

SB

2411

FAIRBANKS NORTH STAR BOROUGH

Box 1267, Fairbanks, Alaska 99707

March 21, 1977

Senator Joe Orsini, Chairman
Community & Regional Affairs
Committee
Pouch V
Juneau, AK 99811

*House C & RA Committee
Members -
Thought you should
see this letter -
Lisa*

Dear Senator Orsini:

Thank you for the opportunity to present our views on upcoming legislation.

SB 241

One bill of particular interest to the Fairbanks North Star Borough is Senate Bill 241. In its current form, the Fairbanks North Star Borough must oppose the proposed legislation. The attached resolution by the Fairbanks Chamber of Commerce also demonstrates local opposition to SB 241. We have been working with other Boroughs on the formulation of a substitute for SB 241 and hope to be able to support substitute legislation.

The basic problem with the current situation is the fact that boroughs are selecting state selected land and are not receiving prompt action on their selections. While this bill goes a long way to resolve that matter, Article 3A, "Determination of Entitlement" ends future land entitlements.

We feel that there will be a great deal of land selection activity by the State within the North Star Borough in the future, and we cannot see equity in taking from the boroughs their entitlement of 10% of state selected land within their boundaries per A.S. 29.18.190-200; companion to the Mandatory Borough Act.

We further feel that there is a need for a cooperative selection effort by the State Division of Lands and Alaska's Boroughs in exercising future selections within the organized municipalities. We definitely wish the opportunity to testify regarding this bill and other legislation affecting Borough selection of state selected lands.

SB 210

While I favor property tax relief, it appears that the proposed Senate Bill 210 is premature at this time. The State's record in being able to fund shared revenue in construction debt reimbursement has been very poor in that we seldom receive full funding on revenue sharing commitments. Furthermore, this legislation is somewhat in opposition to the philosophy of local control as adopted by the Alaska Municipal League.

When municipal governments go to the bond market, a major consideration in

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determining their bond rating has been their property values and the amount of pressure on them. In conclusion, whereas I am generally in support of those things which relieve pressures on the property tax, we feel this legislation is premature (effective date 1979) and would recommend deferring it to subsequent legislatures.

Very truly yours,

Handwritten signature of John A. Carlson in cursive, with the initials "PAB" written below the signature.

JOHN A. CARLSON
Borough Mayor

JAC:RAG:cmo

cc: Alaska Municipal League
Lisa Rudd, Chairman ✓
House Senate C & RA Committee