

**CS FOR SENATE BILL NO. 240(FIN)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**EIGHTEENTH LEGISLATURE - SECOND SESSION**

**BY THE SENATE FINANCE COMMITTEE**

**Offered: 2/24/94**  
**Referred: Rules**

**Sponsor(s): SENATOR PEARCE**

**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) Unless**  
**6 prohibited by municipal charter, a municipality may by ordinance provide for a river**  
**7 habitat protection credit to be applied to offset a portion of the property taxes due on**  
**8 land, or an interest in land taxable under this chapter, upon which an improvement has**  
**9 been constructed that aids in**

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

**12 (2) restoring riparian fish habitat along or in the Kenai River or a**  
**13 tributary of 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
- 11 (2) located more than 150 feet from the mean high tide line or ordinary  
12 high water line; in this paragraph, "ordinary high water line" means that line on the  
13 shore of the nontidal portion of a river or stream that reflects the highest level of water  
14 during an ordinary year and is established by fluctuations of water and indicated by  
15 physical characteristics such as a clear, natural line impressed on the bank, shelving,  
16 changes in the character of soil, destruction of terrestrial vegetation, the presence of  
17 litter and debris, or other appropriate means that consider the characteristics of the  
18 surrounding area.

19 (c) The Department of Fish and Game shall by regulation establish criteria to  
20 be used in determining whether an improvement is effective in accomplishing the  
21 purposes listed in (a)(1) or (2) of this section. Upon application by the owner of land  
22 or taxable interest in land, the Department of Fish and Game shall certify whether an  
23 improvement meets the criteria established under this subsection. The Department of  
24 Fish and Game may by regulation establish procedures to be used in applying for  
25 certification, and may require submission of plans for approval before construction of  
26 an improvement as a condition of certification.