

HB 279

Public Testimony 2-13-24

My name is James Squyres. I live in the Fourth Judicial District, in the **Unorganized Borough**.

**I support HB 279.**

When you look at Article 10, Section 3 of the Alaska Constitution it clearly states, *“The entire State shall be divided into boroughs, organized OR unorganized.”*

About **one half** of the state lies in the Unorganized Borough.

The Local Boundary Commission is made up of **five** Commissioners spread across the **four** Judicial Districts and one “at large” position. Currently, **ALL FIVE Commissioners are from Organized Boroughs**.

**This Bill seeks to rectify this misrepresentation on the Local Boundary Commission.** It would bring a broader balance of perspective, expertise and knowledge, so that Commissioners can face decisions with this **broader base**. It would be a better representation of the massive land areas that might face boundary changes or organization issues in the years to come.

I would recommend an amendment to this bill to increase the number of appointed Commissioners, from the unorganized borough, to be increased to at least two. Furthermore, it might be a good idea to require that at least one of them live in the unorganized borough outside an incorporated municipality for the broadest perspective. These recommendations, if placed in statute, in no way unbalance the Local Boundary Commission since we are only talking 2 of 5 positions.

There is a **major concern**, that with the current makeup of the LBC, that their lack of perspective and working knowledge of the unorganized borough might lead to poor decisions. A good example of this was the full day meeting recently held by the LBC, where they were updated on a borough petition to form a new borough in the Hoonah area. The afternoon session contained numerous topics in an attempt to educate these five commissioners from the **organized borough**, about some of the fiscal metrics of the **unorganized borough**.

They pretty much admitted to drinking from a fire hose with all the information they were receiving, **when contrary to this**, a qualified commissioner from the **unorganized borough**, would already know about REAAs, Federal PILTs with their role in funding local governments and services inside the unorganized borough, along with the differences in how 90% of the Federal Impact Aid is passed through from schools to the state since there is no Required Local Contribution on the schools vs an organized area who gets to retain 90% of its Federal Impact Aid.

The lack of overall coverage of the Unorganized Borough in their afternoon session did not address the **elephant in the room**, when it comes to the fiscal metrics of the organized and unorganized areas along the pipeline corridor. Fortunately, I was able to give a public testimony at the end of the day to brief them on the fiscal contributions to the **State of Alaska General Fund** from unorganized areas along the pipeline to balance out what was an unbalanced discussion. I encourage you all to go take a look at the Oil & Gas Property Tax portion of the **State of Alaska 2023 Fall Revenue Forecast** to see what I am talking about.

Passage of this bill, HB 279, is a good exercise of your authority under Article 10, Section 6 of the Alaska Constitution to promote a fair and balanced Local Boundary Commission when it comes to issues that might affect the Unorganized Borough, by ensuring at least **one**, and with an amendment, **two**, LBC commissioners are from the Unorganized Borough.

That concludes my testimony