

**SENATE BILL NO. 240**

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY SENATOR PEARCE

Introduced: 1/11/94  
Referred: CRA, RES, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to an optional municipal tax credit for costs of certain river  
2 habitat protection improvements."

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

4 \* Section 1. AS 29.45 is amended by adding a new section to read:

5 Sec. 29.45.046. RIVER HABITAT PROTECTION TAX CREDIT. (a) A  
6 municipality may by ordinance provide for a river habitat protection credit to be  
7 applied to offset a portion of the property taxes due on land, or an interest in land  
8 taxable under this chapter, upon which an improvement has been constructed that aids  
9 in

10 (1) protecting the Kenai River or a tributary of the Kenai River from  
11 degradation due to public or private use; or

12 (2) restoring riparian fish habitat in the Kenai River or a tributary of  
13 the Kenai River that has been damaged by land use practices.

14 (b) The amount of a river habitat protection credit shall be based upon a

1 percentage of the verifiable costs of the improvement and may not exceed 50 percent  
2 of the total amount of taxes levied upon the land or upon the taxable interest in the  
3 land during a single tax year, but the credit may be granted for more than one year.  
4 The ordinance may limit the availability of a credit to some, but not all types of  
5 improvements for which a credit may be granted under this section and to some, but  
6 not all areas of the municipality. A credit may only be granted for an improvement  
7 that has been constructed in compliance with state and federal laws and certified by  
8 the Department of Fish and Game under (c) of this section. A credit may not be  
9 granted for an improvement

10 (1) required under state or federal law, or as a condition of a permit for  
11 or exemption from a requirement for land development granted by the federal, state,  
12 or municipal government;

13 (2) constructed or designed solely to prevent natural erosion;

14 (3) constructed or designed primarily to provide commercial access to  
15 a stream or river; or

16 (4) located more than 150 feet from the ordinary high water line; in this  
17 paragraph, "ordinary high water line" means that line on the shore of a nontidal river  
18 or stream that reflects the highest level of water during an ordinary year and is  
19 established by fluctuations of water and indicated by physical characteristics such as  
20 a clear, natural line impressed on the bank, shelving, changes in the character of soil,  
21 destruction of terrestrial vegetation, the presence of litter and debris, or other  
22 appropriate means that consider the characteristics of the surrounding area.

23 (c) The Department of Fish and Game shall by regulation establish criteria to  
24 be used in determining whether an improvement is effective in accomplishing the  
25 purposes listed in (a)(1) or (2) of this section. Upon application by the owner of land  
26 or taxable interest in land, the department shall certify whether an improvement meets  
27 the criteria established under this subsection.