

**ALASKA STATE LEGISLATURE**  
**SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE**

April 25, 2023

2:38 p.m.

**MEMBERS PRESENT**

Senator Forrest Dunbar, Chair  
Senator Elvi Gray-Jackson  
Senator Jesse Bjorkman  
Senator Cathy Giessel

**MEMBERS ABSENT**

Senator Donald Olson, Vice Chair

**COMMITTEE CALENDAR**

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 69 (CRA)

"An Act relating to the reclassification of first class cities as second class cities; and providing for an effective date."

- HEARD & HELD

**PREVIOUS COMMITTEE ACTION**

BILL: HB 69

SHORT TITLE: RECLASSIFICATION OF FIRST CLASS CITIES

SPONSOR(S): REPRESENTATIVE(S) CRONK

02/10/23	(H)	READ THE FIRST TIME - REFERRALS
02/10/23	(H)	EDC, CRA
03/01/23	(H)	EDC AT 8:00 AM DAVIS 106
03/01/23	(H)	Heard & Held
03/01/23	(H)	MINUTE(EDC)
03/13/23	(H)	EDC AT 8:00 AM DAVIS 106
03/13/23	(H)	Heard & Held
03/13/23	(H)	MINUTE(EDC)
03/20/23	(H)	EDC AT 8:00 AM DAVIS 106
03/20/23	(H)	Moved HB 69 Out of Committee
03/20/23	(H)	MINUTE(EDC)
03/22/23	(H)	EDC RPT 5DP 2NR
03/22/23	(H)	DP: STORY, MCKAY, MCCORMICK, ALLARD, RUFFRIDGE
03/22/23	(H)	NR: HIMSCHOOT, PRAX
04/04/23	(H)	CRA AT 8:00 AM BARNES 124

04/04/23	(H)	Heard & Held
04/04/23	(H)	MINUTE(CRA)
04/06/23	(H)	CRA AT 8:00 AM BARNES 124
04/06/23	(H)	Moved CSHB 69(CRA) Out of Committee
04/06/23	(H)	MINUTE(CRA)
04/10/23	(H)	CRA RPT CS(CRA) 6DP
04/10/23	(H)	DP: MEARS, MCKAY, HIMSCHOOT, RUFFRIDGE, MCCABE, MCCORMICK
04/14/23	(H)	TRANSMITTED TO (S)
04/14/23	(H)	VERSION: CSHB 69(CRA)
04/17/23	(S)	READ THE FIRST TIME - REFERRALS
04/17/23	(S)	CRA
04/25/23	(S)	CRA AT 1:30 PM BELTZ 105 (TSBldg)

**WITNESS REGISTER**

DAVE STANCLIFF, Staff  
 Representative Mike Cronk  
 Alaska State Legislature  
 Juneau, Alaska

**POSITION STATEMENT:** Gave a recap of CSHB 69(CRA), on behalf of the sponsor, and reviewed the differences between it and the Senate companion bill, SB 79.

**ACTION NARRATIVE**

[2:38:31 PM](#)

**CHAIR FORREST DUNBAR** called the Senate Community and Regional Affairs Standing Committee meeting to order at 2:38 p.m. Present at the call to order were Senators Gray-Jackson, Bjorkman, Giessel, and Chair Dunbar.

**HB 69-RECLASSIFICATION OF FIRST CLASS CITIES**

[Contains discussion of SB 79.]

[2:38:50 PM](#)

**CHAIR DUNBAR** announced the consideration of CS FOR HOUSE BILL NO. 69(CRA) "An Act relating to the reclassification of first class cities as second class cities; and providing for an effective date."

**CHAIR DUNBAR** invited Mr. Stancliff to put himself on the record and give a brief recap and summary of the differences between the House and Senate versions of the bill, HB 69 and SB 79.

[2:39:34 PM](#)

DAVE STANCLIFF, Staff, Representative Mike Cronk, Alaska State Legislature, Juneau, Alaska, gave a recap of CSHB 69(CRA), on behalf of the sponsor, and reviewed the differences between it and the Senate companion bill, SB 79. He described two differences between the bills:

- Time Extension to Interact with the Community  
The Local Boundary Commission (LBC) asked for more time to interact with the community. The original bill allotted 10 days. CSHB 69(CRA) extends that period to 30 days.
- Added Sunset Clause  
LBC requested a little time to streamline its process to prevent this matter from coming before the legislature again. A two-year timeframe was agreed upon for the sunset provision.

MR. STANCLIFF explained that CSHB 69(CRA) allows a city council to decide whether to reclassify as a second-class city. This bill pertains to the City of Tanana. A positive benefit of the reclassification of Tanana is that it would result in the Tanana City School District (TCSD) merging with the Yukon-Kuskokwim School District (YKSD). This change would be fiscally advantageous to the State. TCSD, YKSD, the Tanana City Council, and the mayor agree that the school district merger is the way to go. The City of Tanana dropped below the first-class city minimum of 400 residents. Four other communities are below the 400-resident level, but the City of Tanana is the only city that requested reclassification as a second-class city.

[2:41:38 PM](#)

CHAIR DUNBAR asked to hear more about the need for a sunset clause and sought clarification that the sunset provision applies to the reclassification streamlining process.

MR. STANCLIFF replied that's right. He explained that LBC usually meets once or twice per year. LBC has no internal mechanism for addressing population thresholds that drop below the minimum for first-class cities. The Commission can only address this through a lengthy process that takes up to a year or more. Relief is needed sooner. LBC requested permission to work on an internal, streamlined process so the legislature does not have to act again.

CHAIR DUNBAR asked whether LBC could do this through regulation.

MR. STANCLIFF replied yes, LBC can do it internally.

[2:42:57 PM](#)

SENATOR GRAY-JACKSON sought confirmation that the aim is to have LBC take care of this issue by the date in the sunset clause, June 30, 2025.

MR. STANCLIFF answered yes. LBC will establish a process for communities to rapidly address any crisis that might occur due to a declining population issue.

[2:43:33 PM](#)

SENATOR BJORKMAN asked whether the legislature posits the Local Boundary Commission has the tools and resources to engage in this process independently.

MR. STANCLIFF answered yes. LBC indicated it needs procedures to address declining populations and can handle this job. The Commission asked for a sunset. The legislature takes the Commission at its word that it can complete the task and that there will be no need for this statute beyond the sunset. He said if it does not work out, the legislature always has the prerogative of extending or repealing the sunset clause.

SENATOR BJORKMAN wondered whether the legislature ought to keep the statute in law rather than sunset it, because keeping the statute would empower LBC to handle this process.

MR. STANCLIFF replied that the sunset clause is at the committee's and the legislature's discretion. The Local Boundary Commission suggested it to streamline its process; it was included as a courtesy. He said it is up to the committee whether or not to grant it.

[2:46:23 PM](#)

CHAIR DUNBAR sought confirmation that LBC could figure out a way to do this without a sunset provision.

MR. STANCLIFF replied that is correct.

[2:46:50 PM](#)

SENATOR GRAY-JACKSON asked whether the sponsor of the Senate companion bill, SB 79, approves of the changes.

MR. STANCLIFF replied that the sponsors worked closely together. The Senate sponsor agreed to let the House take the lead on the bill. He is fully informed and in agreement with the House version of the bill.

[2:47:35 PM](#)

SENATOR GIESSEL sought clarification that the Senate version of the bill, SB 79, does not contain a sunset clause.

MR. STANCLIFF replied that's correct. He explained that the Senate version was introduced before the House Community and Regional Affairs Committee adopted an amendment to the House version that added a sunset provision and an adjustment from 10 to 30 days. He said that is the difference.

[2:48:05 PM](#)

CHAIR DUNBAR opened public testimony on HB 69; finding none, he closed public testimony. He held HB 69 in committee.

[2:49:16 PM](#)

There being no further business to come before the committee, Chair Dunbar adjourned the Senate Community and Regional Affairs Standing Committee meeting at 2:49 p.m.