

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

10735 HOUSE COMMUNITY & REGIONAL AFFAIRS

- 16.2.1 The Municipality agrees that each "program" and "facility" as defined in subsections 21.23 (b) and (e) of the Regulations, will be (with regard to a program) conducted or will be (with regard to a facility) operated in compliance with all requirements imposed by, or pursuant to, the Regulations.
- 16.2.2 The Municipality shall insert the clauses of this assurance in every contract subject to the Act and Regulations.
- 16.2.3 Where the Municipality received Federal financial assistance to carry out a program of managerial training, under section 10(a) of the UMTA Act of 1964, as amended, the assurance shall obligate the Municipality to make selection of the trainee or fellow without regard to race, color, sex, or national origin.
- 16.2.4 Where the Municipality receives Federal financial assistance to carry out a program under the UMTA Act of 1964, as amended, the assurance shall obligate the Municipality to assign transit operators, and to furnish transit operators, for charter purposes without regard to race, color, sex, or national origin.
- 16.2.5 Where the Municipality receives Federal financial assistance to carry out a program under the UMTA Act of 1964, as amended, routing scheduling, quality of service, frequency of service, age/quality of vehicles assigned to routes, quality of stations serving different routes, and locations of routes may not be determined on the basis of race, color, sex, or national origin.
- 16.2.6 This assurance obligates the Municipality for the period during which Federal financial assistance is extended to the project, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property or interest therein or structures or improvements thereon; in which case the assurance obligates the Municipality or any transferee for the longer of the following periods: a) The period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or b) the period during which the Municipality retains ownership or possession of the property.
- 16.2.7 The Municipality shall provide for such methods of administration for the program, as are found by the Secretary of Transportation or the official to whom he delegates specific authority to give reasonable guarantee that it, other Municipal sub-grantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Act, the Regulations, and this assurance.
- 16.2.8 The Municipality agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, Regulations and this assurance.
- 16.3 This Assurance is given in consideration of and for the purpose of obtaining, any and all Federal grants, loans, contracts, property, discounts, or other Federal financial assistance extended after the date thereof to the Municipality by the FHWA and/or FTA program. and is binding on it, other Municipal sub-grantees, contractors, subcontractors, transferees, successors in interest, and other participants in FHWA and/or FTA programs. The person or persons whose signature appears below are authorized to sign this assurance on behalf of the Municipality.

## **SECTION 17 Disadvantaged Business Enterprises (DBE) PROGRAM REQUIREMENTS**

### **17.1 Compliance**

The parties, their agents and employees shall comply with the provisions of 49 CFR Part 26 and Title VI of the Civil Rights Act of 1964. 49 CFR Part 26 requires that each Municipality shall agree to abide by the statements in paragraphs 17.1 and 17.2 and shall include these statements in the Municipality's USDOT financial assistance agreement and in all subsequent agreements between the Municipality and any sub-grantee and in all subsequent USDOT assisted contracts between the Municipality or sub-grantees and any contractor.

### **17.2 Policy**

It is the policy of the USDOT that disadvantaged business enterprises as defined in 49 CFR Part 26 shall have an equal opportunity to participate in the performance of contracts financed in whole or part with Federal funds under this agreement. Consequently the DBE requirements of 49 CFR Part 26 apply to this Agreement.

### **17.3 DBE Obligation**

The Municipality or its contractor agrees to ensure that Disadvantaged Business Enterprises (DBE), as defined in 49 CFR Part 26 have an equal opportunity to participate in the performance of contracts and sub-contracts financed in whole or part with Federal funds provided under this agreement. In this regard the Municipality and/or its contractors shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to ensure that DBE's have an equal opportunity to compete for and perform contracts. The Municipality and/or its contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of USDOT assisted contracts.

## **SECTION 18 -- HOLD HARMLESS CLAUSE**

Insofar as they may legally do so, the State and the Municipality shall indemnify each other and hold each other harmless against any and all suits, actions, claims or losses of any kind, nature and description, including costs, expenses and attorney fees that may be incurred by reason of any act or omission, neglect or misconduct of the State and Municipality in the fulfillment of their respective work which is the subject of this Agreement.

## **SECTION 19 -- AMENDMENTS**

This Agreement may be amended only in writing, and must be done prior to undertaking changes or work resulting therefrom or incurring additional costs or any extension of time. Said amendments are subject to approval by the AMATS Policy Committee the FHWA and the FTA.

## **SECTION 20 -- LIMITATION OF LIABILITY**

No liability shall be attached to the State and/or the Municipality by reason of entering into this Agreement, except as expressly provided herein.

## **SECTION 21 -- COMPLIANCE WITH LAWS**

In addition to the laws, statutes, regulations and requirements stated herein, the State and Municipality shall be knowledgeable of and comply with all Federal, State and local laws and ordinances applicable to the work to be done under this Agreement.

## **SECTION 22 -- TERMINATION OF AGREEMENT**

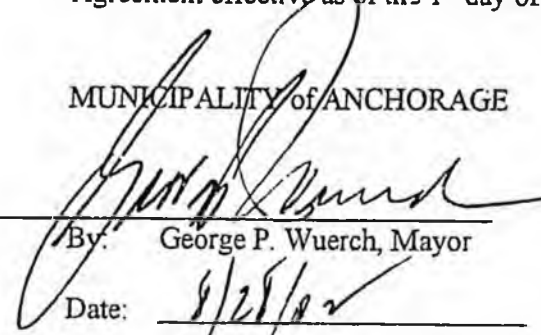
- 22.1 The State and Municipality may terminate this Agreement at such time as they choose not to approve the AMATS UPWP for the continuing transportation planning process or a portion thereof. To do so, a party shall give 60 days written notice to the other parties. The resigning party may also request the other party revise and resubmit the AMATS UPWP for reconsideration. Furthermore, in the event that the Municipality is dissolved or its present structure radically changed, the remaining party may, at its option, terminate this Agreement upon 60 days written notice to the parties subject to this Agreement.
- 22.2 In the event of any termination by any of the parties outlined above, full payment of the State's and Municipality's applicable reimbursable share of actual costs pursuant to and subject to the provisions set forth above and in the AMATS UPWP shall be made for all work performed to the date of termination.
- 22.3 It is anticipated that this Agreement will continue in force until or unless the State and Municipality terminate the Agreement in writing as previously described.

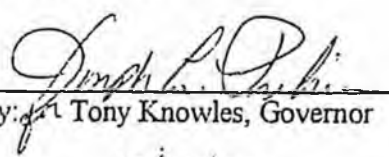
**SECTION 23 -- AGREEMENT SIGNATURES**

This Agreement, having been approved on the 23<sup>rd</sup> day of April 2002 by Anchorage Municipal Assembly Resolution No. ("AR") 2002 - 119, the parties to this Agreement hereby enter into this Agreement effective as of the 1<sup>st</sup> day of October, 2002.

MUNICIPALITY of ANCHORAGE

STATE OF ALASKA

  
By: George P. Wuerch, Mayor  
Date: 8/28/02

  
By: for Tony Knowles, Governor  
Date: 10/16/02



U.S. Department  
of Transportation  
**Federal Highway  
Administration**

# Memorandum

**Federal Transit  
Administration**

**SENT BY ELECTRONIC MAIL**

Subject: INFORMATION: Eligibility of Membership Dues for FHWA/FTA Planning Funds (signed by Cindy Burbank) Date: October 8, 2002

From: Cynthia J. Burbank, FHWA Associate Administrator for Planning, Environment & Realty (signed by J.M. Ryan for) Charlotte Adams, FTA Associate Administrator for Planning Reply to: HEP-2 Attn. of: TPL-10

To: FHWA Division Administrators  
FHWA Resource Center Managers  
FTA Regional Administrators

The purpose of this memorandum is to provide guidance on the use of FHWA and FTA State planning and research and metropolitan planning funds for membership dues in professional associations or other organizations.

This responds to several recent questions from field offices, State DOTs, and MPOs. The guidance below is based on the guidelines in the following OMB Circulars: A-87, Cost Principles for State, Local and Indian Tribal Governments; A-21, Cost Principles for Educational Institutions; and A-122, Cost Principles for Non-Profit Organizations.

A basic guideline in these OMB circulars is that for a cost to be allowable, as either a direct or indirect cost, it must be necessary and reasonable for proper and efficient performance of the Federally funded program and must be assignable to the Federal program and other activities in accordance with the benefits received by those activities. In essence, a cost can be billed to a Federal award based on the relative benefits to the work being performed with the Federal funds versus other benefiting activities.

For organizations such as the American Association of State Highway and Transportation Officials (AASHTO), the American Public Transportation Association (APTA), and the National Association of Regional Councils (NARC), which are multipurpose organizations that provide benefits to their members for more than just transportation planning, the membership dues need to be treated as an indirect cost or the dues must be allocated to all benefiting activities of the member agency on an equitable basis that considers the relative benefits to the federally funded transportation planning work.



In the case of the Association of Metropolitan Planning Organizations (AMPO), which is an organization that specifically serves the MPOs responsible for carrying out the metropolitan planning process required by title 23 U.S.C. and Chapter 53 of title 49, U.S.C., the eligible portion of the dues may be billed directly to FHWA/FTA funds if similar costs are billed directly to other benefiting activities. Similarly, NARC Transportation Supplemental Services membership fees may be billed as a direct cost.

Memberships in any organization or professional association must be in the name of the member agency and not in the name of an individual in order to be allowable. In addition, in all cases the portion of the organization's dues that is used for lobbying is unallowable and cannot be billed to Federal funds as either an indirect or direct cost. In the case of non-profit organizations such as AASHTO, NARC, APTA, and AMPO, those activities that are considered to be lobbying and unallowable are identified in OMB Circular A-122, Attachment B, paragraph 25 (copy attached). If these organizations do not notify their members of the portion of the dues that are for lobbying activities, the State DOT or MPO should request such information from the organization.

If you have any questions about this subject, please contact Tony Solury on 202-366-5003 or at [tony.solury@fhwa.dot.gov](mailto:tony.solury@fhwa.dot.gov) or Candace Noonan on 202-366-1648 or at [candace.noonan@fta.dot.gov](mailto:candace.noonan@fta.dot.gov).

Attachment

## OMB Circular A-122, Attachment B

### 25. Lobbying.

a. Notwithstanding other provisions of this Circular, costs associated with the following activities are unallowable.

(1) Attempts to influence the outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in kind or cash contributions, endorsements, publicity, or similar activity;

(2) Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections;

(3) Any attempt to influence: (i) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature (including efforts to influence State or local officials to engage in similar lobbying activity), or with any Government official or employee in connection with a decision to sign or veto enrolled legislation;

(4) Any attempt to influence: (i) The introduction of Federal or State legislation; or (ii) the enactment or modification of any pending Federal or State legislation by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign; or

(5) Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying.

b. The following activities are excepted from the coverage of subparagraph a:

(1) Providing a technical and factual presentation of information on a topic directly related to the performance of a grant, contract or other agreement through hearing testimony, statements or letters to the Congress or a State legislature, or subdivision, member, or cognizant staff member thereof, in response to a documented request (including a Congressional Record notice requesting testimony or statements for the record at a regularly scheduled hearing) made by the recipient member, legislative body or subdivision, or a cognizant staff member thereof; provided such information is readily obtainable and can be readily put in deliverable form; and further provided that costs under this section for travel, lodging or meals are unallowable unless incurred to offer testimony at a regularly scheduled Congressional hearing pursuant to a written request for such presentation made by the Chairman or Ranking Minority Member of the Committee or Subcommittee conducting such hearing.

(2) Any lobbying made unallowable by subparagraph a.(3) to influence State legislation in order to directly reduce the cost, or to avoid material impairment of the organization's authority to perform the grant, contract, or other agreement.

(3) Any activity specifically authorized by statute to be undertaken with funds from the grant, contract, or other agreement.

c. (1) When an organization seeks reimbursement for indirect costs, total lobbying costs shall be separately identified in the indirect cost rate proposal, and thereafter treated as other unallowable activity costs in accordance with the procedures of subparagraph B.3 of Attachment A.

(2) Organizations shall submit, as part of the annual indirect cost rate proposal, a certification that the requirements and standards of this paragraph have been complied with.

(3) Organizations shall maintain adequate records to demonstrate that the determination of costs as being allowable or unallowable pursuant to paragraph 25 complies with the requirements of this Circular.

(4) Time logs, calendars, or similar records shall not be required to be created for purposes of complying with this paragraph during any particular calendar month when: (1) the employee engages in lobbying (as defined in subparagraphs (a) and (b)) 25 percent or less of the employee's compensated hours of employment during that calendar month, and (2) within the preceding five-year period, the organization has not materially misstated allowable or unallowable costs of any nature, including legislative lobbying costs. When conditions (1) and (2) are met, organizations are not required to establish records to support the allowability of claimed costs in addition to records already required or maintained. Also, when conditions (1) and (2) are met, the absence of time logs, calendars, or similar records will not serve as a basis for disallowing costs by contesting estimates of lobbying time spent by employees during a calendar month.

(5) Agencies shall establish procedures for resolving in advance, in consultation with OMB, any significant questions or disagreements concerning the interpretation or application of paragraph 25. Any such advance resolution shall be binding in any subsequent settlements, audits or investigations with respect to that grant or contract for purposes of interpretation of this Circular; provided, however, that this shall not be construed to prevent a contractor or grantee from contesting the lawfulness of such a determination.

COMPLIMENTS OF  
ALASKA STATE ARCHIVES

June 25, 1974

The Honorable Alexander P. Butterfield  
Administrator  
Federal Aviation Administration  
U. S. Department of Transportation  
800 Independence Avenue, Southwest  
Washington, D. C. 20591

Dear Mr. Butterfield:

In response to your joint letter of June 3, 1974, concerning urban transportation planning in Anchorage, I wish to inform you that a joint metropolitan planning organization has been in operation for several years.

This organization, the Anchorage Metropolitan Area Transportation Study (AMATS), is headed by a Policy Committee consisting of the Mayor of the City of Anchorage, the Mayor of the Greater Anchorage Area Borough, and the Commissioner of Highways. By mutual agreement the AMATS Policy Committee recently consummated a revised agreement which states that the Greater Anchorage Area Borough has the responsibility of drafting the Unified Work Program and for carrying on the continuing phase of AMATS. It further provides that the AMATS Policy Committee shall have the responsibility of providing policy direction and of approving Unified Work Programs and funding.

I am personally convinced that in order to have a workable, continuing, comprehensive, cooperative urban transportation planning program, it is essential that each governmental agency involved have a proper share of both decision-making authority and actual responsibility for implementation of the planning process. In analyzing the difficulties which have arisen in other metropolitan areas throughout the country it appears that, too often, designation of one specific governmental entity to implement the continuing planning process has resulted in abdication of responsibility by those agencies and local governments not directly involved in actually achieving results. As a consequence it appears that in some instances frictions and lack of cooperation have followed, and the goal of cooperative, comprehensive planning has been circumvented.

*Highway*  
3-2

The Honorable  
Alexander P. Butterfield -2-

June 25, 1974

I fully agree with your commitment to implement new programs with maximum flexibility for State and local governments, as only with such flexibility will the best interests of the public be served. As a consequence I concur in the agreement reached by the AMATS Policy Committee, and agree that funding made available for urbanized area transportation planning from all sources should be administered in the same manner and by the same organization.

I hope that this designation will bring about a continuation of the cooperative, intergovernmental planning approach in Alaska's most populous urban community.

Sincerely,

William A. Egan  
Governor

bcc: Mr. James A. Walsh  
Chairman, Intermodal Planning Group  
Federal Standard Region  
Federal Highway Administration  
412 Mohawk Building  
222 Southwest Morrison Street  
Portland, Oregon 97204

The Hon. John R. Roderick  
Mayor of the Greater Anchorage Area Borough

The Hon. George M. Sullivan  
Mayor of Anchorage

Division of Planning and Research

Department of Highways

HIGHWAYS/WC:LL:cw

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April 3, 1976

Mr. Bruce Cannon, Chairman  
 Intermodal Planning Group  
 Department of Transportation  
 Federal Highway Administration  
 222 S. W. Morrison Street  
 Portland, Oregon 97204

Dear Mr. Cannon:

As a result of the unification election in September 1975 the City of Anchorage and the Greater Anchorage Area Borough combined into one governing entity, the Municipality of Anchorage. The approved boundaries of the urbanized area fall within the new boundaries. At this time, the State would like to designate the new Municipality of Anchorage as the Metropolitan Planning Organization (MPO), not only to reflect the political changes but to promote a planning process as responsive to the desires of local residents as possible.

The previous designation letter, sent to Mr. Butterfield by former Governor Egan on June 25, 1974, designated a representative membership of local government as the MPO. The designation will not affect the make-up of the bodies which establish the direction of transportation planning in the Anchorage area. The three-person Policy Committee has two elected representatives - the Mayor and a Municipal Councilman - and the third member is the Commissioner of Highways. The Technical Committee also has three voting members - the Municipal Planning Director, the Municipal Director of Transportation, and the State Department of Highways' District Engineer. As required by current regulations, this process will enable transportation planning to be carried out by the MPO in cooperation with the highway agency and the transit operator. The Highway Department has representation on both committees. Since the transit operation is a division of the Municipal Department of Transportation, it too, implicitly, has representation on these committees, though only implicitly. Also, the transit operator is an associate member of the Technical Committee.



Mr. Bruce Cannon

-2-

April 3, 1976

As Anchorage has been designated an urbanized area for only two years, its transportation planning activities are still evolving, but it is felt that transferring the responsibility to the Municipality will hasten further development and improvement.

Sincerely,

Jay S. Hammond  
Governor

BCC: Gene A. Hanna, FHWA, Juneau  
George Sullivan, AMATS Policy Committee  
George Dickson, AMATS Policy Committee  
Jack Spake, AMATS Technical Committee  
William Fort, UMTA, Seattle  
Department of Highways

JSH/JLU/mth

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MOA DEDP

FAX NO. 9073434220

P. 08



FEDERAL HIGHWAY ADMINISTRATION

Room 412 Mohawk Building  
222 S.W. Morrison Street  
Portland, Oregon 97204

720  
(AMATS)

April 29, 1976

Honorable Jay S. Hammond  
Governor of Alaska  
Juneau, Alaska 99801

Dear Governor Hammond:

Anchorage Urban Area, Designation of  
Metropolitan Planning Organization

| IN REPLY TO | AL | AL                 | AL | AL   |
|-------------|----|--------------------|----|------|
|             |    | ALaska Division    |    | Int  |
|             |    | Division Admin.    |    |      |
|             |    | Exec. Coord.       |    |      |
|             |    | Asst. Exec. Coord. |    |      |
|             |    | Exec. Coord.       |    |      |
|             |    | Bridge Engineer    |    |      |
|             |    | R.O.W. Officer     |    |      |
|             |    | Plan. & Res. I, 2  |    |      |
|             |    | Field Off. Engr.   |    |      |
|             |    | Area A             |    |      |
|             |    | Area B             |    |      |
|             |    | Area C             |    |      |
|             |    | Asst. Area Engr.   |    |      |
|             |    | Audit              |    |      |
|             |    | Admin. Manager     |    | 1/57 |
|             |    | Fiscal             |    |      |
|             |    | State              |    |      |
|             |    | 17.7 & 17.8        |    |      |

We acknowledge your April 8, 1976 designation of the Municipality of Anchorage as the Metropolitan Planning Organization (MPO) for the Anchorage urban area.

With this designation, the Municipality is the established eligible recipient of Department of Transportation planning funds for comprehensive urban transportation planning. Also the organization, together with the State, is responsible for conducting the metropolitan transportation planning program. The policy and technical committees structured by you and the Municipality are the means to fulfill this responsibility.

The U.S. Department of Transportation administrations in this region are looking forward to continuing their working relationship with the Municipality of Anchorage and the State on the Anchorage transportation/land use planning process.

Sincerely yours,

*Bruce Cannon*

Bruce Cannon, Chairman  
Intermodal Planning Group,  
Region X

5/14/76

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Blankenship  
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## TRANSPORTATION PLANNING AGREEMENT

## Anchorage Metropolitan Area

This agreement is entered into this 3 day of February, 1977, by and between the ALASKA DEPARTMENT OF HIGHWAYS, hereinafter called the "DEPARTMENT", the MUNICIPALITY OF ANCHORAGE, hereinafter call the "MUNICIPALITY".

## WITNESSETH:

WHEREAS, voters of the former Greater Anchorage Area Borough and the former City of Anchorage created a single government entity, the Municipality of Anchorage, which was incorporated as a unified home rule Municipality on September 15, 1974; and

WHEREAS, the former Borough passed and approved Resolution No. 212 on April 15, 1968, providing for the participation by the Borough in the Anchorage Metropolitan Area Transportation Study AMATS; and

WHEREAS, the May 7, 1968, Agreement between the DEPARTMENT, the former BOROUGH and the former CITY provided for a cooperative effort by the signatories in the AMATS as well as in its continuing phase; and

WHEREAS, the MUNICIPALITY has, by state law, areawide planning powers throughout its jurisdiction and is responsible for comprehensive planning; and

WHEREAS, the Bureau of Census announced the designation of the Anchorage area as an urbanized area on March 1, 1974; and

WHEREAS, for purposes of complying with Section 134 and Section 104(f), Title 23, U.S. Code, the date recognized for planning purposes has been established as February, 1974; and

WHEREAS, Federal regulations promulgated in the September 17, 1975, Federal Register call for an urban transportation process to be carried out in urbanized areas by a Metropolitan Planning Organization (MPO), in cooperation with the State and in cooperation with publicly-owned operators of mass transportation services; and

WHEREAS, The MUNICIPALITY is the only publicly-owned operator of mass transportation serviced in the study area; and

WHEREAS, the Governor of the State of Alaska designated the MUNICIPALITY as the Metropolitan Planning Organization for the Anchorage Metropolitan Area on April 8, 1976; and

WHEREAS, the designation establishes the MUNICIPALITY as the eligible recipient of planning funds from the Department of Transportation for conducting comprehensive urban transportation planning and gives it the responsibility in cooperation with the DEPARTMENT to conduct an urban transportation planning process; and

WHEREAS, the Anchorage Metropolitan Area Transportation Study AMATS Policy and Technical Committees represent the mechanism whereby the MUNICIPALITY and the DEPARTMENT exercise the above responsibility; and

WHEREAS, the AMATS Policy Committee is composed of the Commissioner of Highways from the DEPARTMENT, and the Municipal Mayor and one representative from the Municipal Assembly from the MUNICIPALITY, and provides necessary policy direction to the Technical Committee to accomplish details required in the continuing phase of study; and

WHEREAS, the AMATS Technical Committee is composed of the Division Engineer from the DEPARTMENT, the Municipal Director of Transportation and the Municipal Director of Planning, or their representatives as voting members, and additional non-voting members as appointed by the Policy Committee and is responsible to the Policy Committee for giving technical advice in performing the continuing phase of AMATS, and has the additional responsibility of technically reviewing the work produced in conjunction with the continuing phase of AMATS.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL BENEFITS and the provisions, promises, and considerations herein provided to satisfy the requirements of Title 23, U.S. Code, Section 134 and Section 104(f), and the Urban Mass Transportation Act of 1964 as amended, the parties hereto agree as follows:

The MUNICIPALITY with full assistance of the DEPARTMENT and other cooperating agencies shall be responsible for annually drafting a Unified Work Program for approval by the Policy Committee. The MUNICIPALITY shall assume the responsibility as outlined in the Prospectus for managing the urban transportation planning process of AMATS, and the MUNICIPALITY shall proceed in accordance with the Unified Work Program approved by the Policy Committee.

Changes in work assignments and studies to be performed may be made by the Policy Committee at such times and to such extent as deemed necessary. Total funds to be made available for the performance of said work and services shall not exceed the amount specified in the annual Unified Work Program. Reimbursement will be made by the DEPARTMENT to the MUNICIPALITY in accordance with procedures to be established by the DEPARTMENT in the Fiscal and Reporting Agreement and shall be expended only on the Unified Work Program approved by the Policy Committee.

The AMATS Technical Committee, within the study area, shall have the responsibility of technically reviewing all plans prepared and monitoring all studies in progress as part of the continuing phase of AMATS. The Technical Committee shall report to the Policy Committee on a periodic basis concerning the progress and preliminary findings of the ongoing urban transportation planning process.

The AMATS Policy Committee shall have the responsibility of giving policy direction to the Technical Committee in their function of reviewing and acting on work produced through the continuing phase of AMATS and shall approve Unified Work Programs and necessary funding. In addition, all plans and reports must be approved by the Policy Committee prior to issuance of official documents. The AMATS Policy Committee has the authority to give direction and approval to

the transportation planning effort in accordance with Section 104(f), Title 23, U.S. Code, which is performed by the MUNICIPALITY and the Technical Committee in their managing function of the continuing phase. All actions of the Policy Committee shall be by majority vote.


This agreement shall remain in effect unless terminated or revised. Should any of the signatories find reason to terminate this agreement, they may do so upon sixty (60) days written notice to each of the other members of the Policy Committee. In the event of termination of this agreement, full payment of the applicable reimbursable share of actual costs pursuant to and subject of the reimbursable provision set forth above shall be made by the DEPARTMENT for all work performed to the date of termination.

The comprehensive planning area for the purpose of this agreement shall be the area within the study boundaries as shown in Figure 1, Volume II of the Future Travel Demands and Recommended Transportation Plan, dated August, 1970. The urbanized area boundary, as approved by the Policy Committee in August, 1975, is included within this study area. The study area may be adjusted upon mutual agreement by the DEPARTMENT, the MUNICIPALITY and approval by the Federal Highway Administration and the Urban Mass Transportation Administration.

IN WITNESS WHEREOF, the undersigned members of the State and the Municipality have executed this AGREEMENT on the day and year first above written.

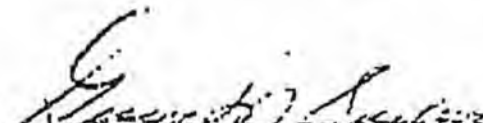
STATE OF ALASKA  
DEPARTMENT OF HIGHWAYS

By:

  
H. D. Scougal, Commissioner

MUNICIPALITY OF ANCHORAGE

By:

  
George H. Sullivan, Mayor

MEMORANDUM OF UNDERSTANDING  
FOR AREAWIDE AIR QUALITY PLANNING

This memorandum of understanding entered into this 25 day of September, 1970, by and between the State of Alaska Department of Environmental Conservation and the Municipality of Anchorage.

The parties agree as follows:

Section 1. Legal Authority.

A. 42 USC 7504 et. seq. requires each areawide air quality planning agency to prepare an areawide air quality plan providing for attainment of national ambient air quality standards. The Municipality has been designated an areawide air quality planning agency and intends to adopt such a plan for submission to the state as the local revision to the State's Implementation Plan.

B. Chapter 46.03 of the Alaska Statutes requires the State to develop a State Implementation Plan providing for the attainment of national ambient air quality standards.

C. The Federal Highway Act of 1962 (23 USC 134), as amended, and the Urban Mass Transportation Act of 1964 (49 USC 1601), as amended, require the State and the Municipality to coordinate the planning and construction of all urban transportation facilities with a continuing, cooperative, and comprehensive transportation planning process. The Governor of the State has designated the Municipality as the Metropolitan Planning Organization in accordance with federal law. The

Metropolitan Planning Organization shall ensure the preparation and adoption of a transportation plan as required by federal law. The Metropolitan Planning Organization Policy Committee shall review and endorse AMATS annually.

D. The Demonstration Cities and Metropolitan Development Act of 1966 (42 USC 3334), as amended, and OMB Circular A-95, as amended, require an areawide air quality planning agency to review all applications for federal assistance with metropolitan projects. The Governor of the State has designated the Municipality as the areawide clearing-house for the Area.

Section 2. Definitions.

A. "Advisory Committee" means the Environmental Health Advisory Committee, an arm of the Municipal Health Commission.

B. "Air Quality Plan" or "Planning" means the local revision to the State Implementation Plan with regard to the Area.

C. "AMATS" means the Anchorage Metropolitan Area Transportation Study.

D. "Area" means that portion of the Municipality which has been designated as nonattainment in the Federal Register.

E. "Municipality" means the Municipality of Anchorage.

F. "Policy Committee" means the Air Quality Planning Policy Committee.

G. "State" means the State of Alaska Department of Environmental Conservation.

H. "Technical Committee" means the Air Quality Planning Technical Advisory Committee.

Section 3. Purpose.

The State and Municipality agree to develop jointly an air quality plan for the area which will assure Area compliance with state and federal air quality requirements.

Section 4. Air Quality Planning Policy Committee.

A. ~~There shall be a Policy Committee consisting of three members of the AMATS Policy Committee, one municipal assemblyman who is concurrently serving as a member of the Cook Inlet Air Resources Management District Commission, and the Commissioner for the State Department of Environmental Conservation. Each member shall have one vote.~~

B. The Policy Committee shall:

1. Prepare, adopt, and update a Unified Work Program allocating responsibility for planning activities and studies between the State and the Municipality in accordance with the guidelines set forth in the Federal Intermodel Planning Group, Region X, and including a multi-year prospective, major planning issues to be addressed, available

- resources, operating procedures, funding estimates, timetables, task status for the air quality plan.
2. Supervise the development and adopt a recommended Air Quality Plan for the Area and submit it to the State and Municipality for adoption.
  3. Coordinate effective public participation in the air quality planning process including, among other things, use of the Advisory Committee as a citizens advisory committee and the scheduling of public hearings.
  4. Arrange for third party financial participation in the air quality planning process.
  5. Provide overall direction to the municipal air quality planning staff and the technical committee including, but not limited to, guidance on alternative formation and assessments, development of feasible strategies, and report preparation.
  6. Annually review this agreement, the Unified Work Program, the air quality plan, and progress made towards the achievement of national ambient air quality standards throughout the Municipality.

7. Produce and publicize periodic written reports describing factual findings, planning conclusions, planning progress, and other pertinent information about the planning process.

C. The Policy Committee shall elect a chairman from among its members.

Section 5. Air Quality Planning Technical Advisory Committee.

A. There shall be a Technical Committee consisting of six members selected by the Policy Committee and including one representative from the Municipal Health Department, one representative from the Municipal Planning Department, one representative from the Municipal Transportation Department, one representative from the State Department of Environmental Conservation, one representative from the State Department of Transportation and Public Facilities, and one representative from the Advisory Committee. Each member shall have one vote.

B. The Technical Committee shall:

1. Coordinate with the municipal air quality planning staff to develop an air quality plan for the area for submission to the policy committee; and
2. Assist, advise, and submit recommendations to the policy committee with regard to planning proposals developed by the municipal air quality planning staff.

C. The Municipality shall provide an air quality plan coordinator and staff to work with the Technical Committee to develop an air quality plan for the Area.

D. The Policy Committee shall select a chairman for the Technical Committee.

Section 6. Public Participation.

The Policy Committee and the Technical Committee shall endeavor to maximize public participation in the air quality planning process herein provided.

Section 7. Air Quality Plan.

The Air Quality Plan shall:

A. Identify areawide objectives and policies required to attain the national ambient air quality standards for carbon monoxide for the Area by December 31, 1982.

B. Inventory technical, physical and other air quality planning data.

C. Analyze alternatives and establish strategies designed to attain the national ambient air quality standards for the area.

D. Address any other air quality issues required by the federal Environmental Protection Agency or the United States Department of Transportation.

E. Provide adequate assurance that there will be sufficient personnel, funding, and authority to carry out the selected plan.

F. Provide for the implementation of all reasonably available strategies as expeditiously as practical.

G. Provide for and show reasonable further progress towards achievement of carbon monoxide standards.

Section 8. Coordination with Transportation Planning.

To minimize transportation related emissions, the State and Municipality shall endeavor to integrate and coordinate the air quality planning process provided herein with AMATS.

Section 9. Termination.

Either party may terminate this agreement for cause by delivering written notice to that effect at least sixty (60) days before the effective date of termination, but not before January 1, 1979.

Section 10. Civil Rights.

The parties, their agents and employees shall comply with the provisions of 49 CFR 21 and Title VI of the Civil Rights Act of 1964. Attachment A which assures the the Municipality shall comply with the Civil Rights Act of 1964 and is attached hereto and incorporated herein as if set forth in full. /

Section 11. Review of Agreement.

The parties shall review this agreement annually and revise it as necessary.

Section 12. Amendment.

The parties may amend this agreement only by written agreement, which shall be attached as an appendix hereto.

Section 13. Term.

This agreement shall become effective on Sept. 25 1978, and continue to be in force until its purposes are accomplished or it has been terminated as provided herein.

Section 14. Integration.

This instrument and all appendices and amendments hereto embody the entire agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this agreement shall supersede all previous communications, representations or agreements, either oral or written, between the parties hereto.

IN WITNESS WHEREOF, the parties have executed this agreement on the date first hereinabove written.

MUNICIPALITY OF ANCHORAGE

STATE OF ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

[Signature]  
Name \_\_\_\_\_  
Title Treasurer

[Signature]  
Name \_\_\_\_\_  
Title \_\_\_\_\_

ATTEST:

APPROVED AS TO FORM:

[Signature]  
Municipal Clerk [Signature]

[Signature]  
State Attorney General

APPROVED AS TO FORM:

[Signature]  
Assistant Municipal Attorney



MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE DEPARTMENT OF TRANSPORTATION  
AND  
THE ENVIRONMENTAL PROTECTION AGENCY  
REGARDING  
THE INTEGRATION OF TRANSPORTATION AND AIR QUALITY PLANNING

I. Introduction

The Clean Air Act Amendments of 1977 were signed into law by the President on August 7, 1977. These Amendments require state and local governments to develop for all areas where national ambient air quality standards have not been attained, revisions to state implementation plans (SIPs). The revised SIPs must be submitted by the state to the Environmental Protection Agency (EPA) by January 1, 1979. These revised plans must provide for attainment of the national ambient air quality standards by 1982 or, in the case of areas with severe photochemical oxidant or carbon monoxide problems, not later than 1987. The revised plans must also provide for incremental reductions in emissions ("reasonable further progress") between the time the plans are submitted and the attainment deadline.

In many major urbanized areas of the country the revised SIPs will require transportation controls, i.e. strategies designed to reduce emissions from transportation-related sources by means of structural and operational changes in the transportation system. A mechanism is required that will enable state and local governments to: (1) develop a wide range of alternative transportation control strategies, (2) analyze the air quality and other impacts of the strategies, and (3) select among the alternatives in a timely and informed manner.

Federal transportation planning requirements in urbanized areas are implemented by the Department of Transportation (DOT) through a joint delegation of authority to the Federal Highway Administration (FHWA) and the Urban Mass Transportation Administration (UMTA). The FHWA and UMTA provide funds to states and local governments to plan, develop, and improve transportation systems and services. In urbanized areas improvements are implemented according to a continuing, comprehensive, and cooperative transportation planning process carried out pursuant to FHWA/UMTA joint regulations. It

is in this context that "DOT" is utilized in this document. In order to effectively achieve the objectives of the 1977 Clean Air Act Amendments, the DOT and Environmental Protection Agency (EPA) agree that the transportation-related air quality planning requirements of EPA will be integrated with the transportation planning process administered by the DOT. Closer integration of the planning requirements of DOT and EPA will ensure the timely consideration of air quality concerns and will reduce potentially duplicative, overlapping, and inconsistent activities at the state and local level. DOT administers other planning programs through other administrations (e.g. FAA and FRA) which have lesser impact on air quality but may be subject to future discussion.

## II. Purpose

This Memorandum of Understanding, developed pursuant to the President's request, is designed (1) to establish certain principles which DOT and EPA agree to follow in the preparation of more detailed regulations and administrative procedures required to achieve the objective of integrating the air quality and transportation planning processes; (2) to identify specific areas of agreement with regard to the joint administration of the air quality aspects of the planning process.

## III. Principles that Will Guide the Integration of the Air Quality and Transportation Planning Processes

- A. The reduction of air pollution is an important national goal and must be among the highest priorities of the transportation planning process in areas not meeting primary Air Quality Standards. However, the transportation planning process must also consider other national and local objectives such as mobility, safety, energy conservation, urban economic development, full employment and orderly metropolitan growth.
- B. It is the affirmative responsibility of federal, state and local agencies involved in funding or conducting transportation planning and implementation to ensure that evaluation of an adequate range of alternative transportation control strategies is conducted in order to furnish local, state and federal officials with an adequate basis on which to reach informed decisions.
- C. Any transportation planning activities conducted pursuant to this agreement must continue to provide for an adequate process of consultations with and involvement of the general purpose local government, responsible state agencies and the public as called for in the joint UMTA/FHWA Urban Transportation Planning regulations.

D. It is the objective of the activities undertaken pursuant to this agreement to contribute to the maximum extent feasible, in combination, with other emission reduction measures, to a reduction of emissions necessary to meet the prescribed air quality standards.

IV. Joint Administration of the Air Quality Aspects of the Urban Transportation Planning Process

The Department of Transportation and Environmental Protection Agency agree to modify existing procedures concerning the administration of the urban transportation and air quality planning processes in nonattainment areas as follows:

1. DOT and EPA regional/division offices will have the opportunity for joint review of and concurrence in the Unified Work Program (UWP) required pursuant to paragraph 450.114 of the Joint Planning Regulations (23 CFR 450), to ensure that adequate air quality planning tasks are included in the planning programs. Any disagreements at the regional level shall be referred to the DOT Secretary for resolution. Before making his final decision on the UWP, the Secretary will consult with the EPA Administrator and will notify EPA of the disposition of its comments, with appropriate supporting materials. In addition, where an MPO has failed, without adequate reason to carry out the analysis or other activities committed in its Unified Work Program, DOT will prescribe conditions which will require specified remedial actions to be taken in order to correct the identified failure in the Unified Work Program. DOT and EPA will develop in the near future a document identifying appropriate categories of remedial actions.

*Joint concurrence in UWP*

2. DOT and EPA regional/division offices will have the opportunity for joint review of transportation plans (including TSM elements) in nonattainment areas required pursuant to paragraph 450.116 of the Joint Planning Regulations, to ensure that air quality considerations are adequately addressed. DOT and EPA will consult with the planning agency on how air quality related planning deficiencies will be corrected. DOT will also explicitly consider EPA comments in taking subsequent actions on program approvals and will notify EPA of the disposition of its comments, with appropriate supporting materials.

*Joint review and EPA comment disposition on transportation plans.*

3. DOT and EPA regional/division offices will have the opportunity for joint review in connection with the annual planning certification required pursuant to paragraph 450.122 of the Joint Planning Regulations, on the adequacy of the planning process to address air quality considerations. DOT and EPA will consult with the planning agency on how air quality related planning deficiencies will be corrected. DOT will also explicitly consider EPA comments in making any certification decisions and will notify EPA of the disposition of its comments, with appropriate supporting material.

*same*

Joint review of  
TIP and disposition  
of EPA comments.  
If EPA disapproves  
part of "176" until  
see DOT OK's.

4. DOT and EPA regional/division offices will have the opportunity for joint review of the Transportation Improvement Program (TIP) and its annual element required pursuant to paragraph 450.118 of the Joint Planning Regulations for consistency with the air quality elements of the transportation plan and/or the SIP. DOT will explicitly consider EPA's comments in program approvals, and will notify EPA of its disposition of the comments. If EPA disagrees with the disposition of its comments, the procedures for resolution set forth in Addendum 1 to this memorandum will be followed.

5. DOT and EPA regional/division offices will have the opportunity for joint review of the revised SIPs, for compliance with the objectives of statutes administered by DOT (e.g., Title 23 USC and the Urban Mass Transportation Act) to provide for mobility and for safe and efficient transportation. EPA will explicitly consider DOT comments in approving or disapproving SIP revisions, and will notify DOT of its disposition of the comments, with appropriate supporting materials. If DOT disagrees with the disposition of its comments, the procedures for resolution set forth in Addendum 2 to this memorandum will be followed.

6. DOT and EPA agree to work toward greater coordination in the administration of their respective grants for local planning activities by including these grants in the UWP, to ensure that such grants support effectively the related objectives of both agencies while avoiding duplication and overlapping planning activities.

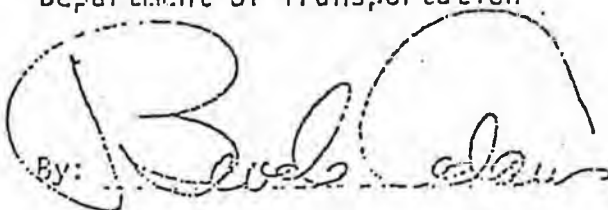
DOT and EPA will take appropriate steps to alter their existing internal procedures and to issue a joint appendix to the existing transportation planning regulations to implement the above understandings.

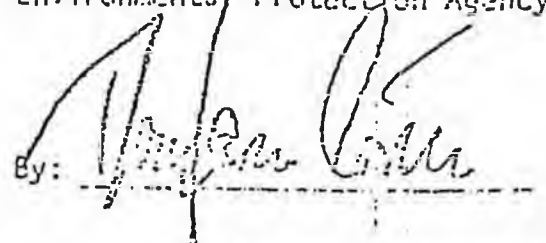
DOT and EPA agree to consult one another in the development of criteria and procedures required by Section 176 of the Clean Air Act, including insuring that all major capital improvement projects are consistent with the SIP.

Signed in Washington, D.C. this 14th day of June, 1978.

Department of Transportation

Environmental Protection Agency

By: 

By: 

ADDENDUM 1

If the EPA Regional Administrator disagrees with the disposition of his comments by DOT, he will so notify the DOT Regional/Division Administrator within seven days. In such a case, the DOT Regional/Division Administrator will not approve the element or elements of the TIP in disagreement until so advised by headquarters.

*2 in 105*  
Within 30 days after the EPA Regional Administrator notifies DOT of his disagreement, the EPA Administrator will notify the Secretary of Transportation if the EPA Administrator disagrees with the DOT field staff disposition of EPA comments, and the reason for the EPA Administrator's disagreement.

If such notification is received within 30 days, the Secretary of Transportation will carefully consider the EPA Administrator's views and in the event of disagreement will notify the EPA Administrator of the disposition of his comments, with appropriate supporting materials before making his decision.

## ADDENDUM 2

If the DOT Regional/Division Administrator disagrees with the disposition of his comments by EPA, he will so notify the EPA Regional Administrator within seven days. In such a case, the EPA Regional Administrator will not approve the SIP until so advised by headquarters.

Within 30 days after the DOT Regional/Division Administrator notifies EPA of his disagreement, the Secretary of Transportation will notify the EPA Administrator if the Secretary of Transportation disagrees with the EPA field staff disposition of DOT comments, and the reason for the Secretary's disagreement.

If such notification is received within 30 days, the EPA Administrator will carefully consider the Secretary of Transportation's views and in the event of disagreement will notify the Secretary of the disposition of his comments, with appropriate supporting materials before making his decision.

FEDERAL HIGHWAY PROGRAM - ADOT&PF  
DRAFT REPORT OF NET OBLIGATIONS  
FFY81-FFY03

| FISCAL YEAR | NHS ANCHORAGE | NON-NHS ANCHORAGE | ANCHORAGE       | % OF STATEWIDE | CENTRAL         | % OF STATEWIDE | STATEWIDE       |
|-------------|---------------|-------------------|-----------------|----------------|-----------------|----------------|-----------------|
| 81          | \$36,672,000  | \$7,372,000       | \$44,044,000    | 30.4%          | \$65,295,598    | 45.0%          | \$145,101,328   |
| 82          | \$13,780,000  | \$9,547,000       | \$23,327,000    | 21.6%          | \$48,637,800    | 45.0%          | \$108,084,000   |
| 83          | \$55,906,000  | \$14,538,000      | \$70,444,000    | 47.6%          | \$83,920,000    | 56.7%          | \$147,914,431   |
| 84          | (\$1,951,000) | \$35,453,000      | \$33,502,000    | 21.8%          | \$78,378,000    | 50.9%          | \$153,835,509   |
| 85          | \$21,820,000  | \$42,326,000      | \$64,146,000    | 40.3%          | \$65,994,920    | 41.4%          | \$159,363,306   |
| 86          | \$20,000,000  | \$21,300,000      | \$41,300,000    | 27.3%          | \$62,287,166    | 41.2%          | \$151,150,323   |
| 87          | \$44,400,000  | \$16,800,000      | \$61,200,000    | 40.2%          | \$66,332,534    | 43.5%          | \$152,396,403   |
| 88          | \$1,300,000   | \$44,300,000      | \$45,600,000    | 34.4%          | \$56,926,235    | 42.9%          | \$132,653,576   |
| 89          | \$18,000,000  | \$27,000,000      | \$45,000,000    | 31.0%          | \$50,397,727    | 34.7%          | \$145,290,927   |
| 90          | \$45,339,209  | \$20,450,556      | \$65,789,765    | 43.8%          | \$67,276,715    | 44.8%          | \$150,269,333   |
| 91          | \$7,942,800   | \$20,011,500      | \$27,954,300    | 15.8%          | \$78,633,123    | 44.5%          | \$176,523,889   |
| 92          | \$48,429,487  | \$9,072,832       | \$57,502,319    | 27.2%          | \$84,224,427    | 39.9%          | \$211,137,539   |
| 93          | \$38,461,400  | \$8,713,900       | \$47,175,300    | 25.8%          | \$84,590,437    | 46.2%          | \$183,032,721   |
| 94          | \$11,004,005  | \$17,505,336      | \$28,509,341    | 12.8%          | \$98,532,700    | 44.2%          | \$223,063,500   |
| 95          | \$22,968,143  | \$18,013,787      | \$40,981,930    | 18.4%          | \$98,532,700    | 44.2%          | \$223,063,500   |
| 96          | \$3,315,305   | \$20,112,291      | \$23,427,596    | 10.9%          | \$122,631,426   | 57.0%          | \$215,107,738   |
| 97          | \$13,620,444  | \$20,939,060      | \$34,559,504    | 16.9%          | \$80,862,276    | 39.5%          | \$204,930,257   |
| 98          | \$33,995,440  | \$16,757,483      | \$50,752,923    | 17.8%          | \$130,004,016   | 45.6%          | \$285,010,332   |
| 99          | \$16,576,996  | \$22,294,905      | \$38,871,901    | 12.9%          | \$148,983,844   | 49.3%          | \$301,984,992   |
| 2000        | \$29,548,838  | \$37,806,882      | \$67,355,720    | 22.8%          | \$176,523,796   | 59.7%          | \$295,793,040   |
| 2001        | \$22,993,406  | \$41,621,915      | \$64,615,321    | 20.9%          | \$207,100,021   | 67.0%          | \$309,246,538   |
| 2002        | \$9,565,097   | \$45,872,708      | \$55,437,805    | 16.9%          | \$154,000,948   | 47.0%          | \$327,611,853   |
| 2003        | \$24,370,022  | \$27,085,821      | \$51,455,843    | 20.1%          | \$157,039,768   | 61.3%          | \$256,225,689   |
| 2004        | \$14,250,000  | \$40,977,000      | \$55,227,000    | 16.2%          | \$167,804,400   | 49.4%          | \$340,000,000   |
| 2005        | \$29,450,000  | \$40,977,000      | \$70,427,000    | 20.7%          | \$110,726,400   | 32.6%          | \$340,000,000   |
| 2006        | \$2,650,000   | \$46,961,000      | \$49,611,000    | 13.0%          | \$140,164,300   | 36.7%          | \$382,000,000   |
| TOTAL       |               |                   | \$1,258,217,568 | 22.0%          | \$2,685,801,277 | 46.9%          | \$5,720,791,124 |

SOURCES: STATEWIDE; 81 THROUGH 93; D. MICKLE (DOT&PF HQ) 12/28/93  
CENTRAL; 81 THROUGH 82; J. BOWDEN ESTIMATE (DOT&PF CE) 12/28/93  
CENTRAL; 83 THROUGH 84; J. BOWDEN (DOT&PF CE) 12/28/93  
CENTRAL; 85 THROUGH 93; D. MICKLE (DOT&PF HQ) 12/28/93  
ANCHORAGE; 81 THROUGH 85; S. VAN HORN (DOT&PF CE) 2/13/85  
ANCHORAGE; 86 THROUGH 89; P. McNEES (DOT&PF CE) 1/5/90  
ANCHORAGE; 90 THROUGH 93; L. MITCHELL & M. MAYO (DOT&PF CE) 1/4/93  
ALL COLUMNS; 94 YEAR END STIP; 12/31/94  
ALL COLUMNS; 95 YEAR END STIP; 1/31/96  
96-98 ALL COLUMNS; ORACLE FROM J.VANHORN, DONE BY J. WILSON & L. JANKOWSKI (DOT&PF CE) 11/27/98  
99-03 ALL COLUMNS FROM ORACLE FROM J. WITT 1/27/04  
04-06 ALL COLUMNS BASED ON PROJECTED FUNDING IN TIP AND STIP



U.S. Department  
of Transportation

Federal Highway  
Administration

Alaska Division

[www.fhwa.dot.gov/akdiv](http://www.fhwa.dot.gov/akdiv)

P.O. Box 21648  
Juneau, Alaska 99802-1648  
907-586-7418

February 22, 2001

HCA-AK  
Adm-Gen 11

Senator Randy Phillips  
State Capitol, Room 103  
Juneau, AK 99801-1182

RECEIVED

MAR 19 2001

Senate Finance  
Committee

Dear Senator Phillips:

Thank you for your phone call of February 22. You specifically asked "Is there anything in Federal law precluding participation of State Legislators on the AMATS Policy Board." We offer the following for your consideration:

The Federal regulations on MPO membership are contained in Title 23 CFR Section 450.306. In general, they provide considerable flexibility in recognition of the variation in local government authority across the United States and the need to give each State and its local officials the flexibility to determine the institutional form of each MPO. Providing the provisions of Title 23 CFR Section 450 are followed, Federal regulations do not preclude the participation of State legislators on the AMATS Policy Board.

Sincerely,

David C. Miller  
Division Administrator

budgets now in place were based on the outdated MOBILE5 emission model from EPA.

EPA has changed the computer model used to predict air emissions levels from transportation activity. The EPA model, known as "Mobile" has changed to version 6 (known as MOBILE6). There are enough differences between version 5 and 6 that you can't reliably compare a list of new projects against the emissions calculated with the previous model for the baseline condition.

EPA regulations require the use of the new version of the model starting in January 2004. Alaska Department of Environmental Conservation staff note that we must update the baseline emissions inventory with the new model. Otherwise, the LRTPs (long range transportation plan) and TIPs will not demonstrate conformity, and funding for new projects in 2004 are most likely in jeopardy.

#### Options for updating the air emissions budget

There are two options to update the emission budgets:

- Revise the SIP using the new model to update the budget used to demonstrate attainment;
- Prepare a Maintenance Plan using the new model to establish a new budget.

The Municipality of Anchorage, Fairbanks North Star Borough, and the Department of Environmental Conservation plan to update the air emissions budgets for each community by preparing a new Maintenance Plan. They predict completion of the Maintenance Plans and approval of the emission budgets no later than April 2004. This leaves a gap of up to four months between the time when MOBILE6 must be used in conformity analyses and when the new emission budgets will

be available for use. Conformity determinations conducted during that period will exceed the budgeted air emissions.

Except for projects that are exempt from air quality conformity, this means that no new work may be authorized in the non-attainment areas during the possible 4 months lapse.

#### New CMAQ project selection criteria

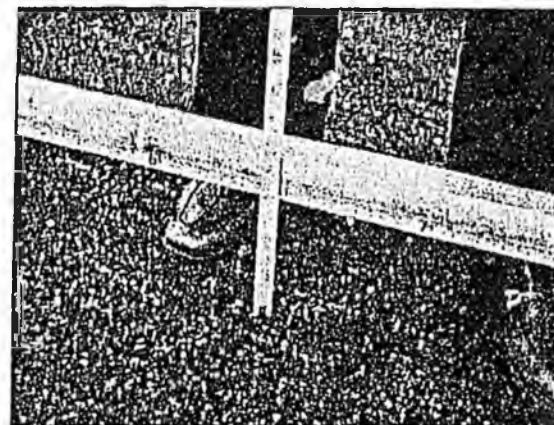
Project selection process for the Statewide Congestion Mitigation and Air Quality funds will be adopted separately.



## Dividing the STIP funds between MPOs and other communities

### Special status of urbanized areas – Fairbanks and Anchorage

The manner in which funding is allocated and projects are selected within urban areas over 50,000 population differs from other areas of the state. This difference is based on requirements for communities with a population greater than 50,000 in a federally designated urbanized area. This designation is based on both total



Pavement rut depth of nearly 4" due to studded tire wear. In 2003 state law was changed to require a tax on tires, intended in part, to provide funds to repair such damage.

population and relative density per square mile. The determination about whether an area is urbanized is made by the US Census Bureau, and then the state and the affected local governments must work together to establish an MPO (Metropolitan Planning Organization). The state allocates a portion of the federal transportation funds to each MPO.

All MPOs including AMATS (Anchorage Metropolitan Area Transportation Solutions) and FMATS (Fairbanks Metropolitan Area Transportation System) are empowered under federal rules to select their own list of transportation projects within the MPO boundary, except for National Highway System projects.

Both AMATS and FMATS prepare a Transportation Improvement Program (TIP) based on all funding sources available to the MPO. Like the state as a whole, the dominant sources of funds for surface transportation in both AMATS and FMATS is a share of the federal funds that flow from the federal program to Alaska DOT&PF.

#### Anchorage

AMATS, using a process very similar to the state, prepares a Transportation Improvement Program (TIP) based on all funding sources available to AMATS. Like the state as a whole, the dominant source of funds for surface transportation in AMATS is the federal funds that flow from TEA-21.

AMATS also prepares a Needs List and follows a public review process similar to the Department's. If you have questions about a project in Anchorage or the AMATS planning process contact the AMATS office at the number shown on the inside front cover.

#### Fairbanks

The Fairbanks urbanized area was federally designated on May 1, 2002 and formally established as an MPO in May

2003. For purposes of surface transportation program development, Fairbanks is now similar to Anchorage. Beginning in FFY 2004 the Fairbanks MPO (FMATS) will receive a STIP funding allocation for use in the MPO-boundary area. The new MPO must have an approved long-range transportation plan and planning process established, before it can directly select projects. This is anticipated by FFY 2006.

Until Fairbanks completes a long-range transportation plan, Alaska DOT&PF will prepare Fairbanks project schedules in the STIP as follows:

- The Alaska DOT, consulting with the new Fairbanks MPO, will select surface transportation projects (other than National Highway System and bridge projects) within the boundaries of the metropolitan planning area.
- Funding for the surface transportation projects selected on behalf of the Fairbanks MPO will come from an allocation in the STIP.
- With the development of the new STIP for FFY 2006 – 2008 the MPO will prepare it's own TIP.

### **The new formula for sharing STIP funds with MPOs**

The new state transportation regulations (17 AAC 05) guide the department in determining the level of funding to be allocated to the urbanized areas of the state in Anchorage and Fairbanks. Criteria to be considered when making this calculation may include one or more of the following included in 17 AAC 05.150(b):

- (1) *the number of lane miles of existing and proposed highways and roads in each metropolitan planning area as compared to the remainder of the state;*

- (2) *the geometric and functional deficiencies of highways and roads in each metropolitan planning area as compared to the remainder of the state;*
- (3) *the number of miles of sidewalks, trails, and waysides in each metropolitan planning area as compared to the remainder of the state;*
- (4) *the number of vehicle miles traveled or traffic congestion in each metropolitan planning area as compared to the remainder of the state;*
- (5) *the number and severity of traffic accidents in each metropolitan planning area as compared to the remainder of the state;*
- (6) *the capacity of the tax and employment base to contribute local money to the cost of surface transportation within each metropolitan planning area as compared to the remainder of the state;*
- (7) *the population within each metropolitan planning area as compared to the remainder of the state;*
- (8) *the degree of unmet need for new or improved transportation features within each metropolitan planning area as compared to the remainder of the state;*
- (9) *consideration of the unmet needs for minority and low-income population in each metropolitan planning area compared to the remainder of the state.*

The department circulated a formula for allocating funds to both MPOs using comparisons based on the preceding criteria. This formula used several types of readily available

data to compare the relative need between urban and less developed areas.

With the widely available data, the following five formula factors and relative weights are proposed:

- (10%) Population: All things equal, more people need more lanes and higher class systems
- (40%) Centerline Miles: The existing system is an important investment and must be kept in usable, safe condition.
- (10%) Major Accidents (major injury and fatalities): An indicator of both poor roadway geometry and high intensity of use.
- (20%) Total Accidents: An indicator of both high VMT and system inadequacies.
- (20%) Lane Mile Burden: Based on total lane miles<sup>1</sup> and ratio of lane miles to population. (Recognizes Alaska has vast land area but small population, hence limited tax capacity relative to local system size should not be penalized.)

Using statistics for both boroughs that contain the two MPOs, and data for the remainder of the state, the result is that entire Municipality of Anchorage would garner 27.75% and Fairbanks North Star Borough 10.55%. Both of these borough-wide calculations must be further reduced to account for the smaller geographic footprint within each borough occupied by the MPO boundary. For this final adjustment, population was chosen as the method of division.

<sup>1</sup> In fact centerline equivalents are used for this calculation due to inadequate data concerning lane miles across the entire state.

**Applying the MPO allocation formula to Anticipated  
Federal Funds for 2004 to 2006**  
(in thousands)

| AMATS    | 2004       | 2005       | 2006       |
|----------|------------|------------|------------|
| Total:   | \$44,477.4 | \$44,477.4 | \$53,343.3 |
| CTP      | 31,935.5   | 31,935.5   | 36,966.6   |
| TRAAK    | 3,452.5    | 3,452.5    | 3,996.4    |
| Flexible | 2,589.4    | 2,589.4    | 2,997.8    |
| Prev.    | 4,000.0*   | 3,500.0    | 6,382.5    |
| Maint.   |            |            |            |
| CMAQ     | 3,000.0    | 3,000.0    | 3,000.0    |

\*Additional funds were made available by not using formula funding for Emergency Repairs in 2004. In the STIP, this is \$4,000.0.

| FMATS                          | 2004       | 2005       | 2006       |
|--------------------------------|------------|------------|------------|
| Total:                         | \$18,997.4 | \$18,509.9 | \$20,815.6 |
| CTP                            | 7,891.8    | 7,891.8    | 9,135.1    |
| TRAAK                          | 853.2      | 853.2      | 987.6      |
| Flexible                       | 639.9      | 639.9      | 740.7      |
| Prev.                          | 1,500.0    | 1,500.0    | 1,577.2    |
| Maint.                         |            |            |            |
| CMAQ                           | 2,000.0    | 2,000.0    | 2,000.0    |
| 75% of<br>On-going<br>Projects | 6,112.5    | 5,625.0    | 6,375.0    |

The above tables are based on predicted funding targets for the various program categories during FFY 2004 – 2006. For each federal fiscal year (FFY) the total of CTP, TRAAK and Flexible funds is multiplied by the derived MPO formula.

As the funding that goes to the MPOs is a percentage of actual federal funds received, these allocations will be adjusted to reflect the final values made available to the state, using the same ratios.

For both MPOs, the allocation formula was also applied to the Flexible 3% portion of the STIP. Additionally, a category of preventative maintenance and CMAQ funds was sub-allocated to both MPOs.

For FMATS additional money was allocated to help the transition covering 75% of the cost of two large on-going projects already begun in that community—University Avenue Widening and Illinois-Barnette & Bridge. Both of these projects are time traps as well.

In addition, both MPOs are eligible for HSIP (highway safety improvement program) funds, and can also compete for statewide CMAQ funds.

### Is this allocation equitable?

Outside Alaska, the other 49 states derive funding to the MPOs in their jurisdiction based on a national formula established in federal law. Were this same formula applicable to Alaska (federal law exempts Alaska at present time) the funds allocated to the MPOs would be about 20% of the amount allocated in the formula developed by Alaska DOT.

Another method of comparison is to evaluate the allocations by ratios to population served and existing extent of the road network in each area. By these comparisons, the two MPOs both receive substantially more funding per centerline mile of existing road than the remainder of the state. On a per capita basis, the FMATS MPO is above the remainder of the state, and AMATS receives less on this basis. These comparisons do not include federal funds allocated to the NHS or AHS, nor earmarks and other non-flexible funds such as transit or ferry funding.

## Comparison of Average of 2004 & 2005 Federal Formula Funds Allocation by Population and Centerline Mile

| Area    | \$ Per CL Mile | \$ Per Capita |
|---------|----------------|---------------|
| AMATS   | \$32,946       | \$172.61      |
| FMATS   | \$18,172       | \$267.27      |
| Non-MPO | \$11,570       | \$215.60      |

## Intelligent Transportation Systems

Intelligent Transportation Systems (ITS) is the application of computers, communications, and sensor technology to the transportation system. Used effectively, ITS opens the door to new ways of understanding, operating, expanding, refining, reconfiguring and using the transportation system. To date, Congress has provided significant earmarks of ITS funds for Alaska.



### FHWA final rule/FTA policy on ITS:

On January 8, 2001 the US DOT published two important and related documents in the Federal Register: The FHWA Final Rule on the National ITS Architecture and the FTA's Policy on the National ITS Architecture. The Rule/Policy implements Section 5206(e) of TEA-21, which requires that all ITS project funded from the Highway Trust Fund be in conformance with the National ITS Architecture and National ITS Standards.

The National ITS Architecture is a common framework that defines the system components, key functions, organizations involved in developing an architecture, and the type of information to be shared between organizations and between parts of the system. Because it's unlikely that the entire National ITS Architecture would be fully implemented, the

Rule/Policy requires that the National ITS Architecture be used to develop a regional ITS architecture. Currently, the ADOT&PF have implemented a statewide architecture called the *Alaska Iways Architecture Implementation*.

### Alaska ITS program: iways

The ADOT&PF adopted *iways* as a user-friendly term for ITS. "i" stands for integration, intelligence, internet and information. "ways" is multi-modal to include air, sea and roadways since Alaska is reliant on all modes of travel.

### Iways applications

Following are significant near-term applications in Alaska:

- ♦ Road Weather Information Systems (RWIS): RWIS are road weather sensors along the state highway corridors that maintenance personnel use to determine deicing and snow removal operations. Information is also available to the public for real-time road condition information. The information on this web site has rapidly become one of the most visited.
- ♦ 511 Travel In the Know: Near real-time and real-time travel information is available on the web or by phone. The public can access <http://511.Alaska.gov> on the web or dial 5-1-1 anywhere in the state to get urgent reports, driving conditions, roadwork, ferry arrival/departure information and more.
- ♦ ITS/CVO: Advanced technology is improving commercial vehicle operations (CVO). The Infra-Red Inspection System (IRIS) is a mobile inspection van using optical scanning technology. Inspectors use IRIS to make accurate, on the spot determination of malfunctioning braking systems.
- ♦ Land Mobile Radio Communications (LMRS): Land mobile radios will improve communications among transportation maintenance personnel and other agencies during emergency situations.

## Glossary of Terms

**ADOT&PF** – Alaska Department of Transportation and Public Facilities – The agency within Alaska state government empowered to own, operate, plan, design and construct transportation facilities.

**AC or Advance Construction** – This is a financial tool permitted under FHWA rules. With approval of the FHWA the state may begin a federally funded project early, prior to the availability of federal funds to reimburse the project. With this flexibility the state can construct a federally eligible project one or more years before reimbursement, taking advantage of federal funds prior to their availability.

**ADEC** – Alaska Department of Environmental Conservation – The agency within Alaska state government responsible for air quality programs, including transportation air quality matters.

**AHS** – Alaska Highway System – The Alaska Highway System is composed of those transportation facilities, excluding those on the National Highway System, that provide greater utility to Alaska as a whole, than to individual communities.

**AIP** – Airport Improvement Program – A schedule of projects for airports throughout the state, funded with Federal Aviation Administration funds.

**AMATS** – Anchorage Metropolitan Area Transportation Solutions – A joint local-state planning and programming organization, designated as the Metropolitan Planning Organization for Anchorage and charged with developing a Transportation Improvement Program for the Anchorage urbanized area in compliance with the current federal surface transportation law.

**AMHS** – The Alaska Marine Highway System – The department's system of vessels, terminals and routes that link most of Alaska's coastal communities from the Aleutians to Southeast.

**Apportionments** – Program funding levels authorized from the federal Highway Trust Fund. These amounts are calculated annually and distributed to states. They are available for four years, typically. Expenditures of apportionments are generally subject to and limited by annually appropriated obligation authority.

**ARRC** – Alaska Railroad Corporation – a state owned agency responsible for management and operation of the Alaska Railroad.

**Bridge Discretionary Program** – A competitive program administered by the FHWA for major bridge replacement or for new bridges that replace ferry routes.

**BIA** – Bureau of Indian Affairs – Some federal funds are allocated directly to the BIA for ultimate distribution to Alaska Native villages. These funds must be included in the STIP but are not controlled or allocated by the State.

**CMAQ** – Congestion Mitigation/Air Quality – A specific funding program targeted to reducing air pollutants in nonattainment areas, specifically Anchorage, Eagle River, Fairbanks and Juneau.

**Community Access Projects** – Priority projects that have been defined to improve community connectivity to the state's transportation networks, improving the movement of people and goods, strengthening local economies and taking advantage of local infrastructure proximity. Funding may include STIP funds or other sources.

**Conformity** – A federally required process used to ascertain if proposed transportation plans or projects will reduce emissions of pollutants in areas that are considered to be in nonattainment. Generally speaking, plans, such as the TIP and STIP and individual projects must be reviewed for conformity. Absent a finding of conformity, such decisions, except for specified categories of projects, plans or projects cannot be implemented in the nonattainment areas.

**CTP** – Community Transportation Program – A program of the Alaska Department of Transportation and Public Facilities that addresses a wide range of community transportation modes, including rural and urban roads, remote, ITS and transit.

**Discretionary Funding** – Several dedicated funding sources wherein projects compete nationally including Ferry Boat, Bridge, Scenic Byways and Public Lands.

**Earmark** – Earmark or earmarked projects have been selected during the Congressional approval process as to funding amount, purpose and geographic location. The state has no authority to change these requirements.

**Environmental Justice** – An emerging federal requirement, based on Title VI of the 1964 Civil Rights Act and Executive Order #12898, 1994. The essence of this Executive Order, pertaining to transportation issues, is the requirement that the delivery of transportation benefits shall be equitable with regard to populations protected under the Civil Rights Act.

**ER or Emergency Repair**—Special federal funding allocated to projects that repair damage caused by natural disaster. We are waiting for reimbursement of expenditures for the Denali Earthquake damage to our highways. Federal appropriations in 2003 were not sufficient to cover the nationwide natural disasters and therefore, Alaska is delaying reimbursement of the Emergency Repairs until additional federal funds are appropriated.

**Forest Highway Program** – A funding program for public highways on federal lands administered directly by the FHWA. In Alaska this program uses a three-agency project selection committee including FHWA, the US Forest Service and ADOT&PF. These funds must be included in the STIP but are not controlled or allocated by the state.

**Ferry Boat Discretionary Program** – A program administered by the FHWA for ferry and terminal projects. Under TEA-21 Alaska receives \$10 million annually in specified

funds from the program and is further eligible for nationwide competition for the unspecified portion of the program.

**FAA** – Federal Aviation Administration – The federal agency of the US Department of Transportation responsible for funding airport and aviation projects.

**FFY** – Federal Fiscal Year – The period October 1 – September 30. For example, the FFY 2004 is the period October 1, 2003 – September 30, 2004.

**FHWA** – Federal Highway Administration – The federal agency of the US Department of Transportation responsible for funding highways, trails and ferry projects.

**FMATS** - Fairbanks Metropolitan Area Transportation System – A joint local-state planning and programming organization, designated as the Metropolitan Planning Organization for the North Star Borough and Cities of Fairbanks and North Pole. The MPO is charged with developing a Transportation Improvement Program for the Fairbanks urbanized area in compliance with the current federal surface transportation law.

**FRA** – Federal Railroad Administration – The federal agency of the US Department of Transportation responsible for railroad issues.

**FTA** – Federal Transit Administration – The federal agency of the US Department of Transportation responsible for funding transit projects.

**High Priority Funding** – Dedicated funds for specific projects established in federal law. Also known as demonstration (demo) or earmarked projects.

**Industrial Access Projects**—Priority projects identified to enhance the state's economic development through transportation infrastructure investment. Funding may be STIP or other sources.

**ISTEA** – Intermodal Surface Transportation Efficiency Act of 1991 – An act of Congress providing funding authorization for highways, safety, and mass transportation for a six-year period for federal fiscal years 1992 through 1997. This law was responsible for some new programs, such as CMAQ and Transportation Enhancements, and implementing the STIP planning requirements.

**ITS** – Intelligent Transportation System – A range of technologies designed to improve the effectiveness of existing and new transportation investments. There are several possible ITS applications within Alaska that are under consideration.

**MPO** – Metropolitan Planning Organization – The forum for cooperative transportation decision making for an urbanized area involving multiple government agencies. In Alaska, Anchorage and Fairbanks are the only MPOs, known as AMATS and FMATS respectively.

**NAAQS** – National Ambient Air Quality Standard – Standards established in the Clean Air Act for various pollutants. Those most concerning Alaska transportation issues are CO (carbon monoxide) and PM (particulate matter – dust and smoke).

**Needs List** – Transportation Needs and Priorities in Alaska – A document of the Alaska Department of Transportation and Public Facilities that lists all desired transportation projects in the state, including highways, ferries, trails, transit, airports, harbors, and buildings. The Needs List is used as a starting point for preparation of the STIP.

**NHS** – National Highway System – The most important highways and ferry routes in the United States. Congress must approve NHS designations based on recommendations by the FHWA.

**Nonattainment Area** – A designated geographic area, which based on long-term air quality sampling, has been found to be in nonattainment for one or more NAAQS. In Alaska, there are four nonattainment areas: Juneau-Mendenhall Valley, Anchorage, Eagle River and Fairbanks.

**Non-metropolitan consultation rule** – changes to federal regulations (23 CFR 450) were instituted in February 2003 requiring state's to institute new procedures for consulting with non-metropolitan area local officials on transportation planning issues, including the Statewide Transportation Plan (SWTP) and the Statewide Transportation Improvement Program. These new procedures must be adopted by ADOT&PF by February 24, 2004.

**Obligation Authority** – The total amount of federal highway funds that can be authorized for projects in a given FFY. This amount results from annual Congressional appropriations and has historically been less than the annual total program apportionments authorized by TEA-21 and predecessor legislation.

**PEB** – Project Evaluation Board – The board empowered to evaluate and score projects; it is a team of managers from the Alaska Department of Transportation and Public Facilities. There is a board for surface transportation and another for aviation.

**Public Lands Discretionary** – A program administered by the FHWA under Federal Lands Highways for highways on public lands. Alaska can apply for nationwide competitive funds annually.

**Regional Transportation Plan** – Also known as an "area transportation plan", a detailed multimodal plan for a region or geographical area within Alaska prepared by the ADOT&PF. As defined, the regional transportation plans are an element of the SWTP and comprise the recommended projects for the SWTP for a given region. Several regional transportation plans are currently in progress. The plans for Southeast Alaska, Prince William Sound and Yukon-Kuskokwim Area Plans are complete. The Northwest Area Transportation Plan will be complete after public review is finished and assimilated. The Southeast Alaska Transportation Plan is being updated.

SHAKWAK/Alaska – Otherwise unusable federal program authorization transferred to a special fund. These funds do not require state match and have no expiration date. SHAKWAK funds, by federal law, are limited to projects for the AMHS and Haines Highway.

SHAKWAK/Canada – Special funds available for use on the Alaska Highway and Haines Cutoff in Canada. These funds do not decrease Alaska's share of federal-aid highway funding.

SIP – State Implementation Plan – A state (ADEC) prepared plan defining how the NAAQS will be met in areas currently defined by the US EPA as not meeting national standards for air quality. Transportation elements called for in the SIP are eligible for CMAQ funds and must be implemented in the year defined in the SIP.

STIP – State Transportation Improvement Program – A staged, multi-year, statewide, intermodal program of surface transportation projects which is governed by surface transportation regulations and funded primarily with surface transportation program funds. The STIP is prepared by ADOT&PF and is approved by FTA and FHWA.

SwTP – Statewide Transportation Plan – A federally required plan upon which projects in the STIP are developed. In Alaska the SwTP is a policy plan for the state as a whole. Regional plans are prepared for individual areas of the state, which outline recommended projects and are each an element of the Statewide Plan.

TCSP – Transportation and Community and System Preservation Program – A discretionary grant program providing funds for comprehensive initiative of research and grants to investigate the relationships between transportation and community and system preservation and private sector-based initiatives.

TEA-21 – Transportation Equity Act for the 21<sup>st</sup> Century – The most current law describing the surface transportation policy of the United States and making program allocations for funding in various categories to the states. The law is valid from 1998 – 2003 and has been extended until March 1, 2004.

TIP – Transportation Improvement Program – A subset of the STIP developed by AMATS or FMATS for transportation projects within the MPO boundary.

"Time Trap" – By federal highway regulations, a project must proceed to the earlier of construction or right of way acquisition within 10 years. The consequences are that the state may have to repay any expenditures that have been reimbursed.

TRAAK – Trails and Recreational Access for Alaska – A program of the ADOT&PF and the Alaska Department of Natural Resources that address trails, scenic highways, recreational access points and interpretive facilities.

code of  
federal regulations

*Serrano*

Highways

23

Revised as of April 1, 1999

CONTAINING  
A CODIFICATION OF DOCUMENTS  
OF GENERAL APPLICABILITY  
AND FUTURE EFFECT

AS OF APRIL 1, 1999

*With Ancillaries*

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the Office of the Federal Register  
National Archives and Records  
Administration

as a Special Edition of  
the Federal Register



meet, to an acceptable degree, the requirements of 23 U.S.C. 135 and these regulations (including subpart C where a metropolitan TIP is involved), they will approve the STIP. Approval action will take one of the following forms, as appropriate:

- (1) Joint approval of the STIP;
- (2) Joint approval of the STIP subject to certain corrective actions being taken;
- (3) Joint approval of the STIP as the basis for approval of identified categories of projects; and/or
- (4) Under special circumstances, joint approval of a partial STIP covering only a portion of the State.
  - (i) The joint approval period for a new STIP or amended STIP will not exceed two years. Where the State demonstrates that extenuating circumstances will delay the submittal of a new STIP or amended STIP for approval, FHWA and FTA will consider and take appropriate action on requests to extend the approval beyond two years for all or part of the STIP for a limited period of time. Where the request involves projects in a metropolitan planning area(s), the affected MPO(s) must concur in the request and if the delay was due to the development and approval of the TIP, the affected MPO(s) must provide supporting information for the request. If non-attainment and/or maintenance areas are involved, a request for an extension cannot be granted if the conformity determination on the TIP is no longer valid under EPA's conformity regulations (40 CFR part 51).
  - (e) If, upon review, the FHWA and the FTA Administrators jointly determine that the STIP or amendment does not substantially meet the requirements of 23 U.S.C. 135 and this part for any identified categories of projects, they will not approve the STIP.
  - (f) The FHWA and the FTA will notify the State of actions taken under this section.
  - (g) Where necessary in order to maintain or establish operations, the Federal Transit Administrator and/or the Federal Highway Administrator may approve operating assistance for specific projects or programs even though the projects or programs may not be included in an approved STIP.

**§ 450.222 Project selection for implementation.**

- (a) Except as provided in §§ 450.220(f) and 450.216(a)(7), only projects included in the Federally approved STIP shall be eligible for funds administered by the FHWA or the FTA.
- (b) In metropolitan planning areas, transportation projects requiring title 23 or Federal Transit Act funds administered by the FHWA or the FTA shall be selected in accordance with procedures established pursuant to the project selection portion of the metropolitan planning regulation in subpart C of this part.
- (c) Outside metropolitan planning areas, transportation projects undertaken on the National Highway System with title 23 funds and under the bridge and interstate maintenance programs shall be selected by the State in consultation with the affected local officials. Federal lands highway projects shall be selected in accordance with 23 U.S.C. 204. Other transportation projects undertaken with funds administered by the FHWA shall be selected by the State in cooperation with the affected local officials, and projects undertaken with Federal Transit Act funds shall be selected by the State in cooperation with the appropriate affected local officials and transit operators.
- (d) The projects in the first year of an approved STIP shall constitute an "agreed to" list of projects for subsequent scheduling and implementation. No further project selection action is required for the implementing agency to proceed with these projects except that if appropriated Federal funds available are significantly less than the authorized amounts, § 450.332(a) provides for a revised list of "agreed to" projects to be developed upon the request of the State, MPO, or transit operators. If an implementing agency wishes to proceed with a project in the second and third year of the STIP, the specific project selection procedures stated in paragraphs (b) and (c) of this section must be used. Expedited allocation procedures which provide for the advancement of projects from the second or third year of the STIP may be used if agreed to by all the parties involved in the selection.

**§ 450.224 Phase-in of new requirements.**

The State shall, by January 1, 1995, identify the official statewide transportation plan, described under § 450.314, to be used as a basis for subsequently approved STIPs. Until such a plan is identified, but no later than January 1, 1995, the State may identify existing plans and policies which can serve as the official interim plan. STIP development shall be based upon a transportation plan which serves as the official plan (including an interim plan, if appropriate, prior to January 1, 1995, provided that all factors identified in § 450.208 are considered).

**Subpart C—Metropolitan Transportation Planning and Programming**

**§ 450.300 Purpose.**

The purpose of this subpart is to implement 23 U.S.C. 134 and section 8 of the Federal Transit Act, as amended, which require that a Metropolitan Planning Organization (MPO) be designated for each urbanized area and that the metropolitan area has a continuing, cooperative, and comprehensive transportation planning process that results in plans and programs that consider all transportation modes and supports metropolitan community development and social goals. These plans and programs shall lead to the development and operation of an integrated, intermodal transportation system that facilitates the efficient, economic movement of people and goods.

**§ 450.302 Applicability.**

The provisions of this subpart are applicable to agencies involved in the transportation planning, program development, and project selection processes in metropolitan planning areas.

**§ 450.304 Definitions.**

Except as otherwise provided in subpart A of this part, terms defined in 23 U.S.C. 101(a) are used in this part as so defined.

**§ 450.306 Metropolitan planning organization: Designations and redesignation.**

- (a) Designations of metropolitan planning organizations (MPOs) made after December 18, 1991, shall be by agreement among the Governor(s) and units of general purpose local governments representing 75 percent of the affected metropolitan population (including the central city or cities as defined by the Bureau of the Census), or in accordance with procedures established by applicable State or local law. To the extent possible, only one MPO shall be designated for each UZA or group of contiguousUZAs. More than one MPO may be designated within an UZA only if the Governor(s) determines that the size and complexity of the UZA make designation of more than one MPO appropriate.
  - (b) The designation shall clearly identify the policy body that is the forum for cooperative decisionmaking that will be taking the required approval actions as the MPO.
  - (c) To the extent possible, the MPO designated should be established under specific State legislation, State enabling legislation, or by interstate compact, and shall have authority to carry out metropolitan transportation planning.
  - (d) Redesignation (designation of a new MPO(s) to replace an existing MPO) shall occur by agreement of the Governor and affected local units of government representing 75 percent of the population in the entire metropolitan area. The central city(ies) must be among the units of local government agreeing to the redesignation.
  - (e) Nothing in this subpart shall be deemed to prohibit the MPO from utilizing the staff resources of other agencies to carry out selected elements of the planning process.
  - (f) Existing MPO designations remain valid until a new MPO is redesignated, unless revoked by the Governor and local units of government representing 75 percent of the population in the area served by the existing MPO (the central city(ies) must be among those desiring to revoke the MPO designation), or as otherwise provided under State or local procedures. If the Governor and

local officials decide to redesignate an existing MPO, but do not formally revoke the existing MPO designation, the existing MPO remains in effect until a new MPO is formally designated.

(g) Redesignation of an MPO in a multistate metropolitan area requires the approval of the Governor of each State and local officials representing 75 percent of the population in the entire metropolitan planning area. The local officials in the central city(ies) must be among those agreeing to the redesignation.

(h) Redesignation of an MPO covering more than one UZA requires the approval of the Governor and local officials representing 75 percent of the population in the metropolitan planning area covered by the current MPO; the local officials in the central city(ies) in each urbanized area must be among those agreeing to the redesignation.

(i) The voting membership of an MPO policy body designated/redesignated subsequent to December 18, 1991, and serving a TMA, must include representation of local elected officials, officials of agencies that administer or operate major modes or systems of transportation, e.g., transit operators, sponsors of major local airports, maritime ports, rail operators, etc. (including all transportation agencies that were included in the MPO on June 1, 1991), and appropriate State officials. Where agencies that operate other major modes of transportation do not already have a voice on existing MPOs, the MPOs (in cooperation with the States) are encouraged to provide such agencies a voice in the decisionmaking process, including representation/membership on the policy body and/or other appropriate committees. Further, where appropriate, existing MPOs should increase the representation of local elected officials on the policy board and other committees as a means for encouraging their greater involvement in MPO processes. Adding such representation to an MPO will not, in itself, constitute a redesignation action.

(j) Where the metropolitan planning area boundaries for a previously designated MPO need to be expanded, the membership on the MPO policy body

and other committees, should be reviewed to ensure that the added area has appropriate representation.

(k) Adding membership (e.g., local elected officials and operators of major modes or systems of transportation, or representatives of newly urbanized areas) to the policy body or expansion of the metropolitan planning area does not automatically require redesignation of the MPO. To the extent possible, it is encouraged that this be done without a formal redesignation. The Governor and MPO shall review the previous MPO designation, State and local law, MPO bylaws, etc., to determine if this can be accomplished without a formal redesignation. If redesignation is considered necessary, the existing MPO will remain in effect until a new MPO is formally designated or the existing designation is formally revoked in accordance with the procedures of this section.

#### § 450.308 Metropolitan planning organization: Metropolitan planning area boundaries.

(a) The metropolitan planning area boundary shall, as a minimum, cover the UZA(s) and the contiguous geographic area(s) likely to become urbanized within the twenty year forecast period covered by the transportation plan described in § 450.322 of this part. The boundary may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census. For geographic areas designated as nonattainment or maintenance areas (as created by the Clean Air Act Amendments of 1990 (CAAA)) for transportation related pollutants under the CAA, the boundaries of the metropolitan planning area shall include at least the boundaries of the nonattainment or maintenance areas, except as otherwise provided by agreement between the MPO and the Governor under the procedure specified in § 450.310(f) of this part. In the absence of a formal agreement between the Governor and the MPO to reduce the metropolitan planning area to an area less than the boundaries of the nonattainment or maintenance area, the entire nonattainment or maintenance

area is subject to the applicable provisions of this part. Where a portion of the nonattainment or maintenance area is excluded from the metropolitan planning area boundary, the STP funds suballocated to urbanized areas greater than 200,000 in population shall not be utilized for projects outside the metropolitan planning area boundary.

(b) The metropolitan planning area for a new UZA served by an existing or new MPO shall be established in accordance with these criteria. The current planning area boundaries for previously designated UZAs shall be reviewed and modified if necessary to comply with these criteria.

(c) In addition to the criteria in paragraph (a) of this section, the planning areas currently in use for all transportation modes should be reviewed before establishing the metropolitan planning area boundary. Where appropriate, adjustments should be made to reflect the most comprehensive boundary to foster an effective planning process that ensures connectivity between modes, reduces access disadvantages experienced by modal systems, and promotes efficient overall transportation investment strategies.

(d) Approval of metropolitan planning area boundaries by the FHWA or the FTA is not required. However, metropolitan planning area boundary maps must be submitted to the FHWA and the FTA after their approval by the MPO and the Governor.

#### § 450.310 Metropolitan planning organization: Agreements.

(a) The responsibilities for cooperatively carrying out transportation planning (including corridor and sub-area studies) and programming shall be clearly identified in an agreement or memorandum of understanding between the State and the MPO.

(b) There shall be an agreement between the MPO and operators of publicly owned transit services which specifies cooperative procedures for carrying out transportation planning (including corridor and subarea studies) and programming as required by this subpart.

(c) In nonattainment or maintenance areas, if the MPO is not designated for air quality planning

under section 174 of the Clean Air Act (42 U.S.C. 7504), there shall be an agreement between the MPO and the designated agency describing their respective roles and responsibilities for air quality related transportation planning.

(d) To the extent possible, there shall be one cooperative agreement containing the understandings required by paragraphs (a) through (c) of this section among the State, MPO, publicly owned operators of mass transportation services, and air quality agencies.

(e) Where the parties involved agree, the requirement for agreements specified in paragraphs (a), (b), and (c) of this section may be satisfied by including the responsibilities and procedures for carrying out a cooperative process in the unified planning work program or a prospectus as defined in § 450.314(c).

(f) If the metropolitan planning area does not include the entire nonattainment or maintenance area, there shall be an agreement among the State department of transportation, State air quality agency, affected local agencies, and the MPO describing the process for cooperative planning and analysis of all projects outside the metropolitan planning area but within the nonattainment or maintenance area. The agreement also must indicate how the total transportation related emissions for the nonattainment or maintenance area, including areas both within and outside the metropolitan planning area, will be treated for the purposes of determining conformity in accordance with the U.S. EPA conformity regulation (40 CFR part 51). The agreement shall address policy mechanisms for resolving conflicts concerning transportation related emissions that may arise between the metropolitan planning area and the portion of the nonattainment or maintenance area outside the metropolitan planning area. Proposals to exclude a portion of the nonattainment or maintenance area from the planning area boundary shall be coordinated with the FHWA, the FTA, the EPA, and the State air quality agency before a final decision is made.

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April 1, 2004

APR 5 2004

The Honorable Ben Stevens  
State Senator  
State Capitol Room 119  
Juneau, Alaska 99801-1182

Dear Senator Stevens,

### OMPO Policy Committee Composition

As requested by your staff, I am writing to describe the membership of the Oahu Metropolitan Planning Organization's Policy Committee. The Policy Committee is OMPO's decision-making body.


Since OMPO was established in 1975, its Policy Committee has always included state legislators. The first Policy Committee consisted of nine members from the Honolulu City Council, five members of the Hawaii Senate, and five members of the Hawaii House of Representatives.

In the mid-1980's, the Policy Committee's composition was reduced from 19 to 13 – five members from the Honolulu City Council, three members of the Hawaii Senate, three members of the Hawaii House of Representatives, a member appointed by the Governor of Hawaii, and a member appointed by the Mayor of Honolulu.

In 1997, the composition of the Policy Committee was again changed. In place of the Governor's and Mayor's appointees, the Hawaii Department of Transportation Director and the Honolulu Department of Transportation Services Director were made members.

Please call me if you have any further questions regarding this matter.

Sincerely,



Gordon G.W. Lum  
Executive Director

## OAHU METROPOLITAN PLANNING ORGANIZATION

# Policy Committee

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[\[Upcoming Meeting\]](#) [\[Past Meetings and Agendas\]](#)

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### About the Policy Committee

The Policy Committee is the "heart" of the OMPO planning process. It determines the direction of the OMPO effort, considers and approves transportation planning issues, and makes the final approval for OMPO matters.

The Policy Committee is made up of 13 members. Five members are from the City Council, including the chair of the Council's transportation committee. Three members are State senators, including the chair of the Senate's transportation committee. Three members are State representatives, including the chair of the House's transportation committee. One member is the Director of the State Department of Transportation (DOT) and one member is the Director of the City Department of Transportation Services (DTS).

### Policy Committee Members

Chair: Senator Cal Kawamoto

Vice Chair: Councilmember Nestor Garcia

#### Honolulu City Council:

- Romy Cachola
- Charles Djou
- Nestor Garcia
- Ann Kobayashi
- Gary Okino

#### State Senate:

- Brian Kanno
- Cal Kawamoto
- Gordon Trimble

#### House of Representatives:

- Kirk Caldwell
- Mark Moses
- Joseph Souki

#### State DOT Director:

- Rodney Haraga

**City DTS Director:**

- Cheryl Soon

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**[Back to OMPO Home](#)**

SB

279

# ALASKA STATE HOUSE OF REPRESENTATIVES

Session Address  
Alaska State Capital, Room 408  
Juneau, AK 99801  
Phone: 907-465-4527  
Fax: 907-465-2197



**Representative Carl Morgan, Chair  
District 6**

## MEMORANDUM

Date: May 6, 2004

To: Representative Pete Kott  
Speaker of the House

From: Representative Carl Morgan, Chair  
House Community and Regional Affairs Committee

Re: CSSB 279 (FIN) AHFC Water and Sewer bonds

---

I request that SB 279 "An Act authorizing and relating to the issuance of bonds by the Alaska Housing Finance Corporation for safe and clean water and hygienic sewage disposal facility capital projects and other capital projects; providing for the repayment of the bonds and bond costs; relating to the dividend paid to the state by the Alaska Housing Finance Corporation; and providing for an effective date." be waived from the House Community and Regional Affairs Committee. The following committees members have indicated their support by signing below.

Handwritten signature of Kelly Wolf.

Representative Kelly Wolf, Vice Chair

Handwritten signature of Ralph Samuels.

Representative Ralph Samuels

Handwritten signature of Tom Anderson.

Representative Tom Anderson

Handwritten signature of Sharon Cissna.

Representative Sharon Cissna

Handwritten signature of Pete Kott.

Representative Pete Kott

Handwritten signature of Albert Kookesh.

Representative Albert Kookesh

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: SB 279  
 (S) Publish Date: 1/23/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title Issuance of Bonds by AHFC for RDU Alaska Housing Finance Corp.  
Capital Projects Component Operations  
 Sponsor Rules Committee  
 Requester Governor Component No. 110

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2005    | FY 2006    | FY 2007    | FY 2008    | FY 2009    | FY 2010    |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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> |

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| <b>CAPITAL EXPENDITURES</b> |  |  |  |  |  |  |
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|-------------------------------|--|--|--|--|--|--|
| <b>CHANGE IN REVENUES ( )</b> |  |  |  |  |  |  |
|-------------------------------|--|--|--|--|--|--|

**FUND SOURCE** (Thousands of Dollars)

|   |            |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts                   |            |            |            |            |            |            |
| 1003 GF Match                           |            |            |            |            |            |            |
| 1004 GF                                 |            |            |            |            |            |            |
| 1005 GF/Program Receipts                |            |            |            |            |            |            |
| 1037 GF/Mental Health                   |            |            |            |            |            |            |
| Other (Specify Type--Do not abbreviate) |            |            |            |            |            |            |
| <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 (FY2004) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |

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

This bill authorizes the issuance of bonds by the Alaska Housing Finance Corporation for safe and clean water and hygienic sewage disposal facility capital projects and other capital projects.

This legislation will not have a fiscal impact on the Department of Revenue.

Prepared by: Bryan Butcher, Legislative Liaison/Special Assistant Phone 330-8445  
 Division Alaska Housing Finance Corporation Date/Time 12/31/03 9:03 AM  
 Approved by: Tomas Boutin, Deputy Commissioner Date 12/31/2003  
 Agency Department of Revenue

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: CSSB 279(STA)  
 (S) Publish Date: 2/13/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
 Title AHFC Water and Sewer Bonds RDU Alaska Housing Finance Corp.  
 Component Operations  
 Sponsor Rules Committee  
 Requester Governor Component No. 110

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2005    | FY 2006    | FY 2007    | FY 2008    | FY 2009    | FY 2010    |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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>0.0</b> | <b>(3,000.0)</b> | <b>(3,000.0)</b> | <b>(3,000.0)</b> | <b>(3,000.0)</b> | <b>(3,000.0)</b> |
|-------------------------------|------------|------------------|------------------|------------------|------------------|------------------|

**FUND SOURCE** (Thousands of Dollars)

|   |            |            |            |            |            |            |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts                   |            |            |            |            |            |            |
| 1003 GF Match                           |            |            |            |            |            |            |
| 1004 GF                                 |            |            |            |            |            |            |
| 1005 GF/Program Receipts                |            |            |            |            |            |            |
| 1037 GF/Mental Health                   |            |            |            |            |            |            |
| Other (Specify Type--Do not abbreviate) |            |            |            |            |            |            |
| <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 (FY2004) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |

**ANALYSIS:** *(Attach a separate page if necessary)*  
 Under AS 18.56.089(2)(a), activities of the corporation that relate to the issuance of obligations and the repayment of debt obligations are exempt from the provisions of the Executive Budget Act. These costs are included in the bond authorizations of the bill. Bonds issued under this legislation will be paid from the annual dividend to the state general fund under 18.56.089(c). This bond issuance will result in a reduction in the annual dividend. The term of the bonds is expected to be ten years.

Estimates for debt service and other costs are based on a number of assumptions, including future interest rates and bond ratings. Operational costs for issuing and monitoring these bonds will be done with existing personnel and within the authorized operating budget for FY2005 and beyond. No budget authorizations are necessary with this fiscal note.

Prepared by: Bryan Butcher, Legislative Liaison/Special Assistant Phone 330-8445  
 Division Alaska Housing Finance Corporations Date/Time 2/9/04 9:50 AM  
 Approved by: Tom Boutin, Deputy Commissioner Date 2/9/2004  
 Agency Department of Revenue



**Headquarters:**  
4300 Boniface Parkway  
Anchorage, AK 99504  
907-338-6100

**Mailing Address:**  
PO Box 101020  
Anchorage, AK 99510

**Internet Web Site:**  
<http://www.ahfc.state.ak.us>

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## **Senate Bill 279**

Senate Bill 279 will provide \$25 million for village safe and clean water and hygienic sewage disposal facilities projects and other capital projects. The village safe water projects that will be funded with bond proceeds have historically been funded through cash from the Corporation's annual dividend to the State.

Estimated debt service on the \$25 million in bonds, based on current interest rates, is approximately \$3 million per year for 10 years. These debt service payments, per Sections 2 and 4 of the bill, would be deducted from AHFC's annual Dividend provided for by AS18.56.089(c).

Preliminary indications from rating analysts are that there will be no negative impact upon the Corporation's ratings from this proposed issuance. Those indications are given based upon the passage of this bill and Senate Bill 274, which replaces the Housing Assistance Loan Fund (a rural revolving loan fund) with the Housing Assistance Loan Program (a rural loan program). This bill will allow the Corporation to transfer the loans to the General Account and leverage them to help strengthen the Corporation's General Account.



SB

328



# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
 Bill Version: SB 328  
 (S) Publish Date: 2/27/04

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
 Title National Forest Income RDU State Revenue Sharing (217)  
Program/DCED Regulations Component National Program Receipts  
 Sponsor Senator Stedman  
 Requester Senate Community & Regional Affairs Component No. 2480

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

| OPERATING EXPENDITURES | FY 2005    | FY 2006    | FY 2007    | FY 2008    | FY 2009    | FY 2010    |
|------------------------|------------|------------|------------|------------|------------|------------|
| 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> |

|                             |  |  |  |  |  |  |
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| <b>CAPITAL EXPENDITURES</b> |  |  |  |  |  |  |
|-----------------------------|--|--|--|--|--|--|

|                               |  |  |  |  |  |  |
|-------------------------------|--|--|--|--|--|--|
| <b>CHANGE IN REVENUES ( )</b> |  |  |  |  |  |  |
|-------------------------------|--|--|--|--|--|--|

**FUND SOURCE (Thousands of Dollars)**

| FUND SOURCE                             | FY 2005    | FY 2006    | FY 2007    | FY 2008    | FY 2009    | FY 2010    |
|---|------------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts                   |            |            |            |            |            |            |
| 1003 GF Match                           |            |            |            |            |            |            |
| 1004 GF                                 |            |            |            |            |            |            |
| 1005 GF/Program Receipts                |            |            |            |            |            |            |
| 1037 GF/Mental Health                   |            |            |            |            |            |            |
| Other (Specify Type--Do not abbreviate) |            |            |            |            |            |            |
| <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 (FY2004) cost: 0.0  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |

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

This legislation provides the Department with the authority to adopt regulations necessary to implement the revised federal forest receipts program. The federal program was revised with the passage of the "Secure Rural Schools and Self-Determination Act of 2000" (P.L. 106-393).

It also corrects a statutory problem created by the merger of the former Department of Commerce and Economic Development and former Department of Community and Regional Affairs by providing the Department with general regulation adoption authority to carry out its statutory functions.

Prepared by: Gene Kane, Director Phone (907) 269-4578  
 Division: Community Advocacy Date/Time 2/19/04 8:13 AM  
 Approved by: Edgar Blatchford, Commissioner Date 2/19/2004  
 Agency: Department of Community and Economic Development

23-LS1620\Q  
Bullock  
4/27/04

**HOUSE CS FOR CS FOR SS FOR SENATE BILL NO. 328(CRA)**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-THIRD LEGISLATURE - SECOND SESSION**

**BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): SENATOR STEDMAN**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the national forest income program in the Department of**  
2 **Community and Economic Development and to the authority of the department to adopt**  
3 **regulations; making conforming amendments; and providing for an effective date."**

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

5 **\* Section 1.** AS 41.15.180 is amended by adding new subsections to read:

6 (k) The department may adopt regulations necessary to implement this section  
7 that are consistent with federal law.

8 (l) If any provision of this section is determined by the department to be in  
9 conflict with federal requirements regarding the allocation of money received by the  
10 state from the federal government under (a) of this section, the provision that is in  
11 conflict is inoperative to the extent of the conflict. The determination does not affect  
12 the operation of any other provision of this section. Upon a determination that a  
13 provision of this section is in conflict with federal requirements regarding the  
14 allocation of money received from the federal government, the department may adopt

1 regulations that modify the requirements of that provision to the extent necessary to  
2 comply with the federal requirements.

3 (m) In this section, "number of children in average daily membership" means  
4 the number of full-time equivalent students enrolled in the city school district or  
5 regional educational attendance area, excluding correspondence students residing  
6 outside the school district's or regional educational attendance area's boundaries, that  
7 receives a share of the income from the public schools allocation of the fund created in  
8 (b) of this section.

9 \* Sec. 2. AS 44.33.020 is amended by adding a new section to read:

10 (b) The department may adopt regulations necessary to carry out its statutory  
11 functions.

12 \* Sec. 3. AS 44.33.113(a) is amended to read:

13 (a) If the governor delegates duties as described in AS 44.33.020(a)(11)  
14 [AS 44.33.020(11)] to the department, the department shall determine and assess an  
15 annual administrative cost charge for the administration of the state's role in the  
16 federal community development quota program. The department shall by regulation  
17 establish the method for implementing the charge in accordance with the provisions of  
18 this section. The department shall assess the charges on community development  
19 quota groups with approved community development plans for the fiscal year for  
20 which the charge is applicable. The community development quota group shall pay the  
21 charge.

22 \* Sec. 4. AS 44.33.113(c) is amended to read:

23 (c) The aggregate total of administrative cost charges to all CDQ groups for a  
24 fiscal year shall approximately equal, but may not exceed, the appropriations  
25 authorized for that fiscal year for the state's role under AS 44.33.020(a)(11)  
26 [AS 44.33.020(11)], less

27 (1) appropriations from sources of program receipts under  
28 AS 37.05.146(b) and (c) not collected under this section; and

29 (2) any reappropriations of charges collected under this section.

30 \* Sec. 5. AS 44.33.113(g) is amended to read:

31 (g) The department shall collect and enforce the administrative cost charge

1 assessed under this section. The receipts from the charge assessed under this section  
2 shall be deposited in the community development quota program account in the state  
3 treasury. Under AS 37.05.146(c), receipts from charges collected under this section  
4 shall be accounted for separately, and appropriations from the account are not made  
5 from the unrestricted general fund. The legislature may appropriate money from the  
6 community development quota program account for expenditures by the department  
7 for necessary costs incurred by the department in implementing any assigned role  
8 under AS 44.33.020(a)(11) [AS 44.33.020(11)] or for any other public purpose.

9 \* Sec. 6. AS 44.33.113(h) is amended to read:

10 (h) The Department of Administration shall identify the amount of the  
11 appropriations for the state's role under AS 44.33.020(a)(11) [AS 44.33.020(11)] that  
12 lapses into the general fund each year. The legislature may appropriate an amount  
13 equal to the lapsed amount to the community development quota program for its  
14 operating costs for the next fiscal year.

15 \* Sec. 7. AS 41.15.180(m), enacted in sec. 1 of this Act, takes effect July 1, 2005.

16 \* Sec. 8. Except as provided in sec. 7 of this Act, this Act takes effect immediately under  
17 AS 01.10.070(c).



April 23, 2004

Rep. Carl Morgan  
Alaska House of Representatives  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Morgan:

As you are aware, Senate Bill 328 was recently passed out of the Senate and referred to your Community and Regional Affairs Committee in the House.

This bill began strictly as a housekeeping measure to allow the State of Alaska to update regulations pertaining to the national forest receipts program. Unfortunately, the Senate Finance Committee amended the bill in such a way as to exclude some students residing in the national forest from funding eligibility from the national forest receipts program. If the amendment approved by the Senate Finance Committee is left intact, some public school students residing in the national forest will be eligible for national forest receipts funding, while others who also reside in the national forest will not. What makes matters worse is that the school districts that will be most adversely impacted by the change are those in rural areas here in Southeast Alaska.

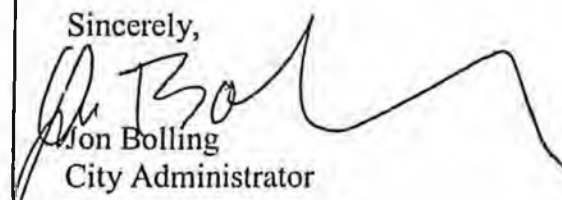
There is no rational basis for the exclusion of some national forest students from the program and the inclusion of others. Every public school student residing in the Tongass and Chugach National Forests should be treated equally under the implementation of the national forest receipts program. That was the intent of Congress for the program, and the State of Alaska has already implemented the program that way for many years.

It is also important to note that in the more than thirty years between Alaska statehood and 1992, rural Southeast Alaska communities were not permitted to receive national forest receipts. Instead the state paid those receipts to organized boroughs but not to the many municipal school districts in the unorganized borough that like their borough counterparts also operated and supported local schools. Now that payments to rural national forest communities are well established after a thirty year absence, I am uncertain why the Senate would again wish to selectively deny some public school students national forest receipt eligibility while continuing to allow it for others.

There is a simple and fair solution for SB 328. The solution is to reword the bill to allow every public school student residing in the national forest be counted in the implementation of the program. I know that Mr. Ron Erickson and Mr. Doc Waterman of the Craig City School District are scheduled to meet with you in Juneau this week to offer you language for SB 328 that results in a fair application of the program. I hope you will agree that their proposal is worthwhile.

Thank you for considering my comments.

Sincerely,

  
Jon Bolling  
City Administrator



March 27, 2004

Senator Bert Stedman  
State Capitol, Room 30  
Juneau, AK 99801-1182

Dear Sen. Stedman:

Thank you for taking the time to meet with me earlier this week to discuss SB 328. As I understand it, on Wednesday, March 24, the Senate Finance Committee considered adding language to the bill that would change the way national forest receipts (NFR) are paid to school districts. The change would disallow counting non-resident correspondence school students toward a school district's ADM for the purpose of receiving NFR. While I have not been told expressly why the proposed change is under consideration, I expect that some members of the committee believe that NFR payments should be more closely tied to students in and near the national forests in Alaska. There are three reasons why the Finance Committee should choose not to amend the bill they discussed last Wednesday.

First, the problems that the committee sees and hopes to solve with the proposed change to SB 328 will largely fix themselves in the coming year, even if the Senate Finance Committee does nothing. This is so because under new regulations out for public review from the Alaska Department of Education and Early Development, public correspondence schools will limit their enrollment to students who are not also enrolled full time in private schools. For its part, Craig's PACE program will reduce its enrollment from approximately 600 students to about only 150, most of who will be residents of Southeast Alaska. Therefore, not only will other unorganized borough communities receive more national forest receipts dollars, those students remaining in PACE will have a close tie to the national forest because they live in Southeast Alaska.

Second, the funding Craig receives from its next NFR payment in January is for students enrolled in its schools today. If the committee amends the bill to change the NFR formula, it will prevent Craig from receiving reimbursement of funds it has already spent to educate students.

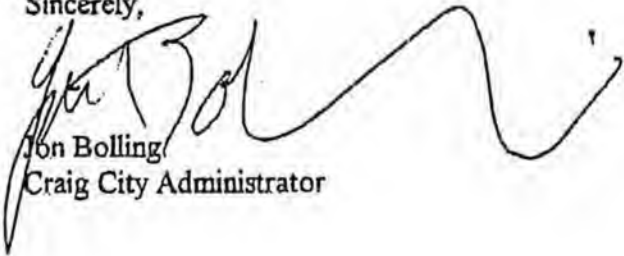
Third, the Craig City School District and PACE are already planning substantial reductions in staff and services in anticipation of its lower PACE enrollments and the resulting reduction in State foundation formula funding. The district is already preparing for a \$1.1 million drop in revenues for the coming year by cutting teaching and other staff. If the Finance Committee proceeds with its discussed change to SB 328, many more teaching staff will be laid off to account for an additional \$550,000 in cuts. The district would be forced to reduce its budget by nearly 25% for the coming year. I am sure the Senate Finance Committee would agree that such a revenue reduction is simply too much to force on a small school district in a single year.

The City of Craig and the Craig City School District would like to offer the committee an alternative to the change it proposes to SB 328. Our alternative meets the needs of the committee without also forcing needlessly austere cuts to the Craig City School District operating budget.

- Amendment*
- Postpone the effective date of SB 328 until July 1, 2005. The NFR payment that communities will receive in January, 2005 is based on the ADM established in October of 2003. The result is that school districts receive NFR payments only after those districts have already delivered educational services to students. If the effective date of the bill is postponed, it will allow school districts to receive NFR funding for students that those districts have already spent resources educating.
  - Change NFR eligibility to students who reside in the national forest. The committee should modify SB 328 so that NFR payments to school districts are based on students who reside in the Tongass or Chugach National Forests. Currently, correspondence school students who reside outside the Tongass or Chugach National Forests are counted toward a district's NFR payment. Changing AS 41.15.180 to limit the count to national forest resident students is more consistent with the intent of the national forest receipt program.

The two recommendations detailed above provide a sensible and timely change to the NFR program in Alaska. It is my hope that the Senate Finance Committee will concur and adopt these changes into SB 328 when the bill moves out of committee.

Sincerely,



Jon Bolling  
Craig City Administrator

# ALASKA STATE LEGISLATURE

## SESSION

State Capitol, Rm 30  
Juneau, Alaska 99801-1182  
(907) 465-3873 Phone  
(907) 465-3922 Fax  
(877) 463-3873 Toll Free  
Senator\_Bert\_Stedman@legis.state.ak.us



## INTERIM

50 Front Street  
Ketchikan, AK 99901-6442  
Phone (907) 225-8088  
Fax (907) 225-0713

## SENATOR BERT K. STEDMAN

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### SPONSOR STATEMENT CS SS SB 328

**"An Act relating to the National Forest income program in the Department of Community and Economic Development and to the authority of the department to adopt regulations; making conforming amendments; and providing an effective date."**

This legislation makes the statutory changes required for the Department of Community and Economic Development to disburse federal funds commonly referred to as the "Timber Receipts".

The "Secure Rural Schools and Community Self-Determination Act of 2000" (P.L. 106-393) made substantive changes to the federal program commonly known as National Forest Receipts. The Federal Act is subject to reauthorization in 2006.

National Forest Receipts are distributed to the State for schools and roads within the boundary of the national forest in which they are collected. The Senate Finance Committee amended the bill to define the student "average daily membership" for the purpose of distributing forest receipts within unorganized boroughs.

In order to address the federal changes, the Department of Community and Economic Development needs to amend its program regulations so the payments to communities located within the Tongass and Chugach National Forests would conform to the new federal requirements.

Subsequent to the adoption of the program regulation changes, the Department of Law advised the Department of Community and Economic Development that it lacks the statutory authority to implement the federal changes through its regulations. This legislation provides the Department with the authority to adopt regulations necessary to implement the revised federal program in a manner consistent with federal law.

This legislation also provides general regulation adoption authority for the Department to carry out its statutory functions. The change corrects a statutory problem created by the merger of the former Department of Commerce and Economic Development and the former Department of Community and Regional Affairs.



## Alaska State Legislature

Senate Majority Web: <http://www.akrepublicans.org>

Sponsor: Senator Bert Stedman  
Current Version: CSSSSB 328 (FIN)  
Contact: Dick Coosc, 465-3873  
Date: April 5, 2004

### Fact Sheet for: Senate Bill 328

**Short Title:** National Forest Receipts Program/DCED Regulations

**Summary:**

- Makes the statutory changes necessary for the Department of Community and Economic Development to disburse National Forest Receipts in accordance with the federal act providing these funds.
- Defines the student "average daily membership" for the purpose of distributing forest receipts within unorganized boroughs.

**Benefits:**

- Provides the DCED with the authority to adopt regulations necessary to implement the revised federal program in a manner consistent with federal law.
- Allows federal forest receipts to flow through to schools as intended.

**Background:**

National Forest Receipts are distributed to the State for schools and roads within the boundary of the national forest in which they are collected. The "Secure Rural Schools and Community Self-Determination Act of 2000" (P.L. 106-393) made substantive changes to the federal program, necessitating the conforming changes made by SB 328.

Department of Education and Early Development

Prepared by Mindy Lobaugh

Prepared 3/24/04

FY04 Statewide  
Correspondence

|                   | ACS    | Extension<br>Prog<br>(Chugach) | Copper<br>River | PACE<br>(Craig) | Cyber<br>(Delta/<br>Greely) | PEAK<br>(Denali) | IDEA<br>(Galena) | Distance<br>Learning<br>(Iditarod) | Horizon<br>Charter<br>(Mat-Su) | CyberLynx<br>(Nenana) | Tanana | Raven<br>(Yukon<br>Koyukuk) | TOTAL BY<br>DISTRICT |
|-------------------|--------|--------------------------------|-----------------|-----------------|-----------------------------|------------------|------------------|------------------------------------|--------------------------------|-----------------------|--------|-----------------------------|----------------------|
| Alaska Gateway    |        | 3.00                           |                 |                 |                             |                  | 10.00            | 0.25                               |                                | 1.00                  |        | 12.00                       | 26.25                |
| Aleutian Region   |        |                                |                 |                 |                             |                  | 6.00             |                                    |                                |                       |        |                             | 6.00                 |
| Aleutians East    |        |                                |                 |                 |                             |                  | 3.00             |                                    |                                | 0.80                  |        |                             | 3.80                 |
| Anchorage         | 173.49 | 11.70                          | 37.75           | 280.94          | 188.10                      | 241.75           | 853.13           | 57.00                              | 101.47                         | 266.80                | 24.50  | 173.99                      | 2,237.13             |
| Annette Island    | 3.00   |                                |                 | 1.00            |                             |                  | 1.00             |                                    |                                |                       |        |                             | 2.00                 |
| Bering Strait     | 1.00   |                                |                 |                 |                             |                  | 1.00             |                                    |                                |                       |        | 1.00                        | 2.00                 |
| Bristol Bay       |        | 1.00                           |                 |                 |                             |                  | -                |                                    |                                | 5.90                  |        |                             | 6.90                 |
| Chatham           | 4.00   |                                |                 |                 |                             |                  | 4.25             |                                    |                                |                       |        |                             | 4.25                 |
| Chugach           |        | 1.00                           |                 |                 |                             |                  |                  |                                    |                                |                       |        |                             | 1.00                 |
| Copper River      | 7.60   | 8.00                           | 34.65           |                 | 1.00                        |                  | 58.00            |                                    |                                |                       |        | 4.00                        | 105.65               |
| Cordova           |        | 11.40                          |                 |                 |                             |                  | 6.00             |                                    |                                |                       |        |                             | 17.40                |
| Craig             | 1.25   |                                |                 | 6.00            |                             |                  | 9.00             |                                    |                                | 1.00                  |        |                             | 16.00                |
| Delta/Greely      | 1.00   |                                |                 |                 | 56.35                       |                  | 68.00            |                                    |                                | 1.00                  |        | 56.00                       | 181.35               |
| Denali            |        |                                |                 |                 |                             | 8.50             | 9.75             |                                    | 1.00                           | 1.00                  |        | 1.00                        | 21.25                |
| Dillingham        | 1.00   |                                |                 | 2.00            |                             |                  | 19.00            |                                    |                                |                       |        | 1.00                        | 22.00                |
| Fairbanks         | 27.10  | 37.50                          |                 | 14.00           |                             | 3.75             | 759.30           | 1.00                               |                                | 156.31                |        | 453.68                      | 1,425.54             |
| Galena            | 1.00   |                                |                 |                 |                             |                  | 4.25             |                                    |                                |                       |        |                             | 4.25                 |
| Haines            | 4.00   |                                |                 |                 |                             |                  | 4.00             |                                    |                                |                       |        |                             | 4.00                 |
| Hoonah            | 0.80   |                                |                 | 1.00            |                             |                  | 11.55            |                                    |                                | 2.00                  |        |                             | 14.55                |
| Hydaburg          | 1.00   |                                |                 |                 |                             |                  | -                |                                    |                                |                       |        |                             | -                    |
| Iditarod Area     |        |                                |                 |                 |                             |                  | 2.00             | 9.60                               |                                |                       |        |                             | 11.60                |
| Juneau            | 52.20  |                                |                 | 6.00            |                             | 1.00             | 196.25           |                                    |                                | 5.00                  |        | 116.35                      | 324.60               |
| Kake              |        |                                |                 |                 |                             |                  |                  |                                    |                                |                       |        |                             | -                    |
| Kashunamiut       | 0.70   |                                |                 |                 |                             |                  |                  |                                    |                                |                       |        |                             | -                    |
| Kenai Peninsula   | 23.50  | 1.00                           | 21.00           | 2.00            | 18.25                       |                  | 559.25           |                                    |                                | 12.65                 |        | 14.40                       | 628.55               |
| Ketchikan Gateway | 2.80   |                                |                 | 215.90          |                             |                  | 13.00            | 2.00                               |                                |                       |        |                             | 230.90               |
| Klawock           |        |                                |                 | 1.00            |                             |                  | 2.00             |                                    |                                |                       |        |                             | 3.00                 |
| Kodiak Island     | 8.90   |                                |                 | 1.00            | 93.50                       |                  | 75.50            |                                    |                                |                       |        |                             | 170.00               |
| Kuspuk            | 1.50   |                                |                 |                 |                             |                  | 2.00             |                                    |                                |                       |        |                             | 2.00                 |
| Lake & Peninsula  | 3.30   |                                |                 |                 |                             |                  | 0.25             |                                    |                                | 2.00                  |        |                             | 2.25                 |
| Lower Kuskokwim   | 8.69   |                                |                 |                 |                             |                  | 8.00             |                                    | 2.00                           | 2.00                  |        | 6.00                        | 18.00                |
| Lower Yukon       |        |                                |                 |                 |                             |                  | 1.00             |                                    |                                |                       |        | 1.00                        | 2.00                 |
| Mat-Su            | 24.30  | 4.00                           | 31.10           | 14.00           | 1.74                        | 3.00             | 781.65           | 11.00                              | 846.40                         | 215.10                | 4.00   | 43.75                       | 1,955.74             |
| Nenana            |        |                                |                 |                 |                             | 4.00             | 7.00             |                                    |                                | 4.00                  |        | 6.00                        | 21.00                |
| Nome              | 4.25   | 5.00                           |                 | 0.85            |                             |                  | 26.25            |                                    |                                | 1.50                  |        |                             | 33.60                |
| North Slope       | 1.50   | 1.00                           |                 |                 |                             |                  | 8.00             |                                    |                                |                       |        |                             | 9.00                 |
| Northwest Arctic  | 5.15   |                                |                 |                 |                             |                  | 3.00             |                                    |                                | 1.00                  |        | 2.00                        | 6.00                 |
| Pelican           | 1.00   |                                |                 |                 |                             |                  |                  |                                    |                                |                       |        |                             | -                    |
| Petersburg        | 5.45   |                                |                 | 2.00            |                             |                  | 31.00            |                                    |                                |                       |        |                             | 33.00                |
| Pribilof          | 1.00   |                                |                 |                 |                             |                  |                  |                                    |                                |                       |        |                             | -                    |
| Saint Mary's      |        |                                |                 |                 |                             |                  |                  |                                    |                                |                       |        |                             | -                    |
| Sitka             | 4.25   |                                |                 |                 |                             |                  | 17.25            |                                    |                                |                       |        |                             | 17.25                |

# ALASKA STATE HOUSE OF REPRESENTATIVES

Representative Carl Morgan, Chair  
Representative Kelly Wolf, Vice Chair  
Representative Tom Anderson  
Representative Ralph Samuels  
Representative Pete Kott  
Representative Sharon Cissna  
Representative Albert Kookesh



Alaska State Capital, Room 408  
Juneau, AK 99801-1182  
Telephone: (907) 465-3882  
Fax: (907) 465-4527  
representative\_carl\_morgan@legis.state.ak.us

## HOUSE COMMITTEE ON COMMUNITY AND REGIONAL AFFAIRS Representative Carl Morgan, Chair

### AGENDA

State Capital 124  
April 29, 2004  
8:00 am – 10:00 am

- Call to Order
- SB 328 National Forest income Program – DCED Regulations
- Next meeting is soon!
- Adjourn

Department of Education and Early Development

Prepared by Mindy Lobaugh

Prepared 3/24/04

FY04 Statewide  
Correspondence

|                  | ACS           | Extension<br>Prog<br>(Chugach) | Copper<br>River | PACE<br>(Craig) | Cyber<br>(Delta/<br>Greely) | PEAK<br>(Denali) | IDEA<br>(Galena) | Distance<br>Learning<br>(Iditarod) | Horizon<br>Charter<br>(Mat-Su) | CyberLynx<br>(Nenana) | Tanana       | Raven<br>(Yukon<br>Koyukuk) | TOTAL BY<br>DISTRICT |
|------------------|---------------|--------------------------------|-----------------|-----------------|-----------------------------|------------------|------------------|------------------------------------|--------------------------------|-----------------------|--------------|-----------------------------|----------------------|
| Skagway          |               |                                |                 |                 |                             |                  | 1.00             |                                    |                                |                       |              |                             | 1.00                 |
| Southeast Island | 6.35          |                                |                 | 1.00            |                             |                  |                  |                                    |                                | 1.00                  |              |                             | 2.00                 |
| Southwest Region | 7.00          |                                |                 | 13.00           |                             |                  | -                |                                    |                                | 2.00                  |              | 1.00                        | 16.00                |
| Tanana           |               |                                |                 |                 |                             |                  |                  |                                    |                                |                       | 1.00         |                             | 1.00                 |
| Unalaska         | 2.00          |                                |                 |                 |                             |                  | 7.80             |                                    |                                |                       |              |                             | 7.80                 |
| Valdez           | 3.75          | 20.65                          | 1.60            | 3.00            |                             |                  | 3.00             |                                    |                                | 1.00                  |              | 1.00                        | 30.25                |
| Wrangell         | 1.25          | 4.00                           |                 | 9.00            |                             |                  | 9.75             |                                    |                                |                       |              |                             | 22.75                |
| Yakutat          | 4.75          |                                |                 |                 |                             |                  |                  |                                    |                                | 1.00                  |              | 5.00                        | 6.00                 |
| Yukon Flats      | 3.00          |                                |                 |                 |                             |                  | 3.00             |                                    |                                | 1.00                  |              | 9.00                        | 13.00                |
| Yukon/Koyukuk    |               | 2.00                           |                 |                 |                             |                  | 5.00             |                                    |                                | 0.60                  |              | 7.00                        | 14.60                |
| Yupitit          |               |                                |                 |                 |                             |                  |                  |                                    |                                |                       |              |                             | -                    |
| OUT OF STATE     | 8.95          | 2.00                           | -               | -               | 5.00                        | 4.00             | 77.25            | 2.00                               | 3.00                           | 38.56                 | -            | 31.85                       | 163.66               |
| <b>TOTAL</b>     | <b>411.78</b> | <b>113.25</b>                  | <b>126.10</b>   | <b>573.69</b>   | <b>363.94</b>               | <b>266.00</b>    | <b>3,667.43</b>  | <b>82.85</b>                       | <b>953.87</b>                  | <b>724.22</b>         | <b>29.50</b> | <b>947.02</b>               | <b>7,847.87</b>      |

G:\DistSup\S04\Foundation\Requests\StatewideCorrespondenceDistrict\_of\_Res.xls\Summary of Statewide Coresp ADM

**ESTIMATED**  
**FY 05 National Forest Receipt School Payments**  
**FY 04 Total ADM**

vs.

**FY 04 Total ADM Less Correspondence ADM** *(AVERAGE DAILY MILE MEMBERSHIP)*

| Tongass National Forest<br>Unorganized Borough<br>School Districts | FY 04<br>Total ADM | FY 04<br>Correspondence<br>ADM | FY 05 NFR School<br>Payment Based On<br>Total ADM | FY 05 NFR School<br>Payment Without<br>Correspondence ADM | Difference In<br>Funding |
|--|--------------------|--------------------------------|---|---|--------------------------|
| Craig  | 955.44             | 573.69                         | \$1,105,263                                       | \$532,512   | -\$572,751               |
| Hoonah   | 179.40             | 0.00                           | \$207,532   | \$250,249   | \$42,717                 |
| Hydaburg   | 86.85              | 0.00                           | \$100,469   | \$121,149   | \$20,680                 |
| Kake   | 155.15             | 0.00                           | \$179,479   | \$216,422   | \$36,943                 |
| Klawock  | 147.68             | 0.00                           | \$170,838   | \$206,002   | \$35,164                 |
| Pelican  | 15.00              | 0.00                           | \$20,719  | \$24,984  | \$4,265                  |
| Petersburg   | 657.45             | 0.00                           | \$760,545   | \$917,092   | \$156,547                |
| Skagway  | 105.83             | 0.00                           | \$122,425   | \$147,625   | \$25,200                 |
| Wrangell   | 391.78             | 0.00                           | \$453,215   | \$546,503   | \$93,288                 |
| Annette Island REAA  | 287.50             | 0.00                           | \$332,583   | \$401,040   | \$68,457                 |
| Chatham REAA   | 215.00             | 0.00                           | \$248,714   | \$299,909   | \$51,195                 |
| Southeast Island REAA  | 219.80             | 9.57                           | \$254,267   | \$293,255   | \$38,988                 |

**FAX TRANSMITTAL INFORMATION SHEET****ALASKA DEPARTMENT OF EDUCATION & EARLY DEVELOPMENT**

Division of Education Support Services  
801 West 10th Street, Suite 200  
Juneau, AK 99801-1894

DATE: 4/23/04

TIME: \_\_\_\_\_

| TO             |                   |
|----------------|-------------------|
| Name:          | <u>Dick Coase</u> |
| Title:         | _____             |
| Agency/Office: | _____             |
| FAX #:         | <u>465-3922</u>   |
| Phone #:       | _____             |

| FROM             |                           |
|------------------|---------------------------|
| Name:            | <u>Edley Jears</u>        |
| Title:           | _____                     |
| Division/Office: | <u>ESS/School Finance</u> |
| FAX #:           | <u>907-463-5279</u>       |
| Phone #:         | <u>907-465-8679</u>       |
| e mail           | _____                     |

REFERENCING:

COMMENTS:

*Hi Dick!*  
*This is the language that*  
*Bill Rolfsen and I have agreed*  
*meets the intent of Senate Steadman.*

This transmittal contains \_\_\_ page(s) including the cover page. If you do not receive the total number of pages, please contact the sender.

Proposed re-wording of Section 1. (m) of SB 328

03 (m) In this section, "number of children in average daily membership" means  
04 the number of full-time equivalent students residing in the National Forest area and enrolled and  
residing in the city school  
05 district or regional education attendance area that receives a share of the income from  
06 the public schools allocation of the fund created in (b) of this section.

*Kelch - correspondence - and would get*

OR: *Anchorage*

03 (m) In this section, "number of children in average daily membership" means  
04 the number of full-time equivalent students and enrolled ~~and residing~~ in the city school  
05 district or regional education attendance area that receives a share of the income from  
06 the public schools allocation of the fund created in (b) of this section and residing in the  
National Forest area.

*Eddy Jeanes Rose Fickler*

---

Rationale:

The forest receipts program was intended to provide federal funding to school districts who provide educational services to students whose parents live and work in national forests, without local taxes to provide funding for schools.

The wording in the Senate committee substitute bill does not allow a city school district to be reimbursed for children who live outside a city, but go to school in the nearest city. For example, in Craig, there are more than 100 students who do not live in Craig, but who attend school in Craig. Under the committee substitute language, Craig could not properly be reimbursed for providing educational services to these children.

This proposed language does not take funding away from any school district. It simply allows the district which provides educational services to a child to count that child in the forest receipts program.

*Dick will ask Eddy Jeanes ? Kelch enrolled in correspondence do they count*

To Mary

Date \_\_\_\_\_ Time \_\_\_\_\_

### While You Were Out

M Don Bullock

of 2450 Drafel

Phone \_\_\_\_\_  
AREA CODE NUMBER EXTENSION

|                    |                          |                  |                          |
|--------------------|--------------------------|------------------|--------------------------|
| TELEPHONED         | <input type="checkbox"/> | PLEASE CALL      | <input type="checkbox"/> |
| WAS IN TO SEE YOU  | <input type="checkbox"/> | WILL CALL AGAIN  | <input type="checkbox"/> |
| WANTS TO SEE YOU   | <input type="checkbox"/> | URGENT           | <input type="checkbox"/> |
| RETURNED YOUR CALL | <input type="checkbox"/> | <u>Amendment</u> |                          |

Message SB 328; Sub. Sec. 111

Regional Ed Attendance  
Area after School  
Districts

Operator \_\_\_\_\_

OR regional attendance area boundaries.

(m) In this section, "number of children in average daily membership" means the number of full-time equivalent students enrolled in the city school district or regional education attendance area excluding correspondence students residing outside the school district's boundaries that receives a share of the income from the public schools allocation of the fund created in (b) of this section.

to pay

Please ~~add the above~~ change section m to  
reflect the above. use A ~~ES~~ CRA committee substitute

use version I of SB328

Call Mary Sroky Rep Morgan's office  
3882 for any questions

Need this by Wed 4/28 am



# Alaska State Legislature

SESSION / INTERIM  
State Capitol Building, Suite 408  
Juneau, Alaska 99801-1182  
Phone: 907-465-4527  
Fax: 907-465-2197  
Toll Free: 800-491-4527 (Alaska)  
E-Mail: Representative\_Carl\_Morgan@legis.state.ak.us

Co-Chair  
Community & Regional Affairs Committee

Member  
Joint Armed Services Committee  
Rules Committee

## Representative Carl M. Morgan, Jr. – District 6

### FAX COVER SHEET

TO: leg legal FAX #: 465-2029

FROM: The Office of Representative Carl Morgan, Jr.

DATE: \_\_\_\_\_

There are \_\_ pages including this cover sheet, if you have any questions or problems with transmission, please call 1-907-465-4527 or 1-800-491-4527 (Alaska).

#### MESSAGE:

requesting CRA committee substitute  
attached is how we want section M to read -  
DUE DATE Wednesday AM 4/28  
CAROL MARY 3882

CARL/MARY

To: Lori Nottingham  
 From: Bill Rolfzen

See pages 2+3

Enclosure 1

INSTRUCTIONS FOR PROVIDING PILT DATA  
 TO THE BUREAU OF LAND MANAGEMENT

Section 6903(b)(2) of the Payments in Lieu of Taxes (PILT) Act, 31 U.S.C. 6901-6907 (copy available at [www.blm.gov/pilt/](http://www.blm.gov/pilt/)), specifies that the Chief Executive Officer of each State shall furnish the Secretary of the Interior with a listing of the amounts transferred by the State to each unit of local government out of amounts received under 11 revenue sharing laws specified in section 6903(a)(1) of the Act. Our request is for information of this nature passed through to local units of government during the period October 1, 2002, through September 30, 2003. Any amounts received but not passed through to local units of government during the period should be noted and included in next year's report.

Enclosure 2 details Federal payments made to either the State or to local units directly. It should be used as a guide to ensure that amounts reported on Enclosure 4 as actually received by local units are for the proper time period as indicated above.

In addition, please note that Enclosure 2 contains a new column heading entitled "FS/MMS Timber Payment". The new column is necessary because the Mineral Management Service is now responsible for making some of the timber payments formerly made by the U.S. Forest Service. The timber payments made by MMS are made by wire transfer and are included with the monthly MMS mineral leasing payments to States under the heading "NFF" (National Forest Fund).

You should also be aware that this is the first year that timber payments made by the Forest Service under the new Secure Rural Schools and Community Self-Determination Act of 2000 law should be included on this report. A digest of that law is as follows:

Title I requires a county that elects to receive its share of the "full payment amount", and would receive \$100,000 or more, to spend no less than 80 and no more than 85 percent of the funds in the same manner as the original timber fund payment was expended (for schools and roads with the State mandated amount to schools not being deducted from PILT). The county is also required to reserve the remaining 15 to 20 percent of its share for one or more of the following purposes: projects under Title II; projects under Title III; or both. A county that elects to receive its share of the "full payment amount" and that will receive less than \$100,000 may elect to spend all of its funds in the same manner as the original twenty-five percent funds are expended.

As a result of some counties electing to receive payment under the new Secure Schools and Roads Act and other counties electing to continue receiving their payment under the old 25% Timber Act the amounts reported on Enclosure 3 under the "FS/MMS Timber & Secure Schools Title I" column should include the following:

Page 2

1. The State mandated roads portion of both the old FS Timber payments (if the county has elected to continue this method) and Title I payments under the new Secure Schools and Roads Act: (if the county has elected this method).;
2. The roads portion of any timber payments made by MSOS as mentioned in the first highlighted paragraph above.

Payments received by counties under Title II of the Secure Schools and Roads Act should not be reported, since they are not deductible for PILT purposes.

All Title III payments received by the county under Secure Schools and Roads Act are deductible under PILT and should be entered, in total, on Enclosure 3 under the column entitled "USFS Schools Title III". Questions about how or what to report for these two columns should be directed to Bill Howell on 202-452-7721.

Enclosure 3 should be submitted by the appropriate State office and should be accompanied by copies of applicable State laws that govern how amounts received (including those that do not flow through the State but are received by the local units directly) should be used. If the amounts shown on Enclosure 3 are a State mandated percentage of the total receipts received by a unit please be sure to footnote how the amount shown ties back to the total. A sample submission, including a properly completed Enclosure 4 is contained in Enclosure 4. If there is no State law that governs how these amounts are to be used please indicate so. Enclosure 4 and all supplementary information should be forwarded to the following address:

Attn: BILL Howell  
 Budget and Finance Team  
 Bureau of Land Management (WO-880)  
 1849 C St., N.W., MS 1025-L St.  
 Washington, D.C. 20240-9998

The "pass through" amounts reported by your State should take into consideration Comptroller General's Decision number B-167553. A digest of that Decision states:

"1. Payments to units of local government under section (6903(a)(1)) of the Payments in Lieu of Taxes Act of 1975, 31 U.S.C. (6901-6906), are to be reduced only by the amounts of payments actually received by the units of local government under the statutes specified in section (6903(a)(1)) of the Act, 31 U.S.C. (6903(a)(1)). Thus, Federal revenues paid to a State under the statutes in section (6903(a)(1)) and distributed by the State directly to a school district without being received or acted upon by a unit of local government, should not be deducted from payments to that unit of local government under section (6903(b)(1)(A)). Payments to other single or special purpose districts should be treated in a similar manner.

*Need to ask  
 Eddy if  
 this is*

Page 3

"2. Federal revenues paid to a State under the statutes in section (6903(a)(1)) of the Payments in Lieu of Taxes Act of 1976, 31 U.S.C. (6903(a)(1)), and distributed by the State to a unit of local government, which unit is required by State law to pass these revenues directly to a

financially independent school district, should not be considered "received" by the unit of local government, and should not be deducted from payments to that unit of local government under section (6903(b)(1)(A)) of the Act, unless

that unit is legally responsible for provision of school services and has collected other tax revenues for that purpose. Payments passed through to other special or single purpose districts should be treated in a like manner."

A complete copy of Comptroller General Decision number B-167553 is available from Bill Howell on 202-452-7721.

Please note that the amounts reported by your State, as being passed through to local governments, will be used to calculate the in-lieu payments to local governments within your State in accordance with section 6903 of the Act.

Please furnish us with a copy of any State legislation that may have been enacted since July 30, 2003, directing the State to reallocate PILT payments to other smaller units of local government. We will need this information to determine if and when Federal payment should be made to the State government.

The Paperwork Reduction Act of 1980 requires that when we ask you for information, we must tell you:

- a. Our legal right to ask for the information.
- b. What major purpose we have in asking for it, and how it will be used.
- c. What could happen if we do not receive it.
- d. Whether your response is voluntary, required to obtain a benefit, or mandatory under the law.

Our legal right to ask for this information is cited in Chapter 69, Title 31 U.S. Code, commonly referred to as the Payments in Lieu of Taxes Act (31 U.S.C. 6901-6907) (copy available at [www.blm.gov/pilt/](http://www.blm.gov/pilt/)) Section 6903(b)(2) of the Act states that must furnish this information so we can compute the in-lieu tax payments to local governments in your State.

Failure to furnish this information would make it impossible for us to compute the in-lieu tax payments to local governments within your State and, therefore, payments could not be made.

If you have any questions concerning this information request, please call Mr. Bill Howell of the Budget and Finance Team on (202) 452-7721.

# ALASKA STATE LEGISLATURE

SESSION  
State Capitol, Rm 30  
Juneau, Alaska 99801-1182  
(907) 465-3873 Phone  
(907) 465-3922 Fax  
(877) 463-3873 Toll Free  
Senator\_Bert\_Stedman@legis.state.ak.us



INTERIM  
50 Front Street  
Ketchikan, AK 99901-6442  
Phone (907) 225-8088  
Fax (907) 225-0713

---

**SENATOR BERT K. STEDMAN**

---

## MEMORANDUM

**DATE:** April 14, 2004

**TO:** Representative Carl Morgan  
Chair, House Community and Regional Affairs Committee

**FROM:** Senator Bert K. Stedman

**SUBJECT:** Request for Committee Hearing CSSSSB 328 (FIN)

---

I respectfully request a House Community and Regional Affairs Committee hearing on CS SS SB 328 (FIN) at your earliest convenience.

CS SS SB 328(FIN) makes statutory changes required for the Department of Community and Economic Development to disburse National Forest Receipts in accordance with the federal act providing these funds. National Forest Receipts are distributed to the State for schools and roads within the boundary of the national forest in which they are collected.

The growth of correspondence schooling in the state has resulted in the use of these funds for correspondence students residing many miles from the National Forest. The Senate Finance Committee amended the bill to define the student "average daily membership" for the purpose of distributing forest receipts within unorganized boroughs as those students enrolled and residing in the city school district or regional school attendance area.

Please contact Dick Coose (3873) of my office for information and questions.

Thank you for your time and consideration.

DISTRICT A

*Ketchikan • Sitka • Petersburg • Wrangell  
Pelican • Elfin Cove • Port Alexander • Saxman • Meyers Chuck • Thorne Bay • Coffman Cove • Hollis*



April 23, 2004

Rep. Carl Morgan  
Alaska House of Representatives  
State Capitol  
Juneau, AK 99801-1182

Dear Representative Morgan:

As you are aware, Senate Bill 328 was recently passed out of the Senate and referred to your Community and Regional Affairs Committee in the House.

This bill began strictly as a housekeeping measure to allow the State of Alaska to update regulations pertaining to the national forest receipts program. Unfortunately, the Senate Finance Committee amended the bill in such a way as to exclude some students residing in the national forest from funding eligibility from the national forest receipts program. If the amendment approved by the Senate Finance Committee is left intact, some public school students residing in the national forest will be eligible for national forest receipts funding, while others who also reside in the national forest will not. What makes matters worse is that the school districts that will be most adversely impacted by the change are those in rural areas here in Southeast Alaska.


There is no rational basis for the exclusion of some national forest students from the program and the inclusion of others. Every public school student residing in the Tongass and Chugach National Forests should be treated equally under the implementation of the national forest receipts program. That was the intent of Congress for the program, and the State of Alaska has already implemented the program that way for many years.

It is also important to note that in the more than thirty years between Alaska statehood and 1992, rural Southeast Alaska communities were not permitted to receive national forest receipts. Instead the state paid those receipts to organized boroughs but not to the many municipal school districts in the unorganized borough that like their borough counterparts also operated and supported local schools. Now that payments to rural national forest communities are well established after a thirty year absence, I am uncertain why the Senate would again wish to selectively deny some public school students national forest receipt eligibility while continuing to allow it for others.

There is a simple and fair solution for SB 328. The solution is to reword the bill to allow every public school student residing in the national forest be counted in the implementation of the program. I know that Mr. Ron Erickson and Mr. Doc Waterman of the Craig City School District are scheduled to meet with you in Juneau this week to offer you language for SB 328 that results in a fair application of the program. I hope you will agree that their proposal is worthwhile.

Thank you for considering my comments.

Sincerely,

  
Ron Bolling  
City Administrator



FAX NUMBER CALLING: 907-465-3922

DATE: 3/29/04

TO: Sen. Bert Stedman, Mr. Dick Goose

FROM: Jon Bolling, City Administrator

TELECOPIER: (907) 826-3278

NUMBER OF PAGES (INCLUDING COVER SHEET): Three

IF ANY PROBLEMS OR TO CONFIRM TRANSMISSION CALL: \_\_\_\_\_

AT (907) 826-3275

DOCUMENTS BEING TRANSMITTED: Letter and recommendations

for Sen. Stedman and the Senate Finance Committee regarding SB 328.

I will call your office this morning before the scheduled 9:00 a.m.

Finance Committee hearing.

**STATE OF ALASKA  
 FY 04 NATIONAL FOREST RECEIPTS  
 BOROUGH PAYMENTS  
 BASED ON PRIOR-YEAR BOROUGH ACREAGE AND  
 14 YEAR HISTORICAL PAYMENTS TO EACH NATIONAL FOREST**

**TONGASS NATIONAL FOREST**

| Borough                      | Acres             | Schools/Roads \$      | 15% Projects \$       | Total Payment         |
|------------------------------|-------------------|-----------------------|-----------------------|-----------------------|
| Haines Borough               | 916,353           | \$432,122.60          | \$76,256.93           | \$508,379.53          |
| City & Borough of Juneau     | 1,710,896         | \$806,803.53          | \$142,377.09          | \$949,180.62          |
| Ketchikan Gateway Borough    | 740,014           | \$348,966.80          | \$61,582.38           | \$410,549.18          |
| City & Borough of Sitka      | 1,796,304         | \$847,079.20          | \$149,484.56          | \$996,563.76          |
| City & Borough of Yakutat    | 1,226,567         | \$578,409.55          | \$102,072.27          | \$680,481.82          |
| Unorganized Borough          | 10,194,630        | \$4,807,459.64        | \$848,375.23          | \$5,655,834.87        |
| <b>TOTALS</b>                | <b>16,584,764</b> | <b>\$7,820,841.32</b> | <b>\$1,380,148.47</b> | <b>\$9,200,989.79</b> |
| <b>TOTAL TONGASS PAYMENT</b> |                   |                       |                       | <b>\$9,200,989.79</b> |

**CHUGACH NATIONAL FOREST**

| Borough                      | Acres            | Schools/Roads \$    | 15% Projects \$    | Total Payment       |
|------------------------------|------------------|---------------------|--------------------|---------------------|
| Municipality of Anchorage    | 274,933          | \$7,475.76          | \$0.00             | \$7,475.76          |
| Kenai Peninsula Borough      | 1,094,630        | \$29,764.32         | \$0.00             | \$29,764.32         |
| Kodiak Island Borough        | 2,495            | \$67.84             | \$0.00             | \$67.84             |
| Matanuska-Susitna Borough    | 43,386           | \$1,179.72          | \$0.00             | \$1,179.72          |
| City & Borough of Yakutat    | 420              | \$9.71              | \$1.71             | \$11.42             |
| Unorganized Borough          | 3,981,456        | \$92,021.52         | \$16,239.09        | \$108,260.61        |
| <b>TOTALS</b>                | <b>5,397,320</b> | <b>\$130,518.87</b> | <b>\$16,240.80</b> | <b>\$146,759.67</b> |
| <b>TOTAL CHUGACH PAYMENT</b> |                  |                     |                    | <b>\$146,759.67</b> |

**TOTAL STATE OF ALASKA PAYMENT** **\$9,347,749.46**

STATE OF ALASKA  
ESTIMATED FY 04 NATIONAL FOREST RECEIPTS PAYMENTS  
TONGASS NATIONAL FOREST - UNORGANIZED BOROUGH  
\*DOT/PF FUNDED AT \$170,000 AND PROJECTS @ 15%\*  
\*\*PROJECTS \$ DISTRIBUTION BASED UPON SCHOOL & ROAD PAYMENTS\*\*  
\*\*\*ENTITIES < \$100,000 EXEMPT FROM PROJECTS EXPENDITURES\*\*\*



| Municipality        | Road Miles    | Road Mile \$          | ADM             | School \$             | First Stage<br>Total School &<br>Road \$ | State<br>Redistribution<br>> \$170 K | Preliminary<br>Total School &<br>Road \$ | Preliminary<br>Projects \$ | Final Total<br>National Forest<br>Receipt Payment | Final<br>Road<br>Payment | Final<br>School<br>Payment | Final<br>Projects<br>Payment |
|---------------------|---------------|-----------------------|-----------------|-----------------------|--|--------------------------------------|--|----------------------------|---|--------------------------|----------------------------|------------------------------|
| <b>Home Rule</b>    |               |                       |                 |                       |  |                                      |  |                            |   |                          |                            |                              |
| Petersburg          | 21.56         | \$62,574.72           | 625.85          | \$661,806.22          | \$724,380.93                             | \$78,550.40                          | \$802,931.33                             | \$146,636.80               | \$949,568.13                                      | \$68,721.97              | \$726,821.19               | \$154,024.97                 |
| Wrangell            | 11.61         | \$33,696.31           | 435.45          | \$460,467.39          | \$494,163.70                             | \$53,586.11                          | \$547,749.81                             | \$100,033.81               | \$647,783.62                                      | \$37,006.59              | \$505,703.10               | \$105,073.93                 |
| <b>First Class</b>  |               |                       |                 |                       |  |                                      |  |                            |   |                          |                            |                              |
| Craig               | 9.35          | \$27,136.99           | 855.40          | \$904,544.28          | \$931,681.27                             | \$101,029.62                         | \$1,032,710.90                           | \$188,600.72               | \$1,221,311.61                                    | \$29,802.90              | \$993,405.52               | \$198,103.20                 |
| Hoonah              | 9.10          | \$26,411.41           | 188.40          | \$199,223.92          | \$225,635.33                             | \$24,467.44                          | \$250,102.75                             | \$45,675.47                | \$295,778.24                                      | \$29,006.03              | \$218,795.42               | \$47,976.79                  |
| Hydaburg            | 6.20          | \$17,994.58           | 92.20           | \$97,497.06           | \$115,491.64                             | \$12,523.68                          | \$128,015.32                             | \$23,379.03                | \$151,394.35                                      | \$19,762.35              | \$107,075.04               | \$24,556.96                  |
| Kake                | 14.02         | \$40,690.98           | 151.85          | \$160,574.06          | \$201,265.04                             | \$21,824.77                          | \$223,089.81                             | \$40,742.18                | \$263,831.99                                      | \$44,688.41              | \$176,348.64               | \$42,794.94                  |
| Klawock             | 10.30         | \$29,894.23           | 158.90          | \$168,029.09          | \$197,923.32                             | \$21,462.40                          | \$219,385.72                             | \$40,065.72                | \$259,451.44                                      | \$32,831.00              | \$184,536.05               | \$42,084.40                  |
| Pelican             | 1.10          | \$3,192.59            | 18.00           | \$19,034.13           | \$22,226.72                              | \$2,410.22                           | \$24,636.94                              | \$4,499.37                 | \$29,136.31                                       | \$4,185.06               | \$24,951.24                | \$0.00                       |
| Skagway             | 12.05         | \$34,973.35           | 109.67          | \$115,970.74          | \$150,944.09                             | \$16,368.07                          | \$167,312.16                             | \$30,555.69                | \$197,867.84                                      | \$38,409.08              | \$127,363.55               | \$32,095.21                  |
| <b>Second Class</b> |               |                       |                 |                       |  |                                      |  |                            |   |                          |                            |                              |
| Angoon              | 7.69          | \$22,319.09           | N/A             | N/A                   | \$22,319.09                              | \$2,420.24                           | \$24,739.33                              | \$4,518.06                 | \$29,257.39                                       | \$29,257.39              | N/A                        | \$0.00                       |
| Coffman Cove        | 15.54         | \$45,102.56           | N/A             | N/A                   | \$45,102.56                              | \$4,890.83                           | \$49,993.38                              | \$9,130.13                 | \$59,123.52                                       | \$59,123.52              | N/A                        | \$0.00                       |
| Kasaan              | 8.47          | \$24,582.92           | N/A             | N/A                   | \$24,582.92                              | \$2,665.72                           | \$27,248.65                              | \$4,976.33                 | \$32,224.98                                       | \$32,224.98              | N/A                        | \$0.00                       |
| Port Alexander      | 1.10          | \$3,192.59            | N/A             | N/A                   | \$3,192.59                               | \$346.20                             | \$3,538.79                               | \$646.28                   | \$4,185.06  | \$4,185.06               | N/A                        | \$0.00                       |
| Tenakee Springs     | 2.50          | \$7,255.88            | N/A             | N/A                   | \$7,255.88                               | \$786.81                             | \$8,042.69                               | \$1,468.81                 | \$9,511.51  | \$9,511.51               | N/A                        | \$0.00                       |
| Thorne Bay          | 34.00         | \$98,679.98           | N/A             | N/A                   | \$98,679.98                              | \$10,700.66                          | \$109,380.64                             | \$19,975.84                | \$129,356.47                                      | \$108,374.17             | N/A                        | \$20,982.30                  |
| <b>Federal Law</b>  |               |                       |                 |                       |  |                                      |  |                            |   |                          |                            |                              |
| Metlakatla          | 34.70         | \$100,711.63          | N/A             | N/A                   | \$100,711.63                             | \$10,920.96                          | \$111,632.59                             | \$20,387.11                | \$132,019.70                                      | \$110,605.40             | N/A                        | \$21,414.29                  |
| <b>REAA'S</b>       |               |                       |                 |                       |  |                                      |  |                            |   |                          |                            |                              |
| Annette Island      | N/A           | N/A                   | 290.65          | \$307,348.37          | \$307,348.37                             | \$33,328.23                          | \$340,676.60                             | \$62,216.69                | \$402,893.29                                      | N/A                      | \$337,541.87               | \$65,351.42                  |
| Chatham             | N/A           | N/A                   | 219.90          | \$232,533.65          | \$232,533.65                             | \$25,215.48                          | \$257,749.13                             | \$47,071.91                | \$304,821.04                                      | N/A                      | \$255,377.45               | \$49,443.58                  |
| Southeast Island    | N/A           | N/A                   | 223.00          | \$235,811.75          | \$235,811.75                             | \$25,570.93                          | \$261,382.70                             | \$47,735.49                | \$309,118.19                                      | N/A                      | \$258,977.59               | \$50,140.60                  |
| <b>TOTAL LOCAL</b>  | <b>199.29</b> | <b>\$578,409.80</b>   | <b>3,369.27</b> | <b>\$3,562,840.66</b> | <b>\$4,141,250.46</b>                    | <b>\$449,068.78</b>                  | <b>\$4,590,319.24</b>                    | <b>\$838,315.45</b>        | <b>\$5,428,634.69</b>                             | <b>\$657,695.42</b>      | <b>\$3,916,896.67</b>      | <b>\$854,042.60</b>          |
| <b>STATE</b>        | <b>209.90</b> | <b>\$609,203.75</b>   | <b>N/A</b>      | <b>N/A</b>            | <b>\$609,203.75</b>                      | <b>\$170,000.00</b>                  | <b>\$170,000.00</b>                      | <b>\$0.00</b>              | <b>\$170,000.00</b>                               | <b>\$170,000.00</b>      | <b>N/A</b>                 | <b>\$0.00</b>                |
| <b>GRAND TOTAL</b>  | <b>409.19</b> | <b>\$1,187,613.55</b> | <b>3,369.27</b> | <b>\$3,562,840.66</b> | <b>\$4,750,454.21</b>                    | <b>\$619,068.78</b>                  | <b>\$4,760,319.24</b>                    | <b>\$838,315.45</b>        | <b>\$5,598,634.69</b>                             | <b>\$827,695.42</b>      | <b>\$3,916,896.67</b>      | <b>\$854,042.60</b>          |