

Short-fall distribution announced

Regulations were drawn up last week to govern the distribution of a \$20 million state-financed federal shortfall fund to be used to fund some of the programs which lost money and will lose money in federal budget cuts.

The \$20 million fund was approved last Spring by the Alaska Legislature and will be distributed by Alaska Gov. Jay Hammond with consultation from the chairmen of the House and Senate Finance Committees.

Applications are being sent to those cities, villages and non-profit corporations which provide social services to use to apply for the money.

According to David Gentry, who works with the state Office of Budget Analysis on the regulations, they will lay out the rules by which the state fund will be allocated.

The regulations have undergone three rewrites but will basically outline who will get a priority over which agency will get a priority on getting the money, according to David Gentry.

He said that at this point, it appears that only half of the \$20 million will be awarded immediately and the rest will be doled out as more details about the federal budget are known.

The state is in a bind because many of the final approvals on the federal budget for the upcoming financial year are still up in the air.

Gentry said that the first priority for receiving the grant awards are the health and safety types of projects. Second in line are programs that would be beneficial to life safety; third are economic development programs; and fourth are

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'20-million short-fall funds distributed

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programs "which enhance the quality of life."

Gentry said there are times when grant requests from groups with a lower priority such as an economic development grant might be given a greater weight than the first priority — life and safety requests. Such a case could be illustrated by an example such as natural disaster — tornado, very high winds — which destroy a village's economic base.

Gentry said it has't been determined how much of the money will be used to improve the 16 Bureau of Indian Affairs schools which have been turned over to the state this year.

Some people said that the Legislature intended that the Department of Education come to the Legislature in early January to seek additional funding to complete improvements that are estimated to be as much as \$60 million for schools turned over this year. And, 21 schools still are scheduled to be turned over to the state soon.

Gentry said that when the governor signed the bill setting aside the \$20 million he talked generally about what sorts of things the fund would be used for and mentioned the schools but did not make a definite commitment.