

ALASKA STATE LEGISLATURE
SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 14, 2001
1:30 p.m.

MEMBERS PRESENT

Senator John Torgerson, Chair
Senator Alan Austerman
Senator Randy Phillips

MEMBERS ABSENT

Senator Georgianna Lincoln
Senator Pete Kelly

COMMITTEE CALENDAR

SENATE BILL NO. 75

"An Act relating to municipal service areas and providing for voter approval of the formation, alteration, or abolishment of certain service areas."

HEARD AND HELD

SENATE BILL NO. 78

"An Act relating to municipal regulation of radio antennas."

MOVED CSSB 78 (CRA) OUT OF COMMITTEE

SENATE BILL NO. 104

"An Act relating to state aid for volunteer services; and providing for an effective date."

MOVED SB 104 OUT OF COMMITTEE

SENATE BILL NO. 109

"An Act relating to the unincorporated community capital project matching grant program; and providing for an effective date."

MOVED SB 109 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

SB 75 - See Community and Regional Affairs minutes dated 2/14/01.

SB 78 - See Community and Regional Affairs minutes dated 3/7/01.

SB 104 - No previous action recorded.

SB 109 - No previous action recorded.

WITNESS REGISTER

Dick Tremaine
Anchorage Municipal Assembly
604 W. 6th
Anchorage, AK 99513
POSITION STATEMENT: Testified on SB 75.

Anne Fairclough
Anchorage Municipal Assembly
604 W. 6th
Anchorage, AK 99513
POSITION STATEMENT: Testified on SB 75.

Ocie Adams
HC 30 Box 200
Wasilla, AK 99654
POSITION STATEMENT: Supports SB 75.

Jim Narcross
Willow, AK 99688
POSITION STATEMENT: Supports SB 75.

Larry DeVilbiss
Matanuska-Susitna Borough Assemblyman
HC04-9302
Palmer, AK 99645
POSITION STATEMENT: Supports SB 75.

Kelly Lankford
HC 89 Box 66
Willow, AK 99688
POSITION STATEMENT: Supports SB 75.

Larry Halvarson
346 W. Beluga Ave.
Soldotna, AK 99669
POSITION STATEMENT: Supports SB 78.

ROBERT WILSON
American Radio Relay League Representative
Anchorage, AK 99513
POSITION STATEMENT: Supports SB 78.

Jim Movius
P.O. Box 83992
Fairbanks, AK 99708
POSITION STATEMENT: Supports SB 78.

Carolyn Thomas
Staff for Senator Taylor
Alaska State Capitol, Room 30
Juneau, AK 99801-1182

POSITION STATEMENT: Represented bill sponsor.

Mary Jackson
Staff for Senator Torgerson
Alaska State Capitol, Room 427
Juneau, AK 99801-1182

POSITION STATEMENT: Explained provisions on SB 104 & 109.

Walt Wrede
Lake & Peninsula Borough
P.O. Box 495
King Salmon, AK 99613

POSITION STATEMENT: Supports SB 109.

Bill Rolfzen
Division of Community & Business Development
Department of Community & Economic Development
P.O. Box 110809
Juneau, AK 998-0800

POSITION STATEMENT: Answered questions on SB 109.

ACTION NARRATIVE

TAPE 01-9, SIDE A

Number 001

CHAIRMAN JOHN TORGERSON called the Senate Community & Regional Affairs Committee meeting to order at 1:30 p.m. Present were Senators Austerman, Phillips and Chairman Torgerson.

The first order of business was SB 75.

#SB 75

SB 75-SERVICE AREAS:VOTER APPROVAL/TAX ZONES

CHAIRMAN TORGERSON said that although SB 75 is on the agenda, HB 13 deals with the same subject and has already been passed from the House to the Senate so that will be the bill that is used. Testimony on SB 75 will be heard for the record.

DICK TREMAINE, Anchorage Municipal Assemblyman, testified that the Assembly passed a resolution supporting HB 13. They strongly believe that the people of Anchorage would like the protection for limited service areas.

CHAIRMAN TORGERSON said he thought the only difference between the two bills is that the Senate bill deals with recreational service areas and the House bill does not. He asked for an opinion on the differences.

MR. TREMAINE said that would make the Senate bill a subsection of the House bill and they supported HB 13.

SENATOR PHILLIPS asked whether there was anything in writing.

MR. TREMAINE said that he would send a copy of the resolution.

CHAIRMAN TORGERSON said a copy would be in the bill packet for HB 13.

ANNA FAIRCLOUGH, assembly member from Anchorage, represents Eklutna to Elmendorf Air Force Base. She is speaking as an assembly member covering service areas rather than as the legislative chair for the Anchorage Assembly in support of SB 75. Area wide protection of service area concepts is supported whether it's park and recreation or road service areas. Local people should be protected so that they are the ones who abolish or change the boundaries.

OCIE ADAMS, representing Road Service Area 17, testified in support of HB 13 and SB 75. The only reservation he has is that, "we do not include a provision for the road service areas, where an annexation of six percent or less, without the vote of the people." (Balance indisc.) The 16 Road Service Area Boards in the Matanuska Susitna Borough support both SB 75 and HB 13.

Number 120

JIM NARCROSS, from RSC 20, Willow, supports both SB 75 and HB 13. He is concerned about the six percent clause applying to road service and the tax differential clause. It is important that the voter has a say in how their tax dollars are spent within their community.

LARRY DeVILBISS, an assemblyman from the Matanuska-Susitna Borough, continues to support both bills SB 75 and HB 13 even though the assembly was asked to oppose the bill. Instead, they reached a compromise with the administration and asked for an amendment "to get the six percent flexibility ability to adjust service area boundaries." They feel that should apply to all service areas, not just fire service areas.

Attorneys on and working for the assembly didn't understand the tax differentials within service areas, but as long as it doesn't mean

that a wealthy part of the service area may be taxed to shift the money to a less affluent area it's acceptable.

They thought it was important that the six percent rule wasn't abused. Perhaps limiting the option to once a year would be workable. At any rate, "They shouldn't be able to nibble away and destroy a service area piece meal."

CHAIRMAN TORGERSON assured Mr. DeVilbiss that Mat-Su Borough attorney, Michael Gatti, had contacted his office. They had yet to speak with one another.

KELLY LANKFORD represents district seven in the Mat-Su Borough. This district encompasses a large portion of the area covered by the borough in terms of square mileage and, because of this, isn't easy to represent. She stands in opposition to the borough resolution and strongly supports SB 75 and HB 13. Maximum grassroots participation by voters is always preferable at any level of government so she is philosophically aligned with the intent of the bill. There are, however, two areas in which she would like to see change.

She would like to see road service areas included with fire protection service areas in the subsection proposing the six percent differential.

She doesn't agree with or support section four where the assembly may make modifications to differential tax zones within a service area.

CHAIRMAN TORGERSON said SB 75 would be held in committee.

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Number 252

#SB 78

SB 78-MUNICIPAL REGULATION OF RADIO ANTENNAS

CHAIRMAN TORGERSON said that the bill was heard last week and it was pointed out that it didn't include a grandfather clause on antenna height. He amended the bill on page 2, lines 12 and 13 to grandfather antenna heights that are erected before the effective date of the Act.

SENATOR PHILLIPS moved adoption of the amendment. There was no objection.

LARRY HALVARSON, Kenai Peninsula Amateur Radio Club member, testified in support of SB 78. He thanked the committee for adding the grandfather clause.

ROBERT WILSON, American Radio Relay League Representative and retired physicist with many years of communication experience, testified in support of SB 78. He was particularly appreciative of the amendment that grandfathers antenna heights.

JIM MOVIUS, Arctic Amateur Radio Club President, testified in support SB 78.

CAROLYN THOMAS, staff for Senator Taylor, said she was present to introduce Mr. Dan Squires if there were any questions. There were none.

SENATOR PHILLIPS moved CSSB 78 (CRA) from committee with individual recommendations. There were no objections.

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#SB 104

SB 104-AID TO VOLUNTEER SERVICES

MARY JACKSON, staff for Senator Torgerson, introduced SB 104. Senator Torgerson is the bill sponsor.

SB 104 deals with what the Local Boundary Commission (LBC) refers to as disincentives for organization. Current statutes provide for volunteer fire departments in unorganized areas to receive funding but not those in organized areas. This bill would revise statutes so that volunteer fire departments in organized areas with populations under 2,500 would receive funding. Emergency medical service entities having ambulance services and with less than 2,500 in population in both organized and unorganized areas would also receive funds.

The fiscal note and a draft copy of the impacts to various communities are included in committee packets. The basis for the information comes from registered lists provided by the state fire marshal and the emergency medical services.

Number 375

CHAIRMAN TORGERSON said, "It's \$5.00 for volunteer and \$5.00 for EMS, right?"

MS. JACKSON said it's \$10.00 each.

CHAIRMAN TORGERSON asked whether there were any questions. There were none. There was no teleconference testimony.

SENATOR PHILLIPS said he understood this to mean that in an organized area there are unorganized cities within the borough.

CHAIRMAN TORGERSON said, "That's 109 but this is kind of the same thing. If you're outside of the borough then you receive money for the EMS and fire department but if you're inside the borough you do not. This just equalizes that."

The fiscal note went up substantially since the bill was introduced last time but it's a policy call by the legislature whether to equalize treatment between organized and unorganized areas.

SENATOR PHILLIPS moved SB 104 and fiscal note from committee with individual recommendations. There were no objections.

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#SB 109

SB 109-UNINCORP. COMMUNITY MATCHING GRANTS

CHAIRMAN TORGERSON said this is another bill he introduced several years ago. He noted that the fiscal note on this bill has grown considerably.

MARY JACKSON, staff for Senator Torgerson, explained that current statute provides \$25,000 for communities in the unincorporated areas under the Unincorporated Community Capital Matching Grant Program. SB 109 extends the opportunity to receive funds to areas in the organized borough as well.

A list of affected communities and a fiscal note are in the committee packets.

CHAIRMAN TORGERSON explained to Senator Phillips that this bill addresses his question that was posed when SB 104 was under discussion. According to statute, unincorporated areas within a borough are not entitled to the money but if you're outside the borough, you are entitled. "I've always thought that was unfair and I still do." This corrects the inequity and, at the same time, generates a large fiscal note.

WALT WREDE, manager for the Lake and Peninsula Borough, said they strongly support SB 109, which addresses inequities contained in the State Capital Matching Grant Program. This inequity was

probably an oversight when the legislature adopted the program but it does discriminate against unorganized communities located in organized boroughs and therefore is a disincentive for forming boroughs.

Eleven of the seventeen communities in the Lake and Peninsula Borough are unincorporated so aren't eligible for the \$25,000 matching funds. Therefore, the borough splits a \$25,000 to \$40,000 grant that they receive eleven ways, which gives each community much less than \$25,000. There are about 70 communities statewide that are in the same situation.

CHAIRMAN TORGERSON wasn't sure it was an oversight but agreed that it did create an inequity. The money helps small communities considerably.

SENATOR AUSTERMAN asked who makes the final determination as to which communities qualify for the funds.

CHAIRMAN TORGERSON said he believes the assemblies must pass a resolution to officially recognize an unincorporated community that has less than 2,500, and then a non-profit community association must be formed. If there's a competing interest then the borough assembly must nominate the one they want to be the non-profit entity. He asked Bill Rolfzen to confirm the above.

BILL ROLFZEN from the Department of Community & Economic Development said that currently there is a definition in regulation for association unit for unincorporated communities in the unorganized borough and the department would need to make a change in regulation to fit organized boroughs or unified municipalities.

CHAIRMAN TORGERSON asked whether his procedural explanation was accurate.

MR. ROLFZEN didn't disagree.

SENATOR AUSTERMAN asked, "Is this your list?"

CHAIRMAN TORGERSON said it was the committees' but it came from the department.

UNIDENTIFIED WOMAN: "It was jointly developed."

MR. ROLFZEN said it was from a previous bill that was introduced.

SENATOR PHILLIPS suggested not funding the \$2 million but "taking it out of the existing pot which would probably reduce every body

else's per share."

CHAIRMAN TORGERSON said that was "looked at" at one time. There are some advantages to an unorganized area being in a borough. "This is a Finance Committee issue more than our issue."

SENATOR PHILLIPS moved SB 109 from committee. There were no objections.

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CHAIRMAN TORGERSON adjourned the meeting at 2:10 p.m.