

S B

3 4 8

COMMITTEE REPORT  
SENATE

FURTHER: Finance

1/21/80

Date: 3-2-80

Mr. President:

COMMUNITY AND REGIONAL  
AFFAIRS

The Committee on \_\_\_\_\_ has had SB 348

establishing unorganized boroughs, amending responsibilities of state agencies for state programs and services for residents of organized and unorganized boroughs

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:

[Signature]

[Signature]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[Signature]

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CHAIRMAN



Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

CSSB 348

This bill provides for sub-state regional units, called "unorganized boroughs," to be established in the unorganized borough. The Commissioner of Community and Regional Affairs is directed, after public hearings, to determine appropriate boundaries, initially based on REAA boundary lines. Provisions are made for the adjustment of boundary lines.

Each "unorganized borough" will be eligible for regional planning program funds to assist in determinations of the economic, social, and environmental conditions of the area and the interrelationships between governmental levels, with an examination of the potential and need for borough organization. No one is required to either undertake the study or to form a borough. The planning program and future organization, if any, is up to the local area. Each year, for 3 years, \$25,000 plus \$25 per capita is available to each unorganized borough for regional planning. A new chapter is added to AS 29 which allows for incorporation, by petition to the Local Boundary Commission, of unorganized boroughs as home rule boroughs and the adoption by election of a home rule charter. Dual majority votes are required for passage of the home rule charter.

# Committee Log Book - 1980

Tape Number XVIII

SENATE C/RA

Side Number 1 & 2

Committee

Dates 3/25/80 to ---

PRESENT: Senators Kelly, Mulcahy, Stimson and  
Chairman Arliss Sturgulewski

ABSENT: Sen. Rodey

Bill Numbers Discussed

SB 309	SB 370	SB 348	SB 350	SB 492					
-----------	-----------	-----------	-----------	-----------	--	--	--	--	--

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1:30 P 3/25/80	0005	SB 309	Sen. Sturgulewski, Opened meeting, gave overview
	090	CSSB 309	Sen. Kelly moved to accept
	108		Terry Earley, Dept. C/RA
	157		Sen. Kelly moved to pass/ No objections
	175	SB 370	Sen. Kelly moved to adopt Committee Substitute
	280		Sen. Kelly stated problems with the bill
	430		Sen. Stimson comments his concerns
	463		Sen. Sturgulewski reviews members concerns
	494		G. Crouse, Dept. of Public Safety / objection to CS - 1st sentence needs deletion
	571	CSSB 348	Sen. Sturgulewski
	596		Sen. Mulcahy moves to bring CS before Committee
	648		Sally Rue, DPDP, testifies for
	829		Terry Earley, Dept. of C/RA testifies Fiscal Note
	873	SB CS350	No Fiscal Note for new "CS" available yet
	008		Jay Moore, DPDP testifies for
	264		Dale Eliason
	325		Sen. Mulcahy moved to pass all 3 bills (CSSB 348, CSSB 350, CSSB 492)

Sen. Kelly praised package, but did not vote  
as against his philosophy

2:45 p.m. MEETING ADJOURNED

Side 2





Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 9981

March 24, 1980

TO: Senator Bob Mulcahy  
Vice-Chairman  
Senator Tim Kelly  
Senator Pat Rodey  
Senator Terry Stimson  
Senator Mike Colletta  
Senator Brad Bradley  
Senator Glenn Hackney  
Senator Robert Ziegler

Senator Jalmar Kerttula  
Senator Ed Dankworth  
Senator Bettye Fahrenkamp  
Senator Don Bennett  
Representative Terry Gardiner  
Representative Oral Freeman  
Representative Ernie Haugen  
Representative Richard Eliason

FROM: Arliss Sturgulewski  
Chairman

SUBJECT: Committee Meetings, Capitol Building

Tuesday, March 25, 1980 - 1:30 p.m. (Butrovich Room)

SB 370 - An Act relating to fire prevention.

SB 309 - An Act requiring the preparation of a local government impact statement.

SB 348, 349, 492 - (Part of the Local Government Study Package)

Wednesday, March 26, 1980 - 1:30 p.m. (Beltz Room)

SB 348, 349, 492 - Local Government Study Package Work Session

Thursday, March 27, 1980 - 1:30 p.m. (Butrovich Room)

SB 408 - An Act making a special appropriation to the Department of Community and Regional Affairs for village gardening projects; and providing for an effective date

HJR 62 - An Act relating to the Alaska Power Authority and the incurring of revenue bond indebtedness of the APA for the Tye Lake hydroelectric generating project near Petersburg and Wrangell, and for the Swan Lake hydroelectric generating project in the Ketchikan Gateway Borough.

SB 389 - An Act relating to the senior citizens tax exemption.

Friday, March 28, 1980 - 1:30 p.m. (Governor's Conference Room)

HB 932 - Creating Office of Rural Development and Rural Development Council  
Joint C/RA meeting (teleconference)



Official Business

# Alaska State Legislature

Senate

Committee on

Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

March 18, 1980

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

FROM: Arliss Sturgulewski  
Chairman

SUBJECT: Committee Meetings, Capitol Building

Wednesday, March 19, 1980 8:30 a.m. (Room 112/ House HESS Committee Room)

HB 932 - Creating Office of Rural Development and Rural Development Council  
Joint Senate/House Meeting.

Wednesday, March 19, 1980 - 7:30 p.m. (Butrovich Room)

Joint C/RA meeting with members of RuralCap Citizens' Participation  
Conference on Joint Interim Legislative Package (HB 580-586, HB 886 and  
SB 348-354)

Thursday, March 20, 1980 - 1:30 p.m. (Butrovich Room)

SB 348-SB 349 - Local Government Package. Consider Committee Substitutes.

# Committee Log Book - 1980

Senate CIRA

Tape Number IV

Side Number (1) (2)

Dates 2-14-80 to —

Committee

Mbs. Present: Chairman Staszakowski  
Senators Kelly & Stinson

" Absent: Senators Reddy & Kelly

Bill Numbers Discussed

SB	SE (OS)	Loc. Bill	Other	1979				
436	131	SE 348-354						

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
11:20 2-14-80	674	SB 436	Commissioner Mueller / Dept. Environmental Conservation
	369	" " + "SSB 131	Irving Mitchell / AML
	392		Steve Wabnitz
	635		Keith Kitter / Dept. Environmental Conservation
	647	—	Encl.
	676	loc. bill 719	John Post / Dept. Labor - Census Lines
	835		Marie Pignatelli / Deputy Commissioner / Dept. CIPP
	841		Michel Bore / Amblerage Municipality
	690	SE 249	Irving Mitchell / AML
	211		Senator Kelly - Approval to draw OS - Man Hoe work under / no. 661.
			Man. Agreement to interview man
			Bill Committee / 2-14-80

Side (2)

47





Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

January 23, 1980

### TELECONFERENCE NOTICE

February 6, 1980 / 8-10 a.m. (Juneau time)

Southeastern Alaska - Ketchikan and Sitka

February 7, 1980 / 1:30 p.m. (Juneau time)

first round robin grouping:

Soldotna, Anchorage, Fairbanks, Kodiak, Valdez

second round robin grouping:

Dillingham, Bethel, Kotzebue, and Nome

We are pleased to enclose the reports of the Local Government Interim Study by the Joint Senate and House Community and Regional Affairs Committee.

Legislation composed of seven bills was introduced jointly by the Senate and the House, Monday, January 21, 1980. Copies of the following bills may be obtained from your nearest Legislative Information Office. The complete package consists of Senate Bills 348, 349, 350, 351, 352, 353, 354; OR House Bills 580, 581, 582, 583, 584, 585, and 586.

For your additional information all the Senate bills in the package were assigned to the Senate Community and Regional Affairs Committee, with a referral to the Finance Committee. All the House bills in the package were assigned as follows: HB 580 - C/RA & Finance; HB 581 C/RA; HB 582 C/RA and Finance; HB 583 C/RA and Finance; HB 584 C/RA and Judiciary; HB 585 C/RA; and HB 586 C/RA. You might want to contact the referrals as well, after the bills leave the Community and Regional Affairs Committees. Senator John Sackett is Chairman of Senate Finance; Representative Russ Meekins is Chairman of House Finance, and Representative Charles Parr is Chairman of Judiciary.

In the event you are unable to give your comments during the set teleconference times, please feel free to contact the Senate and House R/CA Committees at Pouch V, Juneau, Alaska 99811.





Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

MEMORANDUM

April 11, 1979

TO: Senator Bob Mulcahy  
Vice-Chairman  
Senator Tim Kelly  
Senator Patrick Rodey  
Senator Terry Stimson  
All Other Interested Parties

FROM: Senator Arliss Sturgulewsky *AS*  
Chairman

SUBJECT: COMMITTEE MEETING - BUTROVICH ROOM, 207 Capitol Building

Tuesday, April 17, 1979

1:30 p.m.

Joint House and Senate C/RA Meeting with the Tanana Chief's Conference. The Tanana Chief's Conference will give a presentation on planning for area encompassed by the Doyon Regional Corporation.

7 copies

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CSSB 348  
 Title An Act relating to unorganized boroughs, establishing unorganized boroughs.  
 Requested by Senate Community & Regional Affairs Committee Date 3-25-80

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs  
 Program Category Affected Development  
 BRU, Program, or Subprogram(s) Affected Local Government Assistance  
 (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	0	154.8	167.2	180.6	173.6	210.6
200 TRAVEL	5.0	68.0	30.0	30.0	31.0	30.0
300 CONTRACTUAL	4.8	70.4	40.0	30.0	28.2	28.2
400 COMMODITIES	1.0	3.0	1.0	.6	.6	.6
500 EQUIPMENT	0	4.0	.5	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
<b>TOTAL</b>	<b>10.8</b>	<b>300.2</b>	<b>238.7</b>	<b>226.6</b>	<b>233.4</b>	<b>247.1</b>

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	10.8	287.2	238.7	226.6	233.4	247.1
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0	5	5	5	5	5
PART TIME						
TEMPORARY						

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

FY 80 - Reflects travel expenses, notice requirements, and supplies needed for public hearings on drawing boundary lines that differ from REAA's in the unorganized borough.

FY 81 - 85 - Reflects the addition of 3 Local Government Specialists (Range 17), a Clerk Typist III (Range 8) and Clerk Typist II (Range 7) to assist unorganized boroughs in becoming home rule boroughs. Seven proposed regions are presumed to be likely candidates for the home rule option. These areas are 1) Yukon Flats (REAA 13), 2) REAA 12, 3) MANA region (REAA 1), 4) Petersburg/Wrangell (part of REAA 19), 5) Prince of Wales Island (part of REAA 19), 6) The Aleutian Chain (parts of REAA's 8 and 10), and 7) Prince William Sound (REAA 21). It is anticipated that if this bill passes this session the bulk of the activity will take place during FY 81 and FY 82 and will begin to lessen gradually through FY 85 as the newly incorporated boroughs became more self-sufficient.

The high travel cost during FY 81 reflects the need to administer simultaneously both drawing the boundaries for the unorganized boroughs and assisting the seven areas previously

IV. DATE 3-25-80 PREPARED BY Doug Griffin  
 AGENCY Community & Regional Affairs  
 Original: Legislative Finance PHONE 465-4736  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

mentioned in drawing up home rule charters.

There would be no fiscal impact from section 4 of this bill until there is an appropriation to fund the borough regional planning account set up in paragraph (g). However, the Department does anticipate the following additional cost at such time as an appropriation is made.

Staff to monitor and over-see contracts.

1. Local Government Specialist IV	Range 19	Salary	\$31,824
	Fringes		8,910
Travel 10 trips @ 600			6,000
Equipment & Supplies (400 after FY 81)			1,000
Total Position Cost			<u>\$47,734</u>
2. Local Government Specialist III	Range 17	Salary	\$27,468
	Fringes		7,910
Travel 11 trips @ 600			6,600
Equipment & Supplies (400 after FY 81)			1,000
Total Projected Costs for FY 81			90,493
	FY 82		96,111
	FY 83		93,000
	FY 84		100,439
	FY 85		108,475

NOTE: Projections include 8% for inflation.

The above figures are based on the assumption that the initial appropriation would be sufficient to initiate studies in the majority of the unorganized boroughs as established in H. B. 580 or S. B. 348.

5B 348

# AVCP

Association of Village Council Presidents  
P.O. Box 219 • Bethel, Alaska 99559 • Phone 543-3521

05 March 1980

Senator Arliss Sturgulewski  
Pouch V  
Juneau, AK 99811

Dear Arliss:

I would like to take this time to personally thank you and your staff for taking time from your busy schedule to meet with myself and Mr. Harold Napoleon, regarding the bills concerning the unorganized boroughs which are under consideration by your committee.

It has become apparent that there are many interests which involved in the consideration of these bills and AVCP would like to reiterate it's position that it may be premature for this legislature to pass these legislations, at this legislative session. However, AVCP herewith submit to you and your committee for consideration that in lieu of the passage of these bills, that AVCP would be more than willing to be the demonstration area for the impact study to determine whether such a government can be established within the AVCP Region. That is to say, we would like to see legislative appropriating funds to AVCP to conduct an impact study to determine whether a borough government is feasible within the AVCP Region and for the legislature to give us, at the minimum of two (2) years to complete the study, at which time a decision will then be made the electorate with the AVCP Region. Furthermore, we submit to you and your committee for consideration that the external boundaries of such a governmental unit be that of the external boundaries of the regional corporations established under Public Law 92-203, and any subdivision to be determined by the impact study.

Again, thank you for taking time to meet with us to discuss this vital issue of concern to the people of the AVCP Region.

Sincerely,



Carl Jack, PRESIDENT  
AVCP

rk

cc: AVCP Executive Board

THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 580 (revised fiscal note)  
Title An Act establishing reorganized boroughs  
Requested by Rules - Request of Legislative Council Date 3/17/80

II. FISCAL DETAIL

Agency Affected Department of Revenue  
Program Category Affected \_\_\_\_\_  
BRU, Program, or Subprogram(s) Affected \_\_\_\_\_  
(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

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE March 17, 1980 PREPARED BY Joseph K. Donohue

*Joseph K. Donohue*

AGENCY Department of Revenue

PHONE 465-2300

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

FISCAL NOTE

I. REQUEST

Bill/Resolution No. H. B. 580 and S. B. 348

Title An Act Establishing Unorganized Boroughs...and Authorizing Adoption of Home Rule  
Requested by Community & Regional Affairs Committee Date 1-21-80 Charters

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Local Government Assistance

(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	0	154.8	167.2	180.6	125.0	210.6
200 TRAVEL	3.0	57.0	30.0	30.0	31.0	30.0
300 CONTRACTUAL	4.8	70.4	40.0	30.0	28.2	28.2
400 COMMODITIES	1.0	3.0	1.0	.6	.6	.6
500 EQUIPMENT	.0	2.0	.5	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
<b>TOTAL</b>	<b>8.8</b>	<b>287.2</b>	<b>238.7</b>	<b>226.6</b>	<b>233.4</b>	<b>247.1</b>

FUNDING (Thousands of Dollars)

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
GENERAL FUND	8.8	287.2	238.7	226.6	233.4	247.1
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

	FY 80	FY 81	FY 82	FY 83	FY 84	FY 85
FULL TIME	0	5	5	5	5	5
PART TIME						
TEMPORARY						

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

FY 80 - Reflects travel expenses, notice requirements, and supplies needed for public hearings on drawing boundary lines that differ from REAA's in the unorganized borough.

FY 81 - 85 - Reflects the addition of 3 Local Government Specialists (Range 17), a Clerk Typist III (Range 8) and Clerk Typist II (Range 7) to assist unorganized boroughs in becoming home rule boroughs. Seven proposed regions are presumed to be likely candidates for the home rule option. These areas are 1) Yukon Flats (REAA 13), 2) REAA 12, 3) NANA region (REAA 1), 4) Petersburg/Wrangell (part of REAA 19), 5) Prince of Wales Island (part of REAA 19), 6) The Aleutian Chain (parts of REAA's 8 and 10), and 7) Prince William Sound (REAA 21). It is anticipated that if this bill passes this session the bulk of the activity will take place during FY 81 and FY 82 and will begin to lessen gradually through FY 85 as the newly incorporated boroughs become more self-sufficient.

The high travel cost during FY 81 reflects the need to administer both of the main

IV. DATE 1-21-80 PREPARED BY Doug Griffin  
AGENCY Community & Regional Affairs  
PHONE 465-4736

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

activities in the bill: drawing the boundaries for the unorganized boroughs and assisting the seven areas previously mentioned in drawing up home rule charters.

## CSSB 348

"AN ACT RELATING TO UNORGANIZED BOROUGHs, ESTABLISHING UNORGANIZED BOROUGHs, ESTABLISHING A PROGRAM OF PLANNING ASSISTANCE FOR UNORGANIZED BOROUGHs, PERMITTING ADOPTION OF HOME RULE CHARTERS BY UNORGANIZED BOROUGHs, AND DIRECTING SUBMISSION OF RECOMMENDATIONS CONCERNING ADJUSTMENT OF THE BOUNDARIES OF SERVICE AREAS OF THE UNORGANIZED BOROUGH"

### BOUNDARIES

The bill divides the unorganized borough into "unorganized boroughs" using the boundaries of the Regional Educational Attendance Areas (REAs). Public hearings are held in each REA by the Commissioner of Community and Regional Affairs and provision is made for adjustment of the boundary lines.

### REGIONAL PLANNING

Each unorganized borough is eligible for regional planning program funds to study the economic, social, and environmental conditions of the area and the interrelationships between governmental units along with an examination of the feasibility of borough organization. No one is required to either undertake a study or form a borough. \$25,000 plus \$25 per capita is available to each unorganized borough for each of three years for regional planning programs.

### HOME RULE

Title 29 is amended allowing for the incorporation, by petition to the Local Boundary Commission, of unorganized boroughs as home rule municipalities. Adoption of a home rule charter would require a majority vote both inside and outside of incorporated municipalities. Nothing in the bill requires the incorporation of a home rule borough or borough of any class. Rather, this section broadens the options currently available to residents in the unorganized borough.

## CSSB 350

"AN ACT RELATING TO THE RESPONSIBILITIES OF EXECUTIVE DEPARTMENTS OF STATE GOVERNMENT FOR CERTAIN STATE PROGRAMS"

This bill addresses certain responsibilities of executive departments important to the implementation of CSSB 348. State agencies are required to collect data and information according to unorganized borough boundaries so that regional information will be available to local people and to the legislature. Certain exemptions are permitted. State agencies are also required to conduct program planning and management according to unorganized borough boundaries to facilitate coordinated service delivery. Combinations of unorganized boroughs for program planning and management purposes are permitted. Direct service delivery costs will be made available according to unorganized borough boundaries.

The Division of Policy Development and Planning (DPDP), Office of the Governor, is required to develop a data information system to facilitate state agency data collection and retrieval. Further, DPDP is required to report to the legislature alternatives and recommendations for improving coordination in state service delivery.

Alaska's Constitution establishes the policy of maximum self government for the people. This policy has been implemented through creation of boroughs and cities in urban areas and in some rural communities. However, the vast bulk of Alaska lacks any basis for self-government, and the people do not even have the means for planning and participating in the affairs of their own region. It is this problem that provided the principal focus for the interim work of the Senate and House Community and Regional Affairs Joint Local Government Study of 1979.

Legislative proposals of the Joint Committee were derived from (1) a series of studies and analyses sponsored by the Committee, (2) a two-day symposium designed to define issues and problems and suggest policies and directions, and (3) a series of public hearings held throughout rural parts of the state.

The Joint Committee found wide consensus in favor of a maximum measure of self-determination and self-rule, and establishment of regional units throughout the state to provide a basis for planning and program coordination. At the same time, the people do not want to rush into formal governmental organization; nor do they want it mandated.

Accordingly, the Joint Committee has developed an evolutionary approach that will provide people in rural areas with the means for self-government without forcing anything upon them prematurely. Choices and initiatives are left with each region.

SB 348 and SB350 are two of the bills developed by the Joint Committee.