

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

March 21, 2023

8:04 a.m.

MEMBERS PRESENT

Representative CJ McCormick, Chair
Representative Kevin McCabe, Vice Chair
Representative Tom McKay
Representative Justin Ruffridge
Representative Rebecca Himschoot
Representative Donna Mears

MEMBERS ABSENT

Representative Josiah Patkotak

OTHER LEGISLATORS PRESENT

Representative Julie Coulombe

COMMITTEE CALENDAR

HOUSE BILL NO. 61

"An Act relating to restrictions on firearms and other weapons."

- MOVED HB 61 OUT OF COMMITTEE

HOUSE BILL NO. 17

"An Act relating to insurance coverage for contraceptives and related services; relating to medical assistance coverage for contraceptives and related services; and providing for an effective date."

- MOVED CSHB 17(HSS) OUT OF COMMITTEE

HOUSE BILL NO. 84

"An Act relating to municipal property tax; and providing for an effective date."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 61

SHORT TITLE: LIMITATIONS ON FIREARMS RESTRICTIONS

SPONSOR (s) : REPRESENTATIVE (s) TILTON

02/06/23 (H) READ THE FIRST TIME - REFERRALS
02/06/23 (H) CRA, STA
03/16/23 (H) CRA AT 8:00 AM BARNES 124
03/16/23 (H) Heard & Held
03/16/23 (H) MINUTE(CRA)
03/21/23 (H) CRA AT 8:00 AM BARNES 124

BILL: HB 17

SHORT TITLE: CONTRACEPTIVES COVERAGE;INSURE;MED ASSIST

SPONSOR (s) : REPRESENTATIVE (s) CARRICK

01/19/23 (H) PREFILE RELEASED 1/9/23
01/19/23 (H) READ THE FIRST TIME - REFERRALS
01/19/23 (H) HSS, CRA, L&C, FIN
02/07/23 (H) HSS AT 3:00 PM DAVIS 106
02/07/23 (H) Heard & Held
02/07/23 (H) MINUTE(HSS)
02/18/23 (H) HSS AT 3:00 PM DAVIS 106
02/18/23 (H) -- MEETING CANCELED --
03/02/23 (H) HSS AT 3:00 PM DAVIS 106
03/02/23 (H) Moved CSHB 17(HSS) Out of Committee
03/02/23 (H) MINUTE(HSS)
03/07/23 (H) HSS AT 3:00 PM DAVIS 106
03/07/23 (H) Moved CSHB 17(HSS) Out of Committee
03/07/23 (H) MINUTE(HSS)
03/08/23 (H) HSS RPT CS(HSS) 3DP 2NR
03/08/23 (H) DP: RUFFRIDGE, SUMNER, MINA
03/08/23 (H) NR: SADDLER, PRAX
03/16/23 (H) CRA AT 8:00 AM BARNES 124
03/16/23 (H) Heard & Held
03/16/23 (H) MINUTE(CRA)
03/17/23 (H) FIN REFERRAL REMOVED
03/17/23 (H) BILL REPRINTED
03/21/23 (H) CRA AT 8:00 AM BARNES 124

BILL: HB 84

SHORT TITLE: MUNI PROP TAX EXEMPTION/TAX BLIGHTED PROP

SPONSOR (s) : REPRESENTATIVE (s) SUMNER

02/27/23 (H) READ THE FIRST TIME - REFERRALS
02/27/23 (H) CRA, FIN
03/21/23 (H) CRA AT 8:00 AM BARNES 124

WITNESS REGISTER

DICK TRAINI, representing self
Wasilla, Alaska

POSITION STATEMENT: Testified in support of HB 61.

MIKE COONS, President
Concerned Conservatives of Alaska
Palmer, Alaska

POSITION STATEMENT: Testified in support of HB 61 and testified
in opposition to HB 17.

LUANN MCVEY, representing self
Douglas, Alaska

POSITION STATEMENT: Testified in opposition to HB 61.

CAROLINE PORTER, representing self
Palmer, Alaska

POSITION STATEMENT: Testified in support of HB 61.

ED MARTIN, representing self
Kenai, Alaska

POSITION STATEMENT: Testified in support of HB 61.

ANNA YANCEY, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 61.

TABITHA NARDINI, representing self
Wasilla, Alaska

POSITION STATEMENT: Testified in support of HB 61.

PAMELA SAMASH, representing self
Nenana, Alaska

POSITION STATEMENT: Testified in support of HB 61 and in
opposition to HB 17.

KEN GRIFFIN, representing self
Wasilla, Alaska

POSITION STATEMENT: Testified in support of HB 61.

ROCHELLE PARKER, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in opposition to HB 61.

MICHAEL LAFAY, representing self
Wasilla, Alaska

POSITION STATEMENT: Testified in support of HB 61.

JAN CAULFIELD, representing self
Juneau, Alaska
POSITION STATEMENT: Testified in opposition to HB 61.

MARIAN CLAEGB, representing self
Auk Bay, Alaska
POSITION STATEMENT: Testified in opposition to HB 61.

ODETTE EDGAR, representing self
Juneau, Alaska
POSITION STATEMENT: Testified in opposition to HB 61.

FRANK RUE, representing self
Juneau, Alaska
POSITION STATEMENT: Testified in opposition to HB 61.

REPRESENTATIVE ASHLEY CARRICK
Alaska State Legislature
Juneau, Alaska
POSITION STATEMENT: As prime sponsor, spoke to CSHB 17(HSS).

MORGAN LIM, Advocate
Planned Parenthood Alliance Advocates Alaska
Juneau, Alaska
POSITION STATEMENT: Testified in support of HB 17.

KC CASORT, representing self
Fairbanks, Alaska
POSITION STATEMENT: Testified in support of HB 17.

KATELYN SAFT, representing self
Anchorage, Alaska
POSITION STATEMENT: Testified in support of HB 17.

JAMIE GIBSON, representing self
Fairbanks, Alaska
POSITION STATEMENT: Testified in support of HB 17.

ROSE TITUS, representing self
Anchorage, Alaska
POSITION STATEMENT: Testified in support of HB 17.

CHARLES SEMLING, Pharmacy Manager
Alaska Medicaid
Anchorage, Alaska
POSITION STATEMENT: Made himself available to answer questions during the hearing on HB 17.

ROSE O'HARA-JOLLEY, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 17.

BROOK BEVERIDGE, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 17.

PAIGE HODSON, representing self
Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 17.

ALEX KOPLIN,
representing self
Homer, Alaska

POSITION STATEMENT: Testified in support of HB 17.

REPRESENTATIVE JESSE SUMNER
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: As prime sponsor, presented HB 84.

JESSE LOGAN, Staff
Representative Jessie Sumner
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Sumner, prime sponsor, answered questions on HB 84.

BILL POPP, President
Anchorage Economic Development Corporation
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 84.

MIKE ROBBINS, Executive Director
Anchorage Community Development Authority
Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 84.

NILS ANDREASSEN, Executive Director
Alaska Municipal League
Juneau, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 84.

ACTION NARRATIVE

[8:04:41 AM](#)

CHAIR CJ MCCORMICK called the House Community and Regional Affairs Standing Committee meeting to order at 8:04 a.m. Representatives McKay, Ruffridge, Himschoot, Mears, McCabe, and McCormick were present at the call to order. Also present was Representative Coulombe.

HB 61-LIMITATIONS ON FIREARMS RESTRICTIONS

[8:05:45 AM](#)

CHAIR MCCORMICK announced that the first order of business would be HOUSE BILL NO. 61, "An Act relating to restrictions on firearms and other weapons."

[8:06:20 AM](#)

The committee took an at-ease from 8:06 a.m. to 8:07 a.m.

[8:07:01 AM](#)

CHAIR MCCORMICK opened public testimony on HB 61.

[8:07:38 AM](#)

DICK TRAINI, representing self, testified in support of HB 61. He stated he had witnessed firsthand the situation after Hurricane Katrina in New Orleans, and he reinforced the need for the right of citizens to bear arms.

[8:09:25 AM](#)

MIKE COONS, President, Concerned Conservatives of Alaska, on behalf of the Concerned Conservatives of Alaska, expressed support for HB 61. He pointed out other businesses were deemed essential and allowed to open during the COVID-19 pandemic, but gun stores and churches were closed. He argued against these closures.

[8:12:49 AM](#)

LUANN MCVEY, representing self, stated that she is a volunteer with the Alaska Chapter of Moms Demand Action for Gun Sense. She expressed opposition to HB 61. She urged the committee to put its time and energy into constructive legislation, such as required secure storage of firearms or increasing funding for

schools. She observed that during disasters or emergencies emotions tend to run high, and it may be necessary to restrict gun usage to limit any chaos which may erupt.

[8:15:07 AM](#)

CAROLINE PORTER, representing self, testified in support of HB 61 on behalf of her family. She stated that during the COVID-19 pandemic singling out the closure of a specific type of business, such as gun stores, caused financial hardship on the owners. She argued that the bill is about equity, in that some stores which did not seem essential were allowed to stay open. She continued that the closures were unconstitutional and unfair. She stated that the Second Amendment [to the United States Constitution] to keep and bear arms must be ensured.

[8:17:43 AM](#)

ED MARTIN, representing self, testified in support of HB 61. He expressed the belief that the bill would "cure a problem that never should have happened." He suggested that the opposite should happen in any emergency. He discussed martial law cases across the history of the country and how Second Amendment rights were not suspended during these times.

[8:20:32 AM](#)

ANNA YANCEY, representing self, testified in support of HB 61. Because of the nature of humans, she stated individuals need to be able to protect themselves during an emergency. She commented on the imperfect nature of humans and pointed out that during emergencies ideas may not be well thought out. She expressed the opinion that individuals should be able to protect themselves.

[8:23:05 AM](#)

TABITHA NARDINI, representing self, testified in support of HB 61. She said if a state emergency should happen, she would like to be able to protect her family and home.

[8:23:52 AM](#)

PAMELA SAMASH, representing self, testified in support of HB 61. She shared that her family has generations of being in the military. She pointed out that Planned Parenthood's office was open while churches and gun stores were closed during the

pandemic. She argued that this benefited one group of people, while another group of people suffered. She shared a story of how she protected her family from an attempted intruder. She advised that having a firearm had stopped the intrusion. She stressed the importance of home protection.

[8:26:25 AM](#)

KEN GRIFFIN, representing self, testified in support of HB 61. He argued that "criminals do not buy guns from stores, they steal or buy them on the street;" therefore, the bill would not affect criminals. He stated that it would only affect law abiding citizens. He pointed out that during any emergency, shipping may be halted to Alaska, and citizens would need to hunt for food; therefore, they would need access to gun stores.

[8:28:17 AM](#)

ROCHELLE PARKER, representing self, stated that she is a volunteer with the Anchorage Chapter of Moms Demand Action for Gun Sense in America. She stated that she strongly opposes HB 61. She argued that the government does not need to be restricted in any emergency, as there are so many unknowns. She expressed fear for her children during an emergency situation, as citizens may be carrying unchecked firearms. She suggested that passing the proposed legislation could expose the state to costly lawsuits.

[8:29:58 AM](#)

MICHAEL LAFAY, representing self, testified in support of HB 61. He stated that citizens should be able to protect themselves.

[8:31:07 AM](#)

JAN CAULFIELD, representing self, testified in opposition to HB 61. She stated that her family owns guns for hunting, and she opposes the bill in its current form. She expressed understanding for the argument for equity in commerce. She stated that if the bill only addressed this issue, she would not oppose it. She argued that the bill would not allow any restrictions on guns in a declared emergency, and this limitation on state and local authorities is dangerous. She also discussed the costly litigation that may ensue, and this could also hamper the decision-making process.

[8:33:51 AM](#)

MARIAN CLAEHG, representing self, testified in opposition to HB 61. She stated that she is a gun owner and a grandmother, and she is not antigun. She argued that the Second Amendment is already protected in other legislation, and this bill would be redundant and invite needless expense. She expressed concern on page 2, line 13 of the bill, as it would allow a civil action to bring a lawsuit against state or municipal agencies.

[8:36:45 AM](#)

ODETTE EDGAR, representing self, testified in opposition to HB 61. She stated that her main objection to the bill is that it would allow a gun rights organization the ability to bring civil action and collect punitive damages against public officials. She argued that society is currently overly litigious and "the bill takes us further down that road."

[8:38:33 AM](#)

FRANK RUE, representing self, testified in opposition to HB 61. He stated that he is a gun owner and a former commissioner of the Alaska Department of Fish and Game. He stated that he supports shooting sports, hunting, and the safe and responsible use of firearms; however, he expressed concerns about HB 61. He expressed no problem concerning the commerce and equity portion of the bill; however, he expressed the opinion that the bill's vagueness could possibly lead to individuals having firearms in schools. He advised that the bill should be clear so individuals in charge of dealing with a disaster are not put in jeopardy.

[8:41:24 AM](#)

CHAIR MCCORMICK, after ascertaining there was no one else who wished to testify, closed public testimony on HB 61.

[8:42:09 AM](#)

REPRESENTATIVE MCCABE moved to report HB 61 out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE MEARS objected. She expressed appreciation for the protection of Second Amendment rights; however, she expressed the understanding that these rights are already protected.

[8:43:59 AM](#)

The committee took an at-ease from 8:43 a.m. to 8:44 a.m.

[8:44:36 AM](#)

REPRESENTATIVE MEARS maintained her objection.

[8:44:51 AM](#)

A roll call vote was taken. Representatives McKay, Ruffridge, McCabe, and McCormick voted in favor of the motion to report HB 61 out of committee with individual recommendations and the accompanying fiscal notes. Representatives Mears and Himschoot voted against it. Therefore, HB 61 was reported out of the House Community and Regional Affairs Standing Committee by a vote of 4-2.

[8:45:31 AM](#)

The committee took an at-ease from 8:45 a.m. to 8:50 a.m.

HB 17-CONTRACEPTIVES COVERAGE:INSURE;MED ASSIST

[8:50:07 AM](#)

CHAIR MCCORMICK announced that the next order of business would be HOUSE BILL NO. 17, "An Act relating to insurance coverage for contraceptives and related services; relating to medical assistance coverage for contraceptives and related services; and providing for an effective date." [Before the committee was CSHB 17(HSS).]

[8:50:32 AM](#)

REPRESENTATIVE ASHLEY CARRICK, Alaska State Legislature, as prime sponsor, provided a recap of CSHB 17(HSS). She stated that the proposed bill would change the relationship between insurance companies and patients, as opposed to individuals and providers. She stated that it would create a mandate for up to 12 months of prescription contraceptives to be dispensed at one time. As providers can already issue 12-month prescriptions, this would affect what happens at the counter with the pharmacists. She added that the provider could still control the amount of prescriptions.

[8:51:27 AM](#)

The committee took a brief at-ease at 8:51 a.m.

[8:51:42 AM](#)

CHAIR MCCORMICK opened public testimony on HB 17.

[8:52:03 AM](#)

MORGAN LIM, Planned Parenthood Alliance Advocates (PPAA) Alaska, testified in support of HB 17. He stated that he is testifying on behalf of PPAA, which is in strong support of the proposed legislation. He stated that the bill would give women more control over the choice of having children, creating more career and education opportunities. In regard to obtaining birth control, he explained the difficulties for women who live or work in remote areas. He cited studies which found that having a longer supply of contraceptives would reduce unwanted pregnancies and abortions. He explained how the bill would save the state money.

[8:55:11 AM](#)

KC CASORT, representing self, testified in support of HB 17. She reiterated what the bill would do. She shared a negative experience she had while only on a month-long prescription for contraceptives. She described the timeframe she had to refill her prescription as a "narrow window." She stated that once she had access to reliable birth control, she was able to complete her degree without a "pregnancy scare."

[8:57:28 AM](#)

KATELYN SAFT, representing self, testified in support of HB 17. She reiterated the difficulties in obtaining birth control prescriptions for individuals who live off the road system.

[8:58:58 AM](#)

JAMIE GIBSON, representing self, testified in support of HB 17. She stated that birth control "saved her life." She shared a personal crisis concerning her reproductive health. She discussed the benefits of having a year's supply of birth control.

[9:01:26 AM](#)

ROSE TITUS, representing self, testified in support of HB 17. She shared her struggle with endometriosis and stated this medical condition is under control with the use of birth control; however, obtaining this is difficult because her health insurance will not cover more than a month's prescription at a time. She noted the staffing shortages in pharmacies and how this has created problems getting prescriptions filled.

[9:04:00 AM](#)

MIKE COONS, President, Concerned Conservatives of Alaska, testified in opposition to HB 17. He stated that the bill does nothing for the poor and if mandated, it will add to the cost of insurance for all. He pointed out that in rural Alaska this medication can be received via mail.

[9:06:14 AM](#)

CHARLES SEMLING, Pharmacy Manager, Alaska Medicaid, stated he is not testifying but is available for questions.

[9:06:45 AM](#)

ROSE O'HARA-JOLLEY, representing self, testified in support of HB 17. She shared her experience of working remote while in perimenopause. She explained that medication relieved her symptoms, but she could not get the time off [from a remote job] to get the prescribed medication refilled after it ran out.

[9:09:40 AM](#)

PAMELA SAMASH, representing self, testified in opposition to HB 17. She explained that she lives remotely and does telehealth, and she has prescriptions mailed to her. She expressed the understanding that birth control pills "can be very dangerous," and she shared a personal reproductive health scare. She advised that patients should see their doctors often.

[9:12:25 AM](#)

BROOK BEVERIDGE, representing self, testified in support of HB 17. She reiterated the issues that rural and Native communities have in obtaining medications. She stated that she uses birth control to stabilize hormonal imbalances.

[9:14:05 AM](#)

PAIGE HODSON, representing self, testified in support of HB 17. She expressed the opinion that this is "common sense legislation to remove barriers on contraceptive access." She stated that unintended pregnancies can often have a devastating effect on women and the communities. She referred to the legislation passed in other states and how those states have seen a 30 percent drop in unintended pregnancies.

[9:15:25 AM](#)

ALEX KOPLIN, representing self, testified in support of HB 17. He stated that he has lived in Alaska for 45 years with four daughters and one son. He commented that the bill is well-rounded and well crafted. He discussed how this would help all Alaskans.

[9:17:25 AM](#)

CHAIR MCCORMICK, after ascertaining that there was no one else who wished to testify, closed public testimony on HB 17.

[9:18:03 AM](#)

REPRESENTATIVE MCCABE moved to report CSHB 17(HSS) out of committee with individual recommendations and the attached zero fiscal note.

[9:18:17 AM](#)

REPRESENTATIVE MEARS objected for the purpose of discussion. She thanked everyone for testifying today and for sharing personal medical history. She stated that she supports CSHB 17(HSS), and she removed her objection.

[9:19:10 AM](#)

CHAIR MCCORMICK mirrored Representative Mears' comments and spoke on behalf of rural individuals, as the proposed legislation is significant for them.

CHAIR MCCORMICK, after ascertaining that there was no further objection, announced that CSHB 17(HSS) was reported out of the House Community and Regional Affairs Standing Committee.

[9:19:41 AM](#)

The committee took an at-ease from 9:19 a.m. to 9:23 a.m.

HB 84-MUNI PROP TAX EXEMPTION/TAX BLIGHTED PROP

9:23:57 AM

CHAIR MCCORMICK announced that the final order of business would be HOUSE BILL NO. 84, "An Act relating to municipal property tax; and providing for an effective date."

9:24:12 AM

REPRESENTATIVE JESSE SUMNER, Alaska State Legislature, as prime sponsor, presented HB 84. He paraphrased the sponsor statement [copy included in the committee packet], which read as follows [original punctuation provided]:

HB 84 provides local governments with additional, optional tools to incentivize economic development.

First, HB 84 allows municipalities to fully exempt property taxes for economic development purposes. Currently, municipalities may only exempt the portion of property taxes that is above the district's required local contribution. HB 84 removes this limit for economic development properties. However, this change does not impact education funding. The mandated local contribution must still be met, but other revenue sources may be used to meet this requirement.

Second, HB 84 allows local governments to levy a "blight tax". "Blighted" properties are heavily deteriorated properties that can reduce property tax and quality of life by devaluing neighboring properties. Blighted properties often become a magnet for criminal activity, which impose additional costs upon the local government. A "blight tax" implements a higher tax on these properties, however, the tax is reduced when the property is appropriately remediated and no longer considered "blighted." Under HB 84, it is up to the local government's discretion to define what properties are considered "blighted," what the tax rate would be, and what is considered "remediated." It is further left to the local government's discretion whether they seek to establish this system; they cannot use the blight tax tool without adopting additional local code.

Declining state revenue has limited the State's ability to invest in economic development initiatives. This has left the municipalities to rely more on their own means to facilitate those projects. Coupled with rising construction costs and an insufficient labor force, economic development initiatives have suffered. HB 84 seeks to address these concerns by providing further options for localities; however, it does not impose any new requirements—local governments are free to use these tools or to decline to do so. I urge your support.

[9:26:54 AM](#)

REPRESENTATIVE HIMSCHOOT expressed concern regarding language on page 2, line 13 which relates that a local community would set the standards for determining whether properties are blighted. She asked whether municipalities would be able to increase taxes for people who are occupying a property which appears blighted.

[9:28:13 AM](#)

REPRESENTATIVE SUMNER responded in the affirmative. He added that if a local government "chooses to make such a politically interesting choice," there would be repercussions; however, he continued with the opinion that this would not happen. He added that communities should have local control.

[9:29:18 AM](#)

JESSE LOGAN, Staff, Representative Jessie Sumner, Alaska State Legislature, on behalf of Representative Sumner, prime sponsor of HB 84, responded to Representative Himschoot's concern. He explained that the property owners would have the right to challenge a designation of "blighting." He expressed the opinion that it would be raised to a level of public awareness to where there would have to be public notices.

[9:30:08 AM](#)

CHAIR MCCORMICK welcomed invited testimony.

[9:30:37 AM](#)

BILL POPP, President, Anchorage Economic Development Corporation (AEDC), provided a brief background and gave invited testimony

in support of HB 84. He stated that AEDC supports the proposed legislation, as it would add key elements that currently do not exist in the "economic development toolbox." He explained that the proposed legislation would provide more latitude to address needs, of which Mike Robbins, a fellow invited testifier, would be addressing. He further explained that the bill could have the potential to be a "game changer" in terms of adding new housing in Anchorage and making it more cost-effective.

[9:35:10 AM](#)

REPRESENTATIVE MCCABE inquired about what kind of protections AEDC envisions which would prevent an assembly from not listening to residents and "just willy-nilly taking property."

MR. POPP replied AEDC does not have power over assemblies. He expressed the belief that the public process element in HB 84 would provide a robust debate.

REPRESENTATIVE MCCABE expressed the desire to strongly protect homeowners, especially ones going through hard times. He expressed support for protecting individuals' rights as well as the municipalities' rights.

[9:38:45 AM](#)

MIKE ROBBINS, Executive Director, Anchorage Community Development Authority, expressed the opinion that the proposed bill would stimulate economic and housing development around the state. He noted that the housing shortages in Alaska are at "all levels." He said Section 1 of the bill would help to address the challenge facing builders, and this challenge is mainly the cost. He continued that the bill would give cities local control in the decision-making process, as the cities would decide the amount and length of an abatement. He opined that this is something which belongs at the city level; cities should have the opportunity to make these determinations for themselves.

[9:43:12 AM](#)

REPRESENTATIVE HIMSCHOOT brought up that 100 percent abatement is already allowed for deteriorated properties, and she asked whether this is correct.

MR. ROBBINS replied that under current state law, local municipalities are allowed to abate the school district portion

of the property tax for deteriorated property. In response to a follow-up question, he affirmed this only works for a lot with a building that needs to be removed or refurbished; however, a blank lot with no structure is not eligible for an abatement of the school district tax.

[9:45:40 AM](#)

REPRESENTATIVE RUFFRIDGE question whether there is data concerning the amount of blighted property, for example, in Anchorage.

MR. ROBBINS responded that his organization has not done a study or identified all blighted property in Anchorage because there are no ordinances, and the definition of what this might look like is unclear.

REPRESENTATIVE RUFFRIDGE expressed 100 percent support for the local control that HB 84 would provide. In terms of blighted property, he asked if there would be an incentive to reduce the tax burden if the property is remediated; however, he opined that the bill could also be used to increase property taxes if the property is not remediated.

MR. ROBBINS replied that the proposed legislation could be used as a "carrot-stick" approach. He used an example with an owner qualifying for deteriorated property. The person could redevelop the property for economic purposes, and under the provisions of HB 84, this owner would be able to take advantage of the 100 percent tax abatement for redevelopment. He continued that if the owner was not developing the property, and the city wanted to encourage this, it could place an additional mill rate on the property and additionally incentivize redevelopment with a tax. Once the property is developed, the city could also give a tax abatement; therefore, the bill could work in both directions. He expressed the opinion that this is the benefit of the bill.

[9:50:18 AM](#)

NILS ANDREASSEN, Executive Director, Alaska Municipal League, gave invited testimony in support of HB 84. He stated that the proposed legislation would support local governments to address community and economic development with a community redevelopment tax incentive program. He remarked that there are no current statutes which allow local governments to develop methods to remediate properties. He advised that with the

proposed bill, vacant and underutilized properties would be used for more productive purposes, and this could increase values throughout the community. He encouraged the committee to pass HB 84.

[9:52:24 AM](#)

REPRESENTATIVE HIMSCHOOT asked for examples of other states that "do this" and she also inquired as to how a community may define "blighted."

MR. ANDREASSEN replied he is aware of two places which do this: Washington, DC, and Georgia. In response to a follow-up question, he explained that the way the bill is structured, it would be up to the community to define "blighted."

[9:54:39 AM](#)

REPRESENTATIVE HIMSCHOOT asked if municipalities would have the option to find revenue within its budget because of the gap in its funding for the education cap. She questioned whether there are parameters around this.

REPRESENTATIVE SUMNER responded that currently it is required that [municipalities] fund at the minimum effort; however, he expressed the understanding that none are doing this. He continued that municipalities would have to find the revenue elsewhere, and it is the same with any amount of tax abatement which must be replaced with revenue from another source.

[9:57:34 AM](#)

CHAIR MCCORMICK announced HB 84 was held over.

[9:57:44 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 9:58 a.m.