Alaska or Bristol Bay. So as you can see, with the cuts in MA/RS, our general fund revenues continue to shrink while demand for services continues. Staffing turnover is high because of the workload, job stress and low pay. It is difficult to build a credible workforce when salaries remain static.

Page 2  
February 27, 1996

The above scenario is not unique to Unalakleet only. It is happening statewide, but the most immediate impacts are on small communities with limited revenue-generating capacity. We simply must have the assistance in order to survive.

Thank you for the opportunity to provide input on SD20. I urge you not to delay in its passage.

Sincerely,

A handwritten signature in black ink, appearing to be "Henry Ivanoff, Sr.", written over a horizontal dashed line. The signature is stylized and somewhat cursive.

Henry Ivanoff, Sr.  
Mayor

cc: City Council  
file

TO: Senator John Torgerson  
Fax 907 465-4779  
RE: SB 20

FROM: Joe Lawton  
Fax 907 746-2699  
Phone 907 746-7152 D10

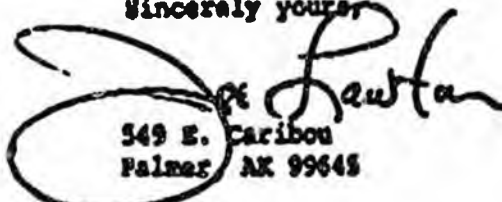
Dear Senator Torgerson:

Count me as one Alaskan who heavily supports the passage of SB20, the Safe Communities Bill.

Long have we struggled to find equity and value in the distribution of State revenues to local governments. At last you have forged a compromise which is supported by nearly every community in the State. The Legislature would be remiss not to pass this bill. Alaskans everywhere want to see fewer decisions made in Juneau and more made locally.

Thank you for your efforts to bring this bill to the floor. It is a landmark bill, and I desperately hope your colleagues see it as that. It and a long-range fiscal plan solution in this legislature would insure your place in history.

Sincerely yours,



549 E. Caribou  
Palmer AK 99645



# City of Old Harbor

P.O. Box 100  
Old Harbor, Alaska 99643

CITY OF THE THREE SAINTS

(907) 286-2203 OR 286-2204

FAX: 286-2278



FEBRUARY 21, 1996

SENATOR JOHN TORGERSON  
STATE CAPITOL  
JUNEAU, AK 99801-1182

RE: THE "SAFE COMMUNITY" BILL

DEAR SENATOR TORGERSON,

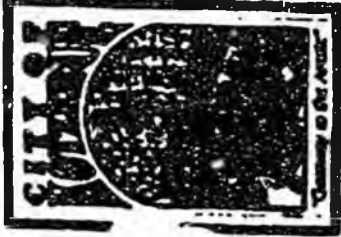
The City of Old Harbor is writing in support of SB 20, the "Safe Community" Bill. The City supports this bill for several important reasons:

- \* THE AMOUNT OF STATE SHARED REVENUES THE CITY RECEIVES HAS DECLINED DRASTICALLY OVER THE PAST 10 YEARS. THIS BILL WILL RAISE THE AMOUNT RECEIVED BY OLD HARBOR AND SET A FUNDING LEVEL WE CAN COUNT ON FOR YEARS TO COME; and
- \* THIS BILL WILL GIVE THE CITY THE STATE SHARED REVENUES SOON AFTER THE FISCAL YEAR WHEN THE CITY OPERATIONS IS IN MOST NEED OF FUNDS.

The City urges you and your fellow Legislators to pass this Bill. Thank you for your efforts to help Rural municipalities.

SINCERELY,

JAMES NESTIC, Vice Mayor  
Old Harbor, Ak



P.O. Box 44  
Kotzebue, Alaska 99752

City Hall  
943-3401

Police Dept.  
442-3351

Fire Dept.  
442-3404

Public Works  
442-3301

February 20, 1996

Senator John Torgerson  
Room 427  
State Capitol  
Juneau, Alaska  
99801-1182

Dear Senator:

We are happy to support the revised version of SB20: The "Safe Communities" Bill. The City of Kotzebue will support this bill because of the following:

- The bill changes the program title from Municipal Assistance to "Safe Communities" to let the public know that important services are supported by the funds. "Municipal Assistance" is often confused with welfare or a giveaway. Revenue sharing is really your communities' share of Alaska's resources.
- "Safe Communities" does not reduce current funding for road maintenance, hospitals, etc., but requires that revenue sharing (that is not otherwise allocated in statute) be used for high priority local public safety services. The public strongly supports public safety expenditures and requires accountability.
- The bill provides a minimum funding level of \$40,000 without significantly impacting funding for larger cities. This provision has been agreed upon by all of Alaska's large communities to help turn around the incentives for small municipalities to dissolve.
- The bill requires distribution of all of the funds near the beginning of the state fiscal year instead of the following February. The state should not withhold money for municipalities, especially after the funding has been cut over 50% over the past ten years.
- Funding will not be significantly reduced for any community.
- The bill makes allocations more equitable among municipalities.

Thank you for your efforts in this matter.

Sincerely:

  
Michael J. Soos  
City Manager

Copy: Files

North and Northwest Mayor's

Sen. Al Adams

Rep. Don Long

NSB Mayor: George Ahmaogak

Lon Sontala

Enoch Oksola

Herman Kignak

Michael Neakok, Sr.

Paul Hugo

NW Mayors: Miles Cleveland, Sr.

Willie Thomas

Gilbert S. Barr

Oscar Sage, Sr.

Frank Greene

Lee Ballot, Sr.

Ben Atoruk

Minnie Mayor

Tommy Ballot, Sr.

Levi Cleveland

Bob Foot

IRA:

Frank Adams, Sr.

Joe Murdy, President, AML

Senator John Torgerson



**CITY CLERK**

POST OFFICE BOX 1397, KODIAK, ALASKA 99615

TELEPHONE (907) 486-8636

FAX (907) 486-8600

February 20, 1996

Honorable John Torgerson  
Alaska State Senate  
State Capitol (MS 3100)  
Juneau, AK 99801-1182

Via FAX 907-486-4770

RE: CS for Sponsor Substitute for Senate Bill 20 (CRA)

Dear Senator Torgerson:

Mayor Floyd and the City Council support the referenced bill relating to certain programs of state aid to municipalities. Please convey Kodiak's position to the Senate Finance Committee.

Thank you.

Sincerely,

CITY OF KODIAK

MARCELLA H. DALKE, CMC/AE  
City Clerk

MHD/ms

cc: Senator Fred Zharoff  
Representative Alan Austerman



# **Kodiak Island Borough**

710 MILL BAY ROAD  
KODIAK, ALASKA 99615-6398

(907)488-9300

February 20, 1996

Senator John Torgerson, Chair  
Community & Regional Affairs Committee  
Room 427 State Capital  
Juneau AK 99801-1182

VIA FAX: 465-4779

Dear Senator Torgerson:

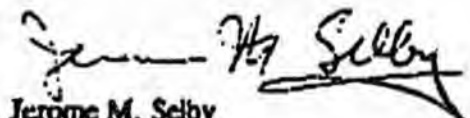
The Kodiak Island Borough heartily endorses the revised version of Senate Bill 20 for "Safe Communities" in Alaska. The changes made to SB 20 in the Revenue Sharing and Municipal Assistance Programs are critical to the continued viability of the municipalities throughout the state. In particular, the \$40,000 minimum funding will be a make-it or break-it level for the very small communities in rural Alaska, which have no other real funding source other than Municipal Assistance and Revenue Sharing. The concept of "Safe Communities" in maintaining viable rural communities is very important to Alaska. The fact that a number of these communities have dissolved in the past year, with several more dissolutions pending, and reports of 30 to 90 more considering dissolution, is a real warning bell for all of us.

Another strong feature of the bill is the accountability feature where the municipalities must inform the public what the money is used for, as well as requiring that the money be used for high priority public safety and safe community projects. Additionally, the feature allowing the distribution of the funding at the beginning of the fiscal year will enable communities to plan around the actual amount of funding, as opposed to guessing for part of the year, only to discover that the estimated figures fall short of planned expenditures which creates major obstacles to sound planning and budgeting for the municipalities.

I want to commend you for the outstanding work that you have done on SB 20 to bring us to this point and urge you and your colleagues to pass this bill into law this session so that we can bring some stability to the communities throughout the State of Alaska. Stable communities are critical to successfully plan for the fiscal changes that will be necessary to close the fiscal gap and bring Alaska into a strong healthy position going into the twenty-first century. If I can provide you with any additional information, please don't hesitate to give me a call.

Sincerely,

**KODIAK ISLAND BOROUGH**

  
Jerome M. Selby  
Borough Mayor

# City of Lower Kalskag

Lower Kalskag, AK 99574  
(907) 471-2228

February 21, 1996

Dear Senator Torgerson;

We the City of Lower Kalskag are supporting SB20 the Safe Communities bill. Our community is a member of the Alaska Municipal League, and we are united on this issue. We believe this is a good bill, we therefore support "Safe communities" Legislation- SB20.

Yagan Evans  
Mayor

City of Ouzinkie  
P.O. Box 109  
Ouzinkie, AK 99644  
Ph# (907) 680-2209  
Fax (907) 680-2223

February 21, 1996

Senator John Torgerson  
State Capitol  
Juneau, AK 99811

Dear Senator Torgerson:

The City of Ouzinkie supports SB20 the Safe Communities Bill. Like many Alaskan Villages, or small cities with populations less than 1,000.00 and no revenue base, this bill if passed could save us from dissolving.

To many times Municipal Assistance is interpreted wrong or confused with welfare, which it is not, it is the communities share of Alaska's resources.

These monies are generally used for the Health and Safety of the people of the communities, without revenues from the State, the Public Safety Department does not have operating funds.

The amount of revenues allocated in SB20 will make a considerable difference for smaller communities to operate without impacting the larger cities.

As I said, before, we definitely support SB20 and ask the legislature to pass it, the bill makes allocation more equitable among municipalities.

Sincerely,

*Zack Chichenoff*

Zack Chichenoff  
Mayor



# CITY OF HOMER

**CITY HALL**

401 EAST PIONEER AVENUE

HOMER, AK 99803-7645

TELEPHONE (907) 836-6004  
TELECOPIER (907) 238-3100

21 February 1996

FAX 465-4779

Senator John Torgerson  
State Capital, Room 427  
Juneau, AK 99801-1182

RE: SB 20 - "SAFE COMMUNITIES"

Dear Senator Torgerson:

I support SB 20 - the "Safe Communities" bill. The concept of stable and predictable municipal revenue sharing is essential to long range community planning in Alaska.

Thank you for your support.

Sincerely,

CITY OF HOMER

Hugh R. Bevan  
Acting City Manager

HB/th



**HAINES BOROUGH** Box 1209, Haines, Alaska 99827 (907) 788-2711 FAX 788-2716

February 20, 1996

Senator John Torgerson  
Alaska State Legislature  
State Capitol, Room  
Juneau, AK 99801-1182

Re: Letter of Support for SB 20 - "Safe Communities" Bill

Dear Senator Torgerson:

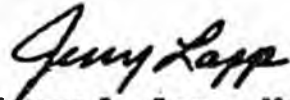
I am writing this letter in support of SB 20 - the revised "Safe Communities" Bill. It is my opinion that the passage of this bill will provide for the stabilizing and strengthening of our community along with many other communities in the state.

The Haines Borough does not want a reduction in funding for road maintenance, health care facilities, etc., so we strongly support Senate Bill 20, because it does not reduce this funding. We are pleased to know that this bill will not significantly reduce any community's funding, but make allocations more equitable among municipalities.

This bill directly ties state aid to public safety services which is one of the priorities of the citizens in our borough.

Thank you for your efforts on our behalf.

Sincerely,

  
Jerry L. Lapp, Mayor  
Haines Borough

JLL/jm

cc: Senator Zharoff  
Representative Mackie

Remains the original  
Eagle City Hall,  
still currently in use.



City of Eagle  
Incorporated city by  
Senator Alberta  
(January 8, 1901)



CITY OF EAGLE - BOX 150 - EAGLE, ALBERTA T0T7S8



February 19, 1996

TO: Senator Torgerson

FAX 465-4779

FROM: Elva Scott, Mayor  
Eagle City

FAX 547-2232

*Elva Scott*

SUBJECT: SB 20

We have just received the information regarding SB 20, the revised "Safe Communities" bill. I understand you are interested in learning the reaction of the smaller incorporated communities to this bill.

We would support SB 20. We have a property tax, but with only 146 residents, it is a real struggle just to provide fire protection and a source of safe water plus meeting unfunded mandates and federal mandates. Any assistance would be welcomed.

We like the name change from "Municipal Assistance" to "Safe Communities".