

SB

319

COMMITTEE REPORT
SENATE

FURTHER: Finance

1/16/80

Date: 1-29-80

Mr. President:

COMMUNITY &
REGIONAL AFFAIRS

The Committee on _____ has had SE 319

relating to an exemption from municipal property taxation

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

CHAIRMAN

Tape - side recording out window is side recording

TAP ①

Committee Log Book - 1979

Tape Number ①

Side Number _____

Committee _____

Dates 1/29/80 to _____

All Committee Members Present: Chairman Sturgutowski
Vice Chairman Mulcahy

Bill Numbers Discussed Senators Stanison, Kelly, Rodey

| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|

Bill held for further work

| Date & Time | Tape Meter Number | Bill | Significant Information (Witness, Action) |
|-------------|-------------------|----------------------------|---|
| 1/29/80 | 65 | SB 309 | Sen. Hackney |
| | 216 | | Palmer McCarty - Dept. C/RA |
| | 250 | | Phil Wall - Dept Revenue |
| | 311 | | Tinachia Hubbard - HESS |
| | 488 | | Derrig Cowles - Environ. Conservation |
| " | 644-616 | Kodiak Report by Dept C/RA | AS Requested |
| 1/31/80 | | | Stanison Mulcahy Report - Chairman |
| | 693 | SB 319 | Senator Rodey - Encl Stanison |
| | 709 | | Seny Rodey - Dept C/RA |
| | 821 | | Policy in Bill - To City |
| | not on tape | SB 324 | Rodey - bill on bill - Stanison |
| | 81-014 | | Mulcahy - Dept C/RA |
| | 144 | | Stanison, Brown " " - Dept Revenue |
| | 115 | | Mulcahy Report |
| | 292 | | Rosen Mode - Dept HESS To City |
| | 306 | | End |

Start TAPE ②



Official Business


Alaska State Legislature

Senate Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

January 28, 1980

TO: Senator Bob Mulcahy
Vice-Chairman
Senator Tim Kelly
Senator Terry Stimson
Senator Pat Rodey
All interested parties

FROM: Senator Arliss Sturgislewski 
Chairman

SUBJECT: COMMITTEE MEETING - BUTROVICH ROOM, 207 Capitol Building

Thursday, January 31, 1980 - 1:30 p.m.

SB 319 - An Act relating to an exemption from municipal property taxation; and providing for an effective date.

SB 324 - An Act amending the formula for property tax equivalency payments for senior citizens; and providing for an effective date.

SB 324

319

Thurs. 31st Jan.

PUB. Hlg.

AARTA - Nat'l Retired Teachers Assoc.

AARP - American Assoc. Retired Persons.

Florence Barnhart 4-3218

Dove Kull 4-2670

Municip. Commission on Aging - Axc. 276-4334(w)

452-1735

No. Star Line on Agg - Fbx - Jenise Reniger, Director

Sanny Plotnick - Off. on Aging (+ his sugges. form)

Proseers Lodge

Tracy Burt

Fbx - Ms. Alaska Link 456-5167

Bob Gore - Tetch. 225-6949

CO's Univ. Council on Aging - Feb. 10 - 12

Fiscal Note for SB 319 from Dept. HESS, signed by Coordinator M.D. Plotnick stressed clarification was needed in two areas:

1. What happens in the case of a married couple? If both are 65 years of age or older, will they be entitled to exemptions on two vehicles?

ANSWER: Per Dept. of Public Safety/ Motor Vehicles: Both would receive an exemption - if married, regardless how the certificate is made out - the stipulation being they are of 65 or older...

2. What constitutes residency for purposes of this bill?

ANSWER: Per Dept. of Public Safety, Motor Vehicles: this would revert to driver's statutes - residency requirement 90 days.

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. S B 319
 Title An Act Relating to Exemption from Municipal Property Taxation
 Requested by Senate Community & Regional Affairs Committee Date 1-21-80

II. FISCAL DETAIL

Agency Affected Department of Community & Regional Affairs
 Program Category Affected Social Services (grant) Development (Administration)
 BRU, Program, or Subprogram(s) Affected Senior Citizen Property Tax Exemption

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

| | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | | | | | | |
| 200 TRAVEL | | | | | | |
| 300 CONTRACTUAL | | | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | | | | | |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 0 |

FUNDING (Thousands of Dollars)

| GENERAL FUND | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify Fund Source) | | | | | | |
| | | | | | | |

POSITIONS

| FULL TIME | | | | | | |
|-----------|--|--|--|--|--|--|
| PART TIME | | | | | | |
| TEMPORARY | | | | | | |

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Reduces grant requirement for FY 81 from \$150,000 to \$120,000. There is no impact to administration.

Present law does not exempt seniors from ad valorem tax on their vehicles, just from state collected registration tax. This bill corrects the present law to exempt seniors from property tax on vehicles, statewide.

Present law pays municipalities that do not tax vehicles. This bill corrects law to only reimburse municipalities for revenue lost. This accounts for the reduced need for revenue to fund the program.

IV. DATE 1-21-80 PREPARED BY LaDonna Brown
 AGENCY Local Government Assistance
 PHONE 465-4739

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

POSITION PAPER
Senate Bill No. 319

"An Act relating to an exemption from municipal property taxation; and providing for an effective date."

The Department of Health and Social Services supports the intent of SB 319. The bill in its current form, however, seems to need clarification on two areas:

- 1) What happens in the case of a married couple? If both are 65 years of age or older, will they be entitled to exemptions on two vehicles?
- 2) What constitutes residency for purposes of this bill?

This bill will not impact on the Department of Health and Social Services but will impact on the Department of Community and Regional Affairs.

The Department of Health and Social Services recommends that Senate Bill 319 not be passed without revisions to address the above-stated concerns.

Recommended by:

M. D. Plotnick for
M. D. Plotnick, Coordinator

Date:

1/25/80

Approved by:

[Signature]

Commissioner
Department of Health and
Social Services

Date:

1/25/80

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SENATE BILL NO. 319
 Title "An Act relating to an exemption from municipal property taxation;..."
 Requested by Rules Committee Date 1/15/80

II. FISCAL DETAIL

Agency Affected No impact on Department of Health and Social Services
 Program Category Affected _____
 Budget Request Unit(s) Affected _____

EXPENDITURES (Thousands of Dollars)

| | FY 79 | FY 80 | FY 81 | FY 82 | FY 83 | FY 84 |
|--------------------------|-------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES | | | | | | |
| 200 TRAVEL | | | | | | |
| 300 CONTRACTUAL | | | | | | |
| 400 COMMODITIES | | | | | | |
| 500 EQUIPMENT | | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC. | | | | | | |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 0 |

For Department of Health and Social Services

FUNDING (Thousands of Dollars)

| | | | | | | |
|-----------------|--|--|--|--|--|--|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER (Specify) | | | | | | |
| | | | | | | |

POSITIONS

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL TIME | | | | | | |
| PART TIME | | | | | | |
| TEMPORARY | | | | | | |

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

No impact on Department of Health and Social Services.

IV. DATE 1/25/80 PREPARED BY *M. D. Plotnick*
 AGENCY Department of Health and Social Services
 PHONE 465-4903

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

*Renewed by Michael O'Leary
 Director of Mgt + Budget
 DHSS 1/25/80*

Attached is proposed legislation for the motor vehicle exemption which the department feels is unacceptable in its present form for the following reasons:

1. The exemption should be located in Title 29 along with other prescribed property tax exemptions. Therefore, Section 3 of the proposed bill annuls the unsatisfactory section in Title 28.
2. The current law does not provide for exemption of local property tax levies on vehicles, only those levied through the state collection option are presently exempted.

Paragraph (j) of the proposed legislation provides exemption regardless of the collection procedure.

3. Three kinds of municipalities are currently being reimbursed:

Examples

- Hrc/Peterson/Ketch* - 1. Those actually exempting seniors through the state = *Correct Proceed*
collection option;
- Matsu/Kenai* - 2. Those that must, under the current law, collect ad valorem property tax from seniors locally; and = *Double Income*
city + st.
- Juneau* - 3. Those that do not tax vehicles at all. = *city Income*

Paragraph (k) of the proposed bill allows reimbursement to municipalities only for revenue lost due to actual exemptions granted.