

SCOMM

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ALASKA MUNICIPAL LEAGUE

POLICY STATEMENT

PRELIMINARY DRAFT
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POLICY STATEMENT

Part I TAXATION AND FINANCE

State Collected, Locally Shared Taxes

A. Municipalities in Alaska presently derive significant revenues from state-collected, locally shared taxes to meet their basic operating expenses. Any curtailment of such revenues would have a serious adverse effect upon the operation of municipal governments, resulting in either a marked increase in local property taxes or a reduction in the level of services offered to the public. The League, therefore, opposes reduction of such revenues through the elimination of such taxes unless other equal sources of revenue are made available to local government or appropriations to compensate for lost revenues are made by the State.

B. The exploration and development of non-renewable resources, both inside and outside municipal boundaries, creates a substantial and immediate impact on the need for municipal facilities and services which exceed the financial ability of most municipalities to meet in the short period of time available to have such facilities and services operational. The League urges adoption of legislation which would provide financial assistance to municipalities which experience such impacts and that the assistance program be funded through a state imposed license on non-renewable resource exploration and development.

C. The League continues to urge adequate funding of the Abandoned Motor Vehicle Fund with special emphasis paid to the cost incurred handling abandoned vehicles which have no value.

D. The League supports legislation which would enable municipalities to levy, by local option, a tax on the same tax source as are authorized for levy under the Alaska Income Tax Act, without restricting municipalities rights to levy taxes on other sources. The League further recommends that the municipal income tax be collected and administered by the State and refunded to the jurisdiction levying the tax.

Locally Collected Taxes

A. Sources of local revenue for municipalities in Alaska are limited to a very extensive degree, to the income derived from local property and sales taxes. Therefore, the League opposes the imposition of state-mandated exemptions of certain classes of property, individuals, organizations or commodities from the applications of such taxes unless adequate compensation is made by the State to reimburse local government for revenues lost due to these exemptions.

B. Several laws have been enacted in the past few years which have mandated exemptions, partial exemptions and deferrals from local property taxes or assessments. In most cases provisions have been included which cause the State to reimburse municipalities for the lost revenue. The League urges the Legislature to include in all such reimbursement legislation the provision that this reimbursement is a lien in favor of the State against the property exempted, except that this lien provision will not apply to exemptions granted under AS 29.53.020(e).

C. The State of Alaska is increasingly acquiring property within the various municipalities and as such demands the local governmental services for such property to include fire, police and other amenities from the human resources standpoint. The League therefore, endorses the position whereby the State would pay to the local governments a payment in lieu of ad valorem taxes for the state owned property, as well as payments for its share of the cost of improvements which benefit such property.

Local Taxing Powers

A. The League opposes any further effort on the part of the State to levy a property tax which would infringe upon the rights of local governments to levy the same rate of tax as levied on other property within the taxing jurisdiction.

B. The municipalities in Alaska must assess property at 100% of its fair market value for purposes of taxation. To assure the public of fair and equitable treatment to protect the property owner from improper assessing practices, municipalities have established adequate procedures for hearings and appeal. The League, therefore, opposes any attempt to restrict local assessment procedures without a thorough review of the statewide impact those restrictions might have.

State Shared Revenues

A. The League supports the concept of HB 70 introduced in the first session of the Tenth State Legislature. The League urges the Legislature to enact legislation containing the basic provisions of HB 70, especially the formula therein for the allocation of shared revenue funds.

B. There are several instances now where one municipality provides facilities or services for citizens of an entire area, many of whom are not residents of the municipality providing the service. In view of this, the League supports legislation which would allow credit for population served by facilities or services operated by a municipality having only a portion of that population within its boundaries where no other city or borough is entitled to shared revenues for the area served.

C. The League supports legitimate and reasonable changes in the amount of money requested for the municipal services shared revenue program and remains adamant in the belief that each Legislature has the obligation to fund the program 100% annually.

Bonding

A. The League supports legislation passed during the 1977 Legislative Session which permits home rule and first class cities to issue unlimited tax bonds. The League further recognizes that such legislation permits potential abuse and does not oppose new legislation establishing a ceiling on G.O. bond per capita debt provided such ceiling is not lower than 5,000 per capita.

Funding for Newly Organized Municipalities

A. The League requests the enactment of legislation to provide adequate block grants to assist in the formation of new municipalities.

Public Employee Retirement

A. The League urges that legislation which increases benefits under the Public Employees Retirement System provide that the increased cost shall be borne by contributions from the employees. The League urges the Legislature to recognize the effect on participating municipal employers if any amendments are made to PERS.

Civic and Convention Centers and Museums

A. While legislation has been enacted into law to enable the State to assist local communities in the construction, maintenance and operation of civic, convention and community recreation centers, no funding has been available for this purpose. The League, therefore, urges the Legislature to authorize the issuance of bonds in an amount sufficient to meet the construction requirements in Alaska Communities.

B. The League urges the Legislature to provide State assistance for the construction, maintenance and operation of museums by Alaskan communities in order to preserve and display materials illustrative of the history of the State, the community and its people.

Local Hospital Use

A. It is the practice of the Public Health Service and other health agencies to transport patients from local communities with modern hospital facilities and professional expertise to regional hospitals for treatment and convalescence. If local community hospitals are to survive and provide the professional services communities require, these cases should remain in the local hospitals. The League, therefore, urges the State and Federal agencies responsible for health care, to utilize the local health facilities and to transport patients to regional centers only when the necessary services are not available.

Real Estate Transfer Information

A. The League supports legislation to enact a statute imposing a real estate transfer fee with an affidavit to the Department of Community and Regional Affairs containing the date of transfer, legal description, total consideration, terms and conditions of sale, name and mailing address and signature of grantee and grantor.

Part II EDUCATION

School Support

A. The constitution of Alaska is very specific in its requirement that education is the responsibility of the State. Therefore the League urges the Legislature to fund annually 100% of the costs of Public School Foundation Program, student transportation (including kindergarten, hazardous bus routes and inclement weather), community schools and at least 80% of the debt retirement for school construction. Appropriations for these programs must reflect annually the increased costs incurred by school districts and full funding should not be used as a catalyst for the State to infringe upon the rights of local people to administer local schools.

B. The League recommends that the State Legislature fund fully facilities and personnel to educate all handicapped children as required by public law 94-142.

Assembly/Council-School Board Relationships

- A. The League supports legislation to clarify Assembly/Council-School Board relationships and opposes legislation which would diminish Assembly/Council authority in education matters.
- B. Because of inter relationship between major and minor building maintenance, the League supports legislation authorizing Assembly Council, as landlords, to assume full responsibility for all school building maintenance.

Public Communications

- A. The League encourages State and Federal governments to seek immediate and expeditious activation of satellite communication facilities for education in the State.
- B. The second session of the Ninth State Legislature implemented initial funding for limited televising of legislative sessions. The League now urges adequate funding of the program to assure that the general public has the greatest access possible, not only to floor sessions, but also committee hearings.

University of Alaska

- A. In view of the overwhelming increase in the costs of operating the University of Alaska, the League urges the Legislature to conduct an independent study of the operation, needs and goals of the University within the framework of its intergration with and contribution to education systems.

Part III

PUBLIC SAFETY

Training

- A. The demand for trained competent local police and fire departments is accelerating throughout Alaska. It is urged that the Legislature at an early date establish police, fire and emergency medical personnel training programs throughout the State with adequate facilities for training of local public safety people.
- B. The League recommends that the training of local public safety personnel be accomplished on a continuing basis. This would eliminate the necessity of a large percentage of the local force from being absent from the municipality at the same time. The existing situation is not only expensive but also detrimental to adequate public safety coverage.

C. The League further recommends that procedures be established whereby certification of public safety personnel can be granted through reciprocity with other states having adequate certification requirements.

D. The League urges the Legislature to provide the Commissioner of Public Safety with the authority to establish a limited certification program for municipal security officers for special purposes, to include airport boarding security.

Part IV LAND USE

Local Options

A. The League feels strongly that laws pertaining to the powers of local planning and zoning must allow for the greatest flexibility at the local level. Councils and assemblies must be given adequate authority to delegate certain responsibilities to boards and commissions and to work out local planning and zoning conflicts on the local level. The League also urges the State to amend the Statutes in order to simplify the proceedings for resolving planning and zoning conflicts.

Land Selection

A. Since its enactment in 1963, the legislation which permits municipal land selection has been frustrated by the absence of implementing legislation and administrative procedures. To minimize administrative and legal disputes, it is necessary that implementing legislation be enacted to carry out the legislative intent of the 1963 act. The ability of the State to provide a fair and equitable implementation of these land grants is being eroded by the passage of time. For this reason the League considers this legislation a priority of the present Legislature.

D-2 Lands in Alaska

A. The League supports the D-2 proposals put forward by the Governor and the majority of the Alaska Congressional Delegation. The League opposes any legislation that would create instant land use classifications severely restricting lands and resources without consideration for land use potential. Any land use recommendations should, whenever possible, follow the multiple use concept, and should be based on professionally thorough and unbiased analysis of land use potential and compatibility of uses, giving appropriate weight to economic, social and environmental factors.

Historic Sites

A. In order to help municipalities retain as much as possible of Alaska's colorful and historic past, the League supports establishment of a matching grant program and funding for acquisition, maintenance and rehabilitation of monuments and historic sites.

Coastal Zone Management

A. The League requests that the Legislature make funding available to support the planning and implementation of Coastal Zone Management to those resource districts which have been designated by statutes.

Subdivisions

A. Subdivision of land is a major factor in community development creating patterns which have a long lasting effect. Although present legislation clearly recognizes the need for subdivision, means of enforcement are inadequate. The League urges that more effective provisions be provided to municipalities by the Legislature.

Part V TRANSPORTATION, DOCKS AND PORTS

Surface and Marine Highways

A. With the increasing development of natural resources in Alaska, the League supports legislation which would expand the Alaska Marine Highway to Western Alaska and improve transportation service to Southeast Alaska linking it to Western Alaska, and expand ferry service to lower Cook Inlet communities.

B. Since Alaska economically depends heavily upon ocean and inland water shipping, fishing and other marine travel, the League supports the State's Port and Harbor Grant programs and urges further expansion of those programs. Major port facility plans should be prepared and developed.

C. The League supports efforts to provide efficiencies in the operation of the Alaska Marine Highway System providing these efficiencies are based on publicly available economic data.

D. With the increasing difficulty of acquiring public right-of-way throughout the State, due primarily to the different land classifications and ownerships, The League supports the acquisition of adequate corridors for construction for public access through such lands.

E. The League strongly objects to any reduction in ferry service to Alaska ports. The League strongly urges community input be requested prior to establishing marine highway rates and schedules.

F. The League supports efforts toward an expanded railroad system to serve areas beyond the current northerly railroad terminus and southeasterly extensions linking the State of Alaska with Canadian rail facilities.

G. Since the Alaska economy depends on the existence of transportation routes, the League supports the continued use and State maintenance of the resource road to the North Slope with a traffic level consistent with service facilities available.

Part VI MUNICIPAL UTILITIES

State Regulation

A. Alaska is undoubtedly unique among the fifty states in its preponderance of municipally-owned utilities. However, most of these utilities are currently over-burdened because of the unprecedented growth of recent years. The League supports expeditious funding which would make available to the various municipal utilities in the State of Alaska low-interest loans in order that they may immediately be brought into adequate service for the people.

B. Despite the demonstrated ability of municipalities to operate their own utilities in the best interest of the consumer public, efforts are constantly being made to subject municipally owned and operated utilities to regulation by the Alaska Public Utilities Commission. This is a costly and unnecessary infringement on local government powers and the League opposes any legislation which would inflict this undue regulation by the State on municipally owned and operated utilities.

Acquisition

A. One of the alleged benefits to accrue from the enactment of the Alaska Public Utility Commission Act was an amicable solution to the service area conflicts between competing utilities. To further this commendable objective, the League, therefore, supports legislation which would allow municipalities operating utilities to acquire the facilities of a competing utility within the corporate limits of the acquiring utility under specific terms which would fairly compensate the competing utility.

Sewage Disposal

- A. The League endorses an amendment to Federal Law (40 CFR 133) to exclude municipalities adjacent to tidal fluctuations from the requirements of secondary treatment where the receiving waters do not merit secondary treatment for sewage effluent disposal into ocean waters.
- B. The League also endorses the concept of the State of Alaska's paying up to 75% for sewage and water systems constructed by municipalities under the State of Alaska construction grant program.
- C. The League endorses an amendment to Federal Law which would allow the operational cost of sewage treatment facilities to receive general fund support from the State of Alaska and its municipalities, and to eliminate reference to a sewer use charge.

Part VII MUNICIPAL ELECTIONS

Majority Elections

- A. The League supports legislation which would amend 29.29.040 to allow municipalities to determine, by local option, what percentage of votes cast is necessary for election to municipal office.

Poll Hours

- A. Experience has proven that extension of polling place hours has not increased voter turnout and has been costly for municipalities. The League, therefore, opposes legislation which would extend the hours beyond the present 8:00 am to 8:00 pm.

Registration

- A. The League opposes legislation which would eliminate or erode the State of Alaska registration system.
- B. The League supports legislation which would expand the State voter registration laws (AS 15.07.030) to include as part of voter history for registration and purging purposes, voting in a regular municipal election.

Administration

The League supports legislation which consolidates all functions pertaining to election, conflict of interest, campaign disclosure reporting and qualifications for candidates into one agency.

Disclosure Restrictions

A. Although the League opposes campaign and financial disclosure restrictions imposed upon local governments, it recognizes the improbability of complete repeal of these statutes. The League, however, urges the Legislature to review and revise the laws making the reporting requirement less onerous than presently in effect. The League specifically supports legislation which would exempt from campaign disclosure elected advisory boards as defined in 29.63.090.

Voter Qualification

A. The League supports legislation which would require a person to be registered to vote in State elections in the municipality in which he seeks to vote.

Qualifications for Elective Office

A. The League supports legislation that would include provisions in Title 29 for municipalities to set qualifications for all elected municipal officials and to delete that section in Title 14 relating to school board member qualifications.

B. The League supports legislation that would amend Title 29 to include reference to the requirements of AS 15.13 and AS 39.50 pertaining to qualifications of candidates.

Part VIII LOCAL GOVERNMENT POWERS

Local Autonomy

A. Because certain restrictions currently exist in the Alaska Statutes which impede effective independent local government, the League supports legislation that would promote more effective and independent local government in all organized boroughs and cities, and opposes any legislation which would restrict local government powers.

B. The League also opposes any further federal intrusion into local government powers and operations.

Public Employee Labor Relations

A. The League strongly opposes any legislation which would force municipalities to be subject to the provisions of the Alaska Public Employees Labor Relations Act. The League opposes, just as strongly, any legislative efforts to dictate the provisions of local public employees labor relations ordinances.

B. The League opposes legislation imposing binding arbitration on local governments. Such legislation would hinder local governments ability to determine their personnel costs and, therefore, prevent local government from determining the local tax rate.

Title 29 Revision

A. In 1972, the League was successful in its efforts to have the Legislature approve passage of Chapter 118 SLA 1972 which repealed Title 7 (Boroughs) and former Title 29 (Municipal Corporations) and created a new Title 29 (Municipal Government) in lieu of the repealed provisions. Since most powers of municipalities are derived from Title 29, the League supports efforts by the Department of Community and Regional Affairs to continually review, in consultation with Alaska municipalities, Title 29. As the first step in accomplishing this purpose, the League supports HB 483 introduced in the First Session of the Tenth State Legislature.

Third Class Borough

A. The League supports elimination of language from Alaska Statutes which would allow for the future creation of Third Class Boroughs. Any existing Third Class Borough would be allowed to continue in existence until such time as it reclassifies. The League believes that a Third Class Borough, as currently defined in statute, does not meet standards for a general purpose local government.

Local Government Study

A. The League endorses, and strongly supports, legislation that would create and adequately fund a "blue ribbon" panel which would be charged with investigating current and future state/local governmental relations and finance in Alaska and the current and future status of local government structures, specifically including the unorganized borough. The panel membership shall be comprised of a broad representation of state and local government residents. The panel shall prepare a report on its findings, including proposed legislative and constitutional changes, and shall submit the report to the First Session of the 11th State Legislature.