

HB

214

STATE OF ALASKA  
Inter-Department Route Slip

TO:  
MAIL STATION NUMBER \_\_\_\_\_

DEPARTMENT (2) CE/A

ATTENTION Ben Harding

- |  |  |
|--|--|
| <input type="checkbox"/> Approval      | <input type="checkbox"/> Note & Return       |
| <input type="checkbox"/> Signature     | <input type="checkbox"/> Initial & Return    |
| <input type="checkbox"/> Comment       | <input type="checkbox"/> Return As Requested |
| <input type="checkbox"/> Contact Me    | <input type="checkbox"/> Return For Approval |
| <input type="checkbox"/> Prepare Reply | <input type="checkbox"/> Necessary Action    |
| <input type="checkbox"/> For Your File | <input type="checkbox"/> Your Information    |

Remarks: *I think you  
already have this  
info on HB 214 - but  
just in case you don't.*

FROM:  
MAIL STATION NUMBER \_\_\_\_\_

DEPARTMENT Justice

BY Jan-Bark DATE 3/6



# Alaska State Legislature

## Senate

Memorandum

JUNEAU, ALASKA

TO: Representative Hugh Malone  
Speaker of the House

DATE: March 8, 1978

RE: CSHB 190

FROM: Joe Orsini *go*

Regarding your inquiry of March 7 on CSHB 190, committee letters were sent out February 24 to the Commissioner of Environmental Conservation and to the Kenai Peninsula Borough, the Municipality of Anchorage, the Matanuska-Susitna Borough and the Fairbanks North Star Borough for their assessment of the revision of CSHB 190 proposed by Mr. John Davis of the Cook Inlet Air Resource Management District. Since no comments have yet been received, no date has been scheduled for a committee hearing at this time.

Similarly, for HB 214 (SB 179), municipal officers from Fairbanks and Anchorage have commented verbally on the proposed legislation and have indicated that they would provide statements in writing. We have not yet received their statements, or statements from any other municipality on the issue.

I would appreciate, however, any background material you could supply me from your own files regarding HB 214 which could be used for the Committee's information.

*Joe*  
*The data on HB 214*  
*has been transmitted. I appreciate your*  
*scheduling the bill at your earliest*  
*convenience. Thanks*  
*Hay*

HB 214



Supreme Court

State of Alaska

CHIEF JUSTICE  
ROBERT BOOCHEVER

JUSTICES  
JAY A. RABINOWITZ  
ROGER G. CONNOR  
ROBERT C. ERWIN  
EDMOND W. BURKE

POUCH U  
STATE COURT AND OFFICE BUILDING

JUNEAU, ALASKA  
99811

907-465-3410

March 2, 1977

Honorable Hugh Malone  
Speaker of the House  
Capitol Bldg., Rm. 210  
Juneau, Alaska 99811

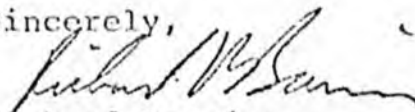
Dear Rep. Malone:

The following list of payments by political subdivisions represents the amounts that the State would pay out if it decided to refund all judicial services payments subsequent to July 1, 1975:

Cordova	\$	200
Homer		240
Palmer		678
Kodiak		8,368
Seldovia		600
Seward		6,580
Soldotna		1,259
Ft. Yukon		400
Nenana		45
Haines		680
Juneau		41,684
Petersburg		500
Wrangell		500
Nome		1,000
Kotzebue		600
Delta Junction		240
Sitka		10,135
Anchorage		126,500
Valdez		7,556
Skagway		782
		<u>\$208,547</u>

Please let me know if you need other information on these payments.

Sincerely,

  
Richard Barrier

SENATE COMMUNITY AND REGIONAL AFFAIRS  
COMMITTEE MEETING

May 18, 1978

Present: Senators Orsini, Hackney and Willis; Don M. Berry, Municipality of Anchorage; Floyd Johnson, Division of Emergency Services, Dept. of Military Affairs; Peter Froehlich, Attorney General's Yvonne M. Alford, Municipality of Anchorage; Mitchell Gravo, Municipality of Anchorage; Jim Rolle, Municipal League; Lisa Rudd, Representative.

Absent: Senators Ferguson and Sumner

The meeting was called to order at 3:07 p.m. House Bill 214 and CSHB 941 were the bills before the Committee.

HOUSE BILL 214

Mitchell Gravo, Municipality of Anchorage, explained that the effect of the legislation passed in 1976 was to relieve municipalities for judicial services rendered by the state. Prior to that time municipalities had to pay the state for judicial services such as magistrates and court judges. He further explained that when this legislation was passed it said nothing about amounts owed prior to 1976. HB 214 would relieve the political subdivisions from paying for judicial services rendered prior to 1976.

Senator Hackney moved that the Committee passed out HB 214 with a "DO PASS" recommendation. There was no objection.

CS FOR HOUSE BILL 941

Mitchell Gravo, explained that the bill concerns a 1974 lease agreement between the State of Alaska and, at that time, the City of Anchorage on 3rd and Post. He stated that the lease called for rent of \$100,000 a year plus \$10,000 for the option to purchase the facilities after 10 years. The property was appraised in 1974 at \$1 million. In 1976 after the lease had been functioning for 2 years the State wanted to rescind the lease and filed suit against the City. Mr. Gravo stated that it would probably take 1 1/2 to 2 years before the question can be legally resolved. He stated that the State alleged that the lease was illegal on three grounds: 1) the Commissioner of Highways lacked authority to enter into the lease-purchase agreement because the Director of the Division of Lands was the only official who could execute such an agreement, 2) appropriate public notice was lacking, 3) the property was appraised six rather than three months prior to the lease-purchase agreement.

He stated that this bill would ratify the lease purchase agreement between the State and the city of Anchorage and would direct the Director of the Division of Lands and the Commissioner of Highways to recognize the lease-purchase agreement.

He stated that the State is relying on loopholes and technicalities to rescind the lease-purchase agreement while claiming that the State is in need of the property. Mr. Gravo further stated that the People

Mover bus system is located at this facility and that it would be nearly impossible to find facilities elsewhere in the downtown area, which was especially suited for dispatching purposes.

Pete Froehlich, Attorney General's Office, was called in the absence of Richard Bernham who is handling the law suit against the City of Anchorage. Mr. Froehlich stated that he would testify from a letter written to Senator Croft at the request of Representative Rudd.

Senator Hackney questioned the letter's assertion that the State was in need of the land at the time the lease-purchase agreement was made.

Mr. Froehlich stated that if this bill was to pass assuming it is not vetoed, in his judgement the issue of the authority of any other Department, other than the Director of the Division of Lands, to dispose of land would be unresolved.

Mr. Froehlich unlike Mr. Gravo, believed that a Superior Court decision would be made by mid-summer.

Chairman Orsini asked Mr. Froehlich to report back to the Committee with the following information by next week: a legal opinion of the effect of this bill if it were passed, assuming it was not vetoed; if the bill passed the Legislature would the Administration recognize the lease as valid; other agencies that have demonstrated a particular need for this piece of property.

Floyd Johnson, Department of Military Affairs, Division of Emergency Services, stated that they occupy one of the three buildings in the complex. He stated that his office was notified by the AG's office through the Department of Administration not to sign a lease agreement with the city and not to make monthly payments. He stated that his office has four years of monthly bills and would be willing to pay their debt to the Municipality as soon as the court decision comes down. He stated that in FY 75 and FY 76 the rent money lapsed into the general fund yet FY 77 is committed and possibly also FY 78 funds. He stated that the total owed as of the end of the fiscal year would be \$93,430.

Chairman Orsini asked that the Deputy Commissioner send a memo to the Committee giving his opinion of, if the lease goes on as originally signed, if Emergency Services has a legal right to stay there through the state's actual ownership, since they had signed a lease with the Dept. of Highways in 1972.

Representative Lisa Rudd, stated that she asked to have the bill introduced. She stated that an agreement that had been entered into in good faith by both parties, which were also public bodies, was not one which should be subject to litigation two years after the fact. She stated that there was a definite legal question as to whether or not the Commissioner of Highways had the authority to enter into the agreement and there is also a question on the appraisal. She stated that she had talked with people that are very familiar with state leases and

if the lease is overturned by the court on either of those basis there are probably a number of other state leases of land which would also become void for the same reasons. She stated that the Municipality has been on the location for 4 years and was in need of the land as much, or more, than the State.

Don Berry, Municipality of Anchorage, stated that they were in strong support of HB 941. He stated that the lease was signed in good faith and that there had been a verbal agreement between Governor Egan and Mayor Sullivan to use this land for mass transit.

Chairman Orsini stated that the Committee needs more information on the bill before making a final decision and asked that the information requested be available to the Committee early the following week.

The meeting was adjourned at 4:00.

F: HB 214

April 20, 1978

Senator Joseph L. Orsini, Chairman  
Community and Regional Affairs Committee  
Pouch V  
Juneau, Alaska 99811

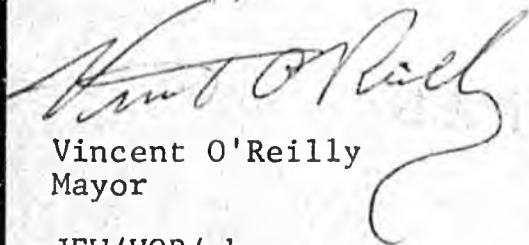
Re: House Bill 214

Dear Senator Orsini:

House Bill No. 214 relative to judicial services is before your committee. The bill provides for forgiveness of certain indebtedness to the State for judicial services.

We have an outstanding liability of some \$25,000 that is being deferred pending resolution of this bill. All of the cities affected need to know as soon as possible whether this bill will pass or fail. We, like the State, are in the process of preparing budgets for the upcoming fiscal year and we cannot do so properly without knowing the fate of this bill. It needs to be passed but, even more important, we need to know its fate.

Sincerely,



Vincent O'Reilly  
Mayor

JEW/VOR/eh

EXHIBIT PAGE

1978 APR 20



BOX 580  
KENAI, ALASKA 99611  
telephone: 283-7535

City of Kenai

HB 214: AN ACT FORGIVING AMOUNTS OWED BY POLITICAL SUBDIVISIONS FOR JUDICIAL SERVICES; AND PROVIDING FOR AN EFFECTIVE DATE.

HB 214 would forgive amounts owed by political subdivisions to the State for judicial services provided by the State to those political subdivisions prior to 1976. The Municipality of Anchorage supports this bill.

Prior to 1976, AS 22.15.270 required municipalities to pay to the State "such sums as will pay for the judicial services rendered to the political subdivision by the district judge or magistrate rendering the services". Chapter 219 SLA 1976 deleted the above quoted language.

However, Chapter 219 SLA 1976 did not expressly deal with amounts owed to the State by municipalities for pre-1976 judicial services. Since 1976, the State has indicated that it will file suit to recover outstanding amounts for judicial services incurred prior to 1976 unless the Legislature clarifies the situation by excusing municipalities from such debts. HB 214 would benefit a number of municipalities, and it would benefit Anchorage in the amount of \$250,000 because we now owe that amount to the State for pre-1976 judicial services.

The State is actively encouraging the provision of local law enforcement and other criminal justice services by programs such as revenue sharing. Thus, the State is acting inconsistently in seeking to make municipalities pay costs for judicial services incurred as an essential part of the criminal justice process. For example, this year, Anchorage will receive approximately \$1,470,280 in revenue sharing for police services under AS 43.18.010(a)(1). However, under the 1978 Anchorage Municipal budget for police and prosecution functions, Anchorage taxpayers will contribute approximately \$10,325,300 for these services.

Furthermore, in 1976, the Assembly adopted a comprehensive penal code and the Municipality began an intensive effort to control, at the local level, criminal activity such as prostitution and drunk driving. Many of the criminal activities controlled through local police and local prosecutors were formerly the responsibility of the State Troopers and District Attorney. Thus, by mounting an intensive local effort against crime, Anchorage taxpayers are contributing their part to providing an adequate criminal justice system for over half the people of Alaska, thereby saving the state considerable costs that it would otherwise incur.

The foregoing facts indicate that it is not inequitable or unreasonable for municipalities such as Anchorage to be excused from outstanding debts for judicial services. Finally, HB 214 is consistent with Ch. 219. SLA 1976 wherein the Legislature indicated that the costs for judicial services are properly the responsibility of the State.

Municipality of Anchorage  
May 78

# Municipality of Anchorage



POUCH 6-650  
ANCHORAGE, ALASKA 99502  
(907) 274-2525

GEORGE M. SULLIVAN,  
MAYOR

OFFICE OF THE MAYOR

March 21, 1978

Senator Joseph L. Orsini, Chairman  
Community & Regional Affairs Committee  
Pouch V  
Juneau, Alaska 99811

Dear Senator <sup>JOE</sup>Orsini:

Your committee is presently considering HB 214 entitled "An Act forgiving amounts owed by political subdivisions for judicial services; and providing for an effective date". The Municipality of Anchorage strongly supports this legislation and urges its adoption by the Senate at the earliest possible time.

Prior to 1976, AS 22.15.270 required municipalities to pay to the state "such sums as will pay for the judicial services rendered to the political subdivision by the district judge or magistrate rendering the services." Chapter 219 SLA 1976 deleted the above quoted language but, unfortunately, did not expressly deal with amounts owed to the state by municipalities for pre-1976 judicial services. Since 1976, the state has indicated that it will file suit to recover outstanding amounts incurred prior to 1976 unless the Legislature acts to clarify the situation and excuse municipalities from such debts. I understand that a number of municipalities would benefit from the proposed bill. Anchorage has approximately \$250,000 in outstanding debt that would be forgiven if HB 214 becomes law.

Since the State of Alaska is actively encouraging the provision of local law enforcement and other criminal justice services by programs such as revenue sharing, it seems odd that the State should seek to make municipalites pay costs for judicial services incurred as an essential part of the criminal justice process. For example, this year, Anchorage will receive approximately \$1,470,280 in revenue sharing for police services under AS 43.18.010(a)(1). However, under the 1978 budget for police and prosecution functions, Anchorage taxpayers will contribute approximately \$10,325,300 for those services. Anchorage taxpayers are therefore doing at least their fair share to provide an adequate criminal justice system for over half the people of Alaska.



Senator Joseph L. Orsini  
March 21, 1978  
Page 2

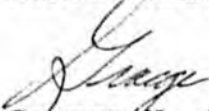
In addition, the Assembly in 1976, adopted a comprehensive penal code and began an intensive effort to control criminal activity such as prostitution and drunk driving (OMVI) at the local level. Many of the criminal activities controlled through local police and local prosecutors were formerly the responsibility of the State Troopers and District Attorney. Thus, by mounting an intensive local effort against crime, Anchorage is, in essence, saving the state considerable costs that it would otherwise incur.

Based on these facts, I do not feel that it is inequitable or unreasonable for municipalities such as Anchorage to be excused from outstanding debts for judicial services. This is particularly true in light of the fact that, by enacting Ch. 219, SLA 1976, the Legislature has indicated that such costs are properly the responsibility of the state.

If you have any additional questions concerning this legislation, please contact Mr. Ted Berns, Municipal Attorney at 264-4237. Thank you for your attention to this bill and for an opportunity to comment.

Sincerely,

MUNICIPALITY OF ANCHORAGE

  
George M. Sullivan  
Mayor

GMS:TDB:gml

CSHB 193 am, HB 424, HB 273 am

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 12, 1977

Present: Chairman Orsini, Senators Hackney and Willis; Reed Stoops, Community & Rural Affairs Department; Margo Dick, Day Care Assistance; Palmer McCarter, Dept. C&RA.

Absent: Senators Ferguson and Sumner

The hearing began with CSHB 193 am concerning day care assistance. Reed Stoops, Community and Rural Development, testified in favor of the bill and explained that the proposed changes in the bill would (1) reverse the licensing requirements of day care facilities; (2) redefine definitions of "child"; (3) eliminate the current system of providing assistance to AFDC families and; (4) provide for an effective date.

Mr. Stoops informed the committee that those AFDC families who were receiving 100% funding for day care assistance would henceforth be subjected to eligibility standards determined on a sliding scale income basis coinciding with the formula used to determine how much non-AFDC families will receive in assistance. Stoops stated that enactment of this bill would provide a savings of \$132,000 to the state.

He also stated that changing the required age limit from seven years of age to 11 years of age for non-AFDC recipients, and AFDC recipients from age 14 to 11 years would be an equitable compromise so that more children could benefit from day care assistance without incurring any additional .se. He stated that they estimate 8% more children would be eligible.

Margo Dick, from the Day Care Assistance in Juneau supported Mr. Stoops comments.

Senator Hackney moved that the committee pass the bill out with individual recommendation, and Senator Willis voted "do pass", and Senators Orsini and Hackney voted "no rec".

Chairman Orsini asked Palmer McCarter to testify on HB 424, and he explained that this bill provides reimbursement to municipalities for payments made after July 1, 1975 for judicial services. Senator Hackney moved for a "do pass" vote from the Committee, and the bill was unanimously passed out.

Palmer McCarter offered testimony regarding CSHB 273 am, and stated they the Dept. is against the concept of this bill. He explained that 3rd class boroughs were created as an addition to the existing borough form of government. The 3rd class borough's powers consist of providing education and taxation for the purpose of providing that service.

He also pointed out the the Federal Government might be upset if some areas in the state have Coastal Zone Management without a municipality or borough to carry out planning, platting and zoning.

Senator Willis moved that the bill go out of the Committee with individual recommendation, and he voted "no rec", Senator Orsini voted "do not pass" and Senator Hackney voted "do pass".

5/18/78

HB 214

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Mitch Connor - Miami Beach

ch 219 SLA 1976

'76 legis' - relieved prob't sub'd for ~~to~~ jud. svc  
 provided by state (magistrates)

HB 214 forgives pre-'76 debts for jud. svc

Dist Ct judge - enforcing minor ordinances

( companion HB 424 )