

H B

367

30. List to the best of your knowledge anyone who died while you were at the camp and where they were buried:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

31. List any other facts about your stay at the camp and your return home and after you got home: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

32. What would you like to have done in your community as a memorial to those who have died since the evacuation? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

If more space is needed to answer any questions, please use another sheet of paper.

DATED \_\_\_\_\_

SIGNED \_\_\_\_\_

\_\_\_\_\_ being first duly sworn deposed and stated:

I have read the foregoing and to the best of my knowledge is true and correct.

\_\_\_\_\_  
SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_ 1981

\_\_\_\_\_  
Notary Public in and for Alaska  
My Commission expires \_\_\_\_\_

SEAL

# COMMITTEE REPORT

## HOUSE

3/19/81

FURTHER: FINANCE

(.)

Date: March 14, 1981

Mr. Speaker:

The Committee on COMMUNITY & REGIONAL AFFAIRS has had HB 367

"An Act providing for reimbursement for sales and use taxes paid to a municipality; and providing for an effective date."

under consideration and reports it back as follows:

- 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**

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

**MEMBERS HAVING  
OTHER RECOMMENDATIONS:**

[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]  
[Signature]

[Signature]  
**CHAIRMAN**

APPENDIX B

BY VASKA, GRUSSENDORF, ADAMS,  
CHUCKWUK, HURLBERT, MILLER,  
ROGERS, ZHAROFF, DUNCAN, FULLER,  
CATO AND MALONE

1 IN THE HOUSE

2 HOUSE BILL NO. 367

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for reimbursement for sales and use  
7 taxes paid to a municipality; and providing for an  
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 29.53 is amended by adding new sections to read:

11 ARTICLE 6. REIMBURSEMENT FOR SALES AND USE TAXES.

12 Sec. 29.53.500. REIMBURSEMENT. (a) During each year a state  
13 resident is eligible to receive reimbursement for sales and use taxes  
14 he and his dependents paid to a home rule or general law municipality  
15 during the previous year if

16 (1) he has not been claimed as a dependent for federal  
17 income tax purposes the previous year;

18 (2) he and each dependent which he claims for purposes of  
19 reimbursement under this section were residents of the municipality  
20 during at least a portion of the previous year; and

21 (3) he files an application with the Department of Revenue.

22 . . . . (b) A resident may not apply during a single year for reimburse-  
23 ment for sales and use taxes paid to more than one municipality.

*(unless residing within an organized borough)*

24 Sec. 29.53.510. DUTIES OF THE DEPARTMENT. The Department of  
25 Revenue shall

26 (1) calculate the amount of money needed for reimbursements  
27 under AS 29.53.500 which is equal to the total amount of money collected  
28 during the previous year from the levy of sales and use taxes by each  
29 home rule or general law municipality;

Aleutian/Pribilof Islands Association World War II Project  
Proposed Budget 1981

PHASE I. Development of Depositions & Testimony of Aleut People

Personnel

Project coordinator	\$2,000 mo x 6 mo	\$12,000	
Translator/assistant	1,800 mo x 6 mo	10,800	
Secretary	1,200 mo x 6 mo	7,200	\$30,000

Fringe Benefits

\$30,000 x 20%		6,000	6,000
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Travel

2 trips Uhalaska, St. Paul, Akutan per diem \$62 x 18 days		3,806	
		1,116	
2 trips Nikolski, St. George, Atka per diem \$62 x 18 days		4,219	
		1,116	
3 trips Nikolski/Uhalaska rnd trp (testify) per diem \$62 x 3 persons x 3 days		360	
		558	
3 trips Akutan/Uhalaska rnd trp (testify) per diem \$62 x 3 persons x 3 days		396	
		558	
3 trips St. George/St. Paul rnd trp (testify) per diem \$62 x 3 x 3 days		180	
		558	
3 trips Atka/Anchorage per diem \$62 x 3 persons x 6 days		2,238	
		1,116	16,221

Office Expenses

Space rental \$300 x 6 mo		1,800	
Typewriter rental \$50 x 6 mo		300	
Desk and chair rental \$60 mo x 6 mo		360	
Recorders 2 x \$200		400	
Transcriber \$30 mo x 6 mo		180	
Telephone \$75 mo x 6 mo		600	
Postage \$75 mo x 6 mo		450	
Copier costs \$75 mo x 6 mo		450	
Supplies \$75 mo x 6 mo		450	4,990

Subtotal			57,211
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Indirect Charges

\$57,211 x 32.2% (Tribunal Indirect Rate Determined by U. S. Government)		18,422	18,422
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Total			\$ 75,633
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1 (2) annually request the legislature for an appropriation  
2 for reimbursements to be made under AS 29.53.500;

3 (3) adopt regulations under the Administrative Procedure Act  
4 (AS 44.62) establishing procedures for applying for reimbursement which  
5 include a graduated scale used for determining the amount of a reim-  
6 bursement based on

7 (A) the number of dependents which an applicant has;

8 and

9 (B) the amount of sales and use taxes collected by the  
10 municipality in which the applicant resided during the previous  
11 year divided by the total population of the municipality;

12 (4) pay the reimbursements authorized by AS 29.53.500.

13 \* Sec. 2. AS 44.25.020 is amended by adding a new paragraph to read:

14 (5) administer the program of reimbursement to residents for  
15 sales and use taxes paid during the previous year (AS 29.53.500 -  
16 29.53.510).

17 \* Sec. 3. This Act is retroactive to January 1, 1981, and authorizes  
18 reimbursement for sales and use taxes paid to a municipality after  
19 December 31, 1980.

20 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-  
21 070(c).

Aleutian/Pribilof Islands Association World War II Project  
Proposed Budget 1981

PHASE II. Aleut Relocation and Internment Videotape Documentary

Personnel

Executive producer 25 days x \$200	5,000	
Producer/director 25 days x \$190	4,750	
Cameraperson/sound 14 days x \$160	2,240	
Cameraperson/lights 14 days x \$160	2,240	
Commentator	<u>2,000</u>	\$16,230

Travel

1 trip to Nikolski (5 persons x \$670)	3,350	
per diem 5 persons x \$80 x 9 days	3,600	
1 trip to Ketchikan (5 persons x \$330)	1,650	
per diem 5 persons x \$80 x 9 days	3,600	
Charter - Ketchikan to Killisnoo and return	13,000	
weather contingency @ 10%	<u>1,300</u>	14,300

Equipment Rental

Camera 1 month x 2	2,000	
Sound equipment 1 month	500	
Lighting equipment 1 month	<u>500</u>	3,000

Freight Costs

Nikolski trip (equipment)	250	
Ketchikan trip	<u>250</u>	<u>500</u>

Subtotal

34,030

Indirect Charges

\$34,030 x 13.4% (Tribal Off-Site Indirect Rate Determined by U. S. Government)		<u>4,560</u>
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Total

\$38,590

(d) If the assembly of a home rule or general law borough charges interest on sales taxes not paid when due, the rate of interest may not exceed eight per cent a year upon the delinquent amount and shall be charged from the due date until paid in full (§ 2 ch 118 SLA 1972)

This section gave municipalities the additional power to levy a consumers' sales tax. City of Anchorage v. Chugach Elec. Ass'n, 17 Alaska 481, 252 F.2d 412 (9th Cir. 1958).

A municipality may impose the consumer sales tax on retail sales of liquor. Juneau, Alaska & Juneau-Douglas Independent School Dist. v. Baranof Hotel, Inc., 1 Alas. L.J. No. 8, p. 12 (June, 1963).

It is a tax on the "price" paid by the consumer not a tax on the commodity sold or on the vendor.

Alaska & Juneau-Douglas Independent School Dist. v. Baranof Hotel, Inc., 1 Alas. L.J. No. 8, p. 12 (June, 1963).

The prohibition against additional taxes on liquor in the Liquor Manufacture and Traffic Control Act does not apply to the consumer's sales tax. Juneau, Alaska & Juneau-Douglas Independent School Dist. v. Baranof Hotel, Inc., 1 Alas. L.J. No. 8, p. 12 (June, 1963).

Sec. 29.53.420. Referendum, adoption and modification. (a) The assembly shall hold a referendum vote on the question of levy of sales taxes. Borough sales tax propositions may be presented only once in any 12-month period.

(b) If the proposition receives a majority of the votes cast, the assembly may enact the sales tax as a levy upon buyers, sellers, or both. The sales tax is collected at the time of sale or at the time of payment in credit transactions and transmitted to the borough (§ 2 ch 118 SLA 1972)

Article 5. City Sales and Use Taxes.

Section 440. Power of levy 450. Power of levy and collection

Section 460. Combining sales tax with incorporation

Sec. 29.53.440. Power of levy. Cities within a borough which levies and collects sales or use taxes for areawide borough functions may levy sales or use taxes upon all sources taxed by the borough in the manner provided for boroughs. (§ 2 ch 118 SLA 1972)

Am. Jur. reference.—47 Am. Jur., Sales and Use Taxes, §§ 37 to 41.

Sec. 29.53.450. Power of levy and collection. Cities within a borough which does not levy and collect sales or use taxes for areawide borough functions may levy and collect sales or use taxes in the manner provided for boroughs. (§ 2 ch 118 SLA 1972)

Sec. 29.53.460. Combining sales tax with incorporation. A petition for second class city incorporation may request that a sales tax proposal be placed on the same ballot. The petition must state the proposed tax rate. The petition may request that incorporation be dependent upon the passage of the sales tax proposition. If so, the incorporation proposition fails if the sales tax fails. (§ 2 ch 118 SLA 1972)

Chapter 58. Municipal Government

- Revenue Anticipation Notes (§§ 29.58.010-29.58.020)
General Obligation Bonds (§§ 29.58.160-29.58.200)
Revenue Bonds (§§ 29.58.200-29.58.220)
Mortgage Bonds (§§ 29.58.240-29.58.280)
Miscellaneous Provisions (§§ 29.58.300-29.58.320)

Article 1. Revenue Anticipation Notes

- Sec. 29.58.010. Borrowing in anticipation of revenue
Sec. 29.58.020. Issuance of notes
Sec. 29.58.030. Limitation on issuance of notes

Sec. 29.58.010. Borrowing in anticipation of revenue. Any municipality of the state which is authorized to borrow money in a fiscal year to meet its obligations in anticipation of the collection of revenues for the fiscal year and may issue revenue anticipation notes as evidence of the borrowing. (§ 2 ch 118 SLA 1972)

Sec. 29.58.020. Issuance of notes. Any municipality may, by ordinance or resolution, issue revenue anticipation notes and provide for the manner of their execution. The municipality may delegate to its officers the notes from time to time under the ordinance or resolution which provides for the issuance of revenue anticipation notes and the manner of their execution. Revenue anticipation notes shall not be issued for a term longer than the term of the previously issued mature not later than the date on which they are issued. (§ 2 ch 118 SLA 1972)

Sec. 29.58.030. Limitation on issuance of notes. The amount of revenue anticipation notes issued in any fiscal year shall not exceed 50 per cent of the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (§ 2 ch 118 SLA 1972)

Sec. 29.58.040. Issuance of notes for long-range capital improvement. (a) The governing body of a municipality may, by resolution, provide for the issuance of revenue anticipation notes for long-range capital improvement projects. The amount of such notes shall not exceed the total amount of revenue anticipation notes finally committed for these projects in any fiscal year. (b) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (c) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (d) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (e) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (f) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (g) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (h) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (i) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (j) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (k) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (l) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (m) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (n) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (o) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (p) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (q) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (r) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (s) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (t) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (u) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (v) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (w) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (x) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (y) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued. (z) The amount of such notes shall not exceed the amount of estimated revenues actually collected in the fiscal year in which the notes are issued.

Handwritten notes: → 48 367 - Sec. 29.53.500 53.510

Aleutian/Pribilof Islands Association World War II Project  
Proposed Budget 1981

PHASE III. Government and Military Research Documentation

Personnel

Research assistants:

Alaska based \$1,500 x 6 mo.	\$ 9,000	
Washington, D. C. based \$1,800 x 6 mo	<u>10,800</u>	\$19,800

Fringe

\$19,800 x 20%	3,960	3,960
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Travel

2 trips Anchorage/Washington, D. C. per diem \$64 x 10 days	1,792 500	
2 trips Anchorage/Seattle per diem \$50 x 10 days	816 <u>640</u>	3,748

Office Expenses

Office space \$200 mo x 6 mo	1,200	
1 typewriter \$50 mo x 6 mo	300	
Telephone \$100 mo x 6 mo	600	
Copier costs \$100 mo x 6 mo	<u>600</u>	<u>2,700</u>

Subtotal		\$30,208
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Indirect Charges

\$30,208 x 32.2% (Tribal Indirect Rate Determined by U. S. Government)		<u>9,727</u>
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Total		<u><u>\$39,935</u></u>
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### Chapter 25. Department of Revenue.

#### Article

- 1. Department Generally (§§ 44.25.010 — 44.25.020)
- 2. Loan Program; P.L. 92-203 Corporations (§§ 44.25.030 — 44.25.038)

#### Article 1. Department Generally.

##### Section

- 10. Commissioner of revenue
- 20. Duties of department

**Sec. 44.25.010. Commissioner of revenue.** The principal executive officer of the Department of Revenue is the commissioner of revenue. (§ 10 ch 64 SLA 1959)

Am. Jur. 2d and C.J.S. references. — Employees, § 24; 72 Am Jur 2d, Territories and Dependences, § 64  
 63 Am. Jur. 2d, Public Funds, § 1 et seq.; 81A C.J.S. States § 127.  
 63 Am. Jur. 2d, Public Officers and

**Sec. 44.25.020. Duties of department.** The Department of Revenue shall

- (1) enforce the tax laws of the state;
- (2) collect, account for, have custody of, invest, and manage all state funds and all revenues of the state except revenues incidental to a program of licensing and regulation carried on by another state department, except that the Department of Revenue shall issue fish and game licenses other than vessel licenses under AS 16.05.490 — 16.05.530, collect fish and game license revenues other than revenues from vessel licenses under AS 16.05.490 — 16.05.530, and do all other acts incidental to the performance of these functions;
- (3) register cattle brands; and
- (4) supply necessary clerical and administrative services for the Alcoholic Beverage Control Board. (§ 10 ch 64 SLA 1959; am § 1 ch 1 SLA 1961; am § 15 ch 31 SLA 1963; am § 60 ch 32 SLA 1971; am § 1 ch 105 SLA 1977)

**Revisor's note.** — The following executive order signed by Governor William A. Egan was transmitted to the legislature on January 22, 1962. It was not disapproved by the legislature during the 1962 session and therefore became law under the provisions of § 23 art III of the state constitution and AS 24.30.130. The effective date of the executive order was July 1, 1962. "EXECUTIVE ORDER NO. 17. WHEREAS the Department of Revenue is the Department of State Government primarily charged with the duties, powers, and responsibilities involved in the collection, accounting for, custody, investment and management of all state funds; and

"WHEREAS the Department of Fish and Game is the Department of the State Government primarily charged with the regulation and management of the fish and game resources of the State of Alaska and

"WHEREAS the Department of Fish and Game is also charged with certain duties and powers relative to the collection, accounting for and custody of state revenues which are only incidentally the Department's regulatory and management of the fish and game resources of the State of Alaska.

"THEREFORE IT IS ORDERED  
 "1 All duties, functions and powers relative to the collection, accounting for

... of state revenues, which are incidental to the regulation and management of the fish and game resources of the State of Alaska, at present administered by the Department of Fish and Game are transferred to the Department of Revenue.  
 "4. The Department of Revenue shall be authorized and held to constitute a continuation of the Department of Fish and Game with the same force and effect as if the functions, powers and duties had not been transferred.  
 "5 All funds appropriated to the Department of Fish and Game prior to the

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#### Article 2. Loan Program; P.L.

- Section 36.1
- § Declaration of purpose 38.1
- § Loans
- § Limitation on loans

(Cross reference. — As to assumption of payment of organizational expenses incurred by regional corporations, see § 4.

**Sec. 44.25.030. Declaration of purpose.** §§ 44.25.030 — 44.25.038 to make loans facilitate the creation and organization of Alaska Native associations of the type provided for in § 7 of the Alaska Native Claims Settlement Act, the creation of which is a condition precedent to the receipt of monies from the Alaska Native Fund. (§ 1 ch 190 SLA 1971)

**Sec. 44.25.032. Loans.** Upon application of a regional Native association or corporation to the Department of Revenue shall make a loan to the association or corporation for the purpose of the organization of a regional corporation. (§ 1 ch 190 SLA 1971)

**Sec. 44.25.034. Limitation on loans.** The amount of an organizational loan provided for under this article shall be determined by the Department of Revenue and shall not exceed \$250,000 per region.

(b) A loan may not run longer than 10 years and the interest that exceeds 5.9 per cent. (§ 1 ch 190 SLA 1971)

Aleutian/Pribilof Islands Association World War II Project  
Proposed Budget 1981

PHASE IV. Legal Analysis and Research

Legal Consultation

Civil Rights and Constitutional  
Rights

\$10,000

Indirect Charges

\$10,000 x 13.4% (Tribal Off-Site Indirect Rate  
Determined by U. S. Government)

1,340

Total

\$11,340



# Alaska State Legislature

## House of Representatives

Committee on

Community & Regional Affairs

Rep. Ben Grussenjorf  
Chairman  
465-3870

Pouch V  
State Capitol  
Juneau, Alaska 99811

Summary - HB 367, by Vaska, Grussendorf etc.

"An Act providing for reimbursement for sales and use taxes paid to a municipality; and providing for an effective date."

Provides for reimbursement for sales and use taxes paid to a municipality. States that during each year a state resident is eligible to receive reimbursement for sales and use taxes he and his dependents paid to a home rule or general law municipality during the previous year if he has not been claimed as a dependent for federal income tax purposes the previous year; he and each dependent which he claims for purposes of reimbursement were residents of the municipality during at least a portion of the previous year; and he files an application with the Dept. of Revenue.

A resident may not apply during a single year for reimbursement paid to more than one municipality.

The Dept. of Revenue shall calculate the amount of money needed for reimbursements and request annually from the legislature an appropriation for that purpose. Provides for adoption of regulations establishing procedures for applying for reimbursement which include a graduated scale used for determining the amount of a reimbursement based on the number of dependents which an applicant has and the amount of sales and use taxes collected by the municipality in which the applicant resided during the previous year divided by the total population of the municipality.

This act is retroactive to Jan. 1, 1981 with an immediate effective date.

APPENDIX C

MAR 27 1981

This bill provides for the reimbursement of sales and use taxes paid to a municipality by residents of that municipality. The reimbursements are to be made from funds appropriated by the legislature. This bill compliments HB 4 which reimburses owners of real property for the amount of property tax paid to municipalities. Both bills are to reimburse for taxes paid beginning in 1981.

The State has different systems for collecting taxes based upon the form of the municipal incorporation. Home rule and first class cities and boroughs are given powers for a general property tax as well as sales and use taxes. Second class cities have the power to levy and collect limited property taxes plus sales and use taxes. At the present time, 24 boroughs and municipalities collect general property taxes of which 19 of these also collect sales taxes. For approximately 60 second class cities, their source of operating funds are sales taxes levied upon sales, rents and services and use taxes levied upon the storage, use or consumption of tangible personal property. Not all of the cities with the power to levy sales and use taxes do so and the rate is limited to 6%.

While the ability to levy taxes changes from municipality to municipality, the use to which these taxes are made are for the most part similar: the operation of municipal government. This bill recognizes this concept and recognizes that the form taxation takes is not significant to the taxpayer. The payment of a tax, of whatever kind, is the crucial point. The form that reimbursement takes, as sales and use taxes are collected continuously rather than through a direct billing, requires that the reimbursements be made on a per capita basis. This is the only fair method available which would not create such administrative problems as to

## ALEUTIAN/PRIBILOF ISLANDS ASSOCIATION, INC.

The Aleutian/Pribilof Islands Association, Inc. is the regional non-profit arm of the Aleut Corporation, a regional corporation formed under the Alaska Native Claims Settlement Act of 1971.

The geographic location of the region lies in the direction west by southwest in the North Pacific and the Bering Sea. These islands stretch a distance of about 1,200 miles from the westernmost Attu Island to Sand Point in the Shumagins.

The corporate boundaries extend from the island of Atka, including the Pribilof Islands in the Bering Sea eastward, to the Shumagin Islands. The region includes an area of 1.5 million acres and encompasses thirteen communities of which two are not populated. The eleven communities served consist of the villages of Atka, Akutan, Belkofski, False Pass, King Cove, Nelson Lagoon, Nikolski, Sand Point, St. George, St. Paul and Unalaska.

The largest portion of the Aleutian Islands are within the boundaries of wildlife and military refuges. Dutch Harbor, one time a military stronghold during World War II is situated in the parallels of 49° 20' and 53° 40' and is currently the most active community in the regional fisheries industry.

The population of the Aleutian/Pribilof Region is centered in small cities and villages. King Cove, Sand Point and Unalaska are incorporated as first class cities. Akutan and St. Paul are incorporated as second class cities. The remaining communities are small villages. There are 3,207 stockholders currently enrolled to the Aleut Corporation, the profit corporation of the region.

make the program burdensome upon the Department of Revenue. Persons seeking a reimbursement of their share of the taxes collected would have to apply for them under regulations promulgated by the Department of Revenue.

Major economic industries include commercial fishing, shellfish crabbing and fur industries. The National Marine Fisheries Service operates the annual fur seal harvests on St. Paul Island under close supervision in guidelines with the International North Pacific Fur Seal Management Agreement of 1966. The tourist industry also plays a major role in the economy of the larger communities.

Archeological studies have determined that people lived on these islands for at least 8,000 years. Uncertainty still exists from not knowing where the prehistoric ancestors of the islands inhabitants came.

For the past 8,000 years, the sea has been the major shaping influence on Aleut culture. In the past 200 years under Russian and American influence, the Aleut people have begun the transition from subsistence to an economy based on earned income, a transition that has been difficult still not complete, and not satisfactory.

Today, unemployment remains high while subsistence resources are reduced through heavy offshore fishing pressure and the increasing sea otter population. Employment is often highly seasonal with corresponding low wages for the available unskilled job markets. Winter unemployment in the Aleutian/Pribilof Region often reaches 75%, roughly 10 times that of the national unemployment average.

With high unemployment comes a variety of related problems: frustration, feelings of relative deprivation, status loss, cultural loss, and in some cases an out migration of younger community members. Frustrations are increased by rising expectations and the fact that within the central Aleutians lies Dutch Harbor, one of the largest fishing industry ports

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB # 367  
Title An Act providing for reimbursement for sales and use taxes paid to a municipality  
Requested by House Community and Regional Affairs Committee Date 3/25/81

II. FISCAL DETAIL

Agency Affected \_\_\_\_\_  
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 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Millions of Dollars)

GENERAL FUND		47.8	53.9	60.8	68.5	77.2
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Because of the potential for more applications for reimbursement, including dependents, than there is population for the municipalities involved, no estimate is made regarding the number of applicants. Further, it is assumed that the FY appropriations for the proposed legislation will be equal to the amount of sales tax collections in the prior calendar year even though the reimbursement applied for may be greater.

It is assumed that none of the reimbursements would take place prior to July 1, of the following year.

The appropriation for FY 1982 to refund 1981 sales tax collections is estimated to be \$47.8 million. This value was determined by inflating, to 1981, the 1979 sales tax collections of \$37.6 million estimated by the State Assessors office. The method of inflating these taxes used 10% per year as the price inflator and 2 1/2% per year as the inflator for population. Because it is impossible to forecast future sales tax rate changes, it was assumed that the rates remained as in 1979.

IV. DATE 3/30/81 PREPARED BY Bill Yankee  
AGENCY Revenue Research  
PHONE 465-2173  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

which employs approximately 5,000 people during the peak of harvesting fish. The problem seems to lie with the fact that industry in most cases will bring in the labor force from outside and not give the community members work.

Aleuts still look to the sea, but now perceive that the traditional subsistence resources, within modern acquisition and production fishing technology can provide the means to fully enter the earned income economy without leaving their region.

This vast region is served by two methods of transportation: (a) commercial air transportation by Reeve Aleutian Airways, which operates scheduled flights and by charter service with the Peninsula Airways and (b) ocean going freight shipping service operated by the Aleut Corporation owned "Alaska Shipping Company" plus numerous barge services to the larger communities. During the summer months, the Alaska Marine Highway System infrequently services communities of King Cove and Sand Point.

Prior to 1976 when the Aleutian/Pribilof Islands Association became incorporated, the organizations functions were separated by two organizations. The Aleut League was organized by few individuals in 1966. Later the Aleutian Planning Commission evolved for improving community needs. These two organizations incorporated in 1976 as the Aleutian/Pribilof Islands Association, Inc. The association's functions were to administer grants funded by federal, state and private charitable programs in order to advance the overall economic, social and cultural development of the people within the Aleutian/Pribilof region.

The Aleutian/Pribilof Islands Association, Inc. is directed by an eleven member Board of Directors. Each community of the Aleutian/Pribilof region elects a member from their village to represent their community on the board. The Board of Directors

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 367  
 Title An Act providing for reimbursement for sales & use taxes paid a municipality  
 Requested by House Community & Regional Affairs Date March 19, 1981

II. FISCAL DETAIL

Agency Affected Department of Revenue  
 Program Category Affected Revenue Collection and Management  
 BRU, Program, or Subprogram(s) Affected Audit Division

(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) -NONE-

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) -NONE-

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS -NONE-

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE March 31, 1981

PREPARED BY Gary L. Jenkins  
 AGENCY Audit Division  
 PHONE 465-2320

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

meets in the offices of the Aleutian/Pribilof Islands Association in Anchorage, Alaska four times per year. The Executive Board consisting of five members meets on request by the Chairman of the Board.

The corporation has grown from an initial four person operation to its current size of 75 employees on an annual operating budget of approximately \$2.5 million (an organizational chart is attached). The organization includes the Health Department; Education Department (Johnson-O'Malley, Adult Basic Education, and Cultural & Heritage Programs); the Manpower Department which administers CETA grants under titles II-D, III, VI, YCCIP, YETP and SYEP; Coastal Zone Management; BIA programs in Adult Vocational Training (AVT) and Direct Employment Services (DE); and a Housing Department (Aleutian Housing Authority).

The Health Department contracts with the Indian Health Service in maintaining a viable health care delivery system (medical, dental and social health) utilizing village and regional health committees to increase Native representation in decision-making policies for health care services. Direct services are provided to communities through local health aides and out-reach workers. Additional community development is provided through staff nurse in emergency medical services.

The Education Department functions with Johnson-O'Malley programs which has developed in-school activities in cultural heritage (Native arts and crafts, songs, language, etc.) survival programs and youth program activity centers for the region. Also Adult Basic Education has been a major education endeavor with primary emphasis on land management and vocational courses.

The Coastal Zone Management department basically is an informational arm to the association to keep the region's inhabitants informed of the OCS activities in the region. The regional com-

# MEMORANDUM

# State of Alaska

TO: R. D. Stevenson  
Special Assistant  
Department of Revenue

DATE: March 26, 1981

FILE NO:

TELEPHONE NO:

FROM: Fred Boetsch, Director   
Division of Enforcement

SUBJECT: House Bill No. 367

I decided to follow-up my memo of March 23, regarding this Bill. I see a number of problems with the Bill if it passes in this form.

Section 29.53.500(a)(1) requires that an applicant for sales tax reimbursement has not been claimed as a dependent for federal income tax purposes the previous year. There is no way I know of that this requirement can be verified. It is possible that an individual making a claim for reimbursement of sales taxes might be claimed as a dependent on a federal income tax return by a relative living in Osgosh, Wisconsin. Even if we matched all of these applications against the entire federal file (some 100,000,000 returns), we would not be able to verify this requirement since dependents listed on a tax return are typically listed by first name only with no social security number or other identifying information. As a practical matter, therefore, this requirement cannot be verified and is meaningless.

The second requirement (29.53.500(a)(2)) provides that the applicant and the dependents being claimed for purposes of reimbursement were residents of a particular municipality during at least a portion of the previous year. Neither a definition of residency nor what portion is identified. If a person lived in Juneau proper for a month during 1980 does that mean that he could apply for a sales tax reimbursement for the entire year? If so, since he did not pay sales tax during the entire year, the tables required under 29.53.510(3)(B) would be totally out-of-whack. It is difficult enough to establish residency within the State as we know from our experience with the Permanent Fund Dividend program. A determination of residency for only a portion of a year within a particular municipality compounds the problem exponentially. I also wonder about the individual who may not be a resident of a municipality but may do all of his shopping there and, therefore, pay taxes to that particular municipality. That person would not be eligible for any reimbursement at all under this Bill.

The Bill does not address itself to the case where the total reimbursements based on the table for a particular municipality exceeded the actual collections of sales taxes by that municipality. Apparently that amount is to be used merely as a basis for calculating the table and does not actually place a limit on the total amount of monies distributed under this Bill. The basis for the payment is the number of

munities have organized in the region's policies making systems in these activities. The future oil and gas research activities may involve drilling activities in the Bering Sea.

The Manpower Department's activities serves all eleven communities in the Aleutian/Pribilof region. The department operates with federal grants from U. S. Department of Labor (CETA Titles II-D, III, VI, YCCIP, YTP and SYEP and grants from BIA for operating AVT and DE services. The CETA activities varies to the needs of the communities. Public Service Employment has been the major program. Although other major program activities include varied training in reindeer management, paralegal training, fisheries/marine programs, CPR training and some vocational training with BIA's AVT programs.

The Aleutian Housing Authority, although a part of the Association, functions separately in housing development in the region. The department's major objectives is to improve the housing needs of all eleven communities through Housing and Urban Development (HUD) grants.

dependents which a person has compared to the total population of a particular municipality and related to the sales tax collections made by that municipality the previous year. That requirement in 29.53.510(3) would essentially divvy up sales taxes collected by a municipality on a per capita basis. Ideally, the total number of applicants and their dependents claimed for a particular municipality would equal the total population of the municipality and we would just be dividing up the sales taxes collected on that basis. This particular formula does not take into account the income of the individuals as do the federal sales tax tables generated by the IRS for purposes of the sales tax deduction. Obviously the amount of sales tax paid is a function of disposable income as well as the size of the family. That particular relationship is ignored by this Bill. What the Bill really does is allow a per capita payment to individuals who are residents of a particular municipality which imposes a sales tax as a pro rata share of that sales tax collected. Of course, included in the total sales tax would be sales tax paid by visitors to the community, those not residing in the community but who shop in the community, and others who would not be eligible for the per capita sharing.

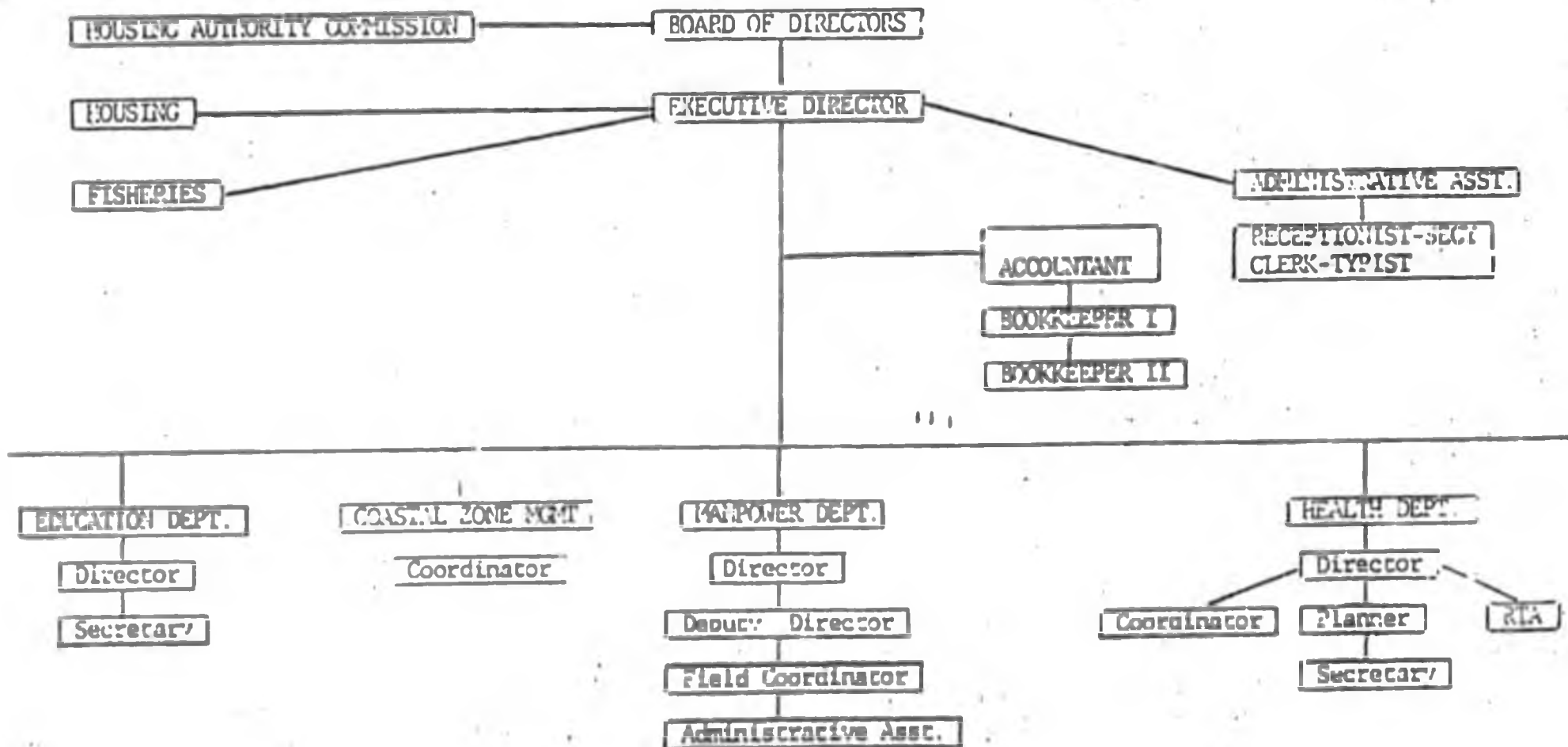
I suspect that, since the amount to be shared per capita is based on the sales tax collected by the particular municipality, the Bill would be an incentive for all municipalities in the state to enact a sales tax at a very high rate. Under this Bill, no one in the Anchorage area would get any payment at all at the present time. Since the actual result of this Bill is to divvy up the sales taxes collected in a municipality among the residents on a per capita basis rather than on the basis of how much, in fact, each resident paid in sales taxes, and since there are bound to be differences in the amounts paid depending on the municipality in which one may live, it would be much simpler to make a per capita distribution to residents of the state at a fixed amount.

If, indeed, the desire is to closely approximate the amount of sales taxes an individual pays during the year, then any table should take into consideration an income level as well as the number of dependents of the applicant (question - under the Bill would a spouse be considered a dependent?). For the sake of equity and ease of administration it would then be highly desirable to establish a consistent state-wide sales tax rate so that people would not be penalized for moving from one community to another or living in one community even though they may shop in another. Residents would get a reasonable approximation of their actual sales taxes paid during the year as a reimbursement, the municipalities would gain an extra source of income, and only non-residents and visitors would leave money on the table.

cc: Joseph K. Donohue, Deputy Commissioner  
Gary L. Jenkins, Director, Audit Division  
Phill Wall, Director, Administrative Services  
Vince Wright, Supervisor, Research Section

ALEUTIAN/PRIBILOF ISLANDS ASSOCIATION, INC.

ORGANIZATIONAL CHART



April 13, 1981

The Honorable Arliss Sturgulewski  
Alaska Senate  
Pouch V  
Juneau, Alaska 99811

Dear Senator Sturgulewski:

Per your request the following information has been compiled.

During the FY 1981 State Revenue Sharing Program, 60 Native village governments applied for funding under the provisions of AS 29.89.050. We presume that approximately 20 other communities qualify under this section that did not apply. Under State law the definition of Native village governments limits funding to unincorporated communities recognized under the Alaska Native Claims Settlement Act of 1971 that have some kind of governing body, i.e. I.R.A. council, traditional council, Native village council, etc. This definition, therefore, makes a distinction between unincorporated communities based solely upon Federal recognition as a Native versus non-Native community.

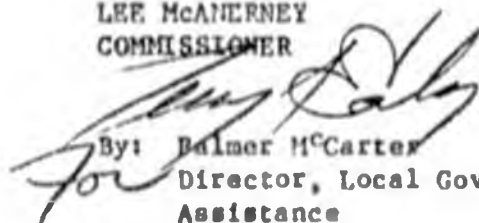
Upon review of the 1979 preliminary census counts, we have determined that there are 29 communities in the unorganized borough with populations of 25 or more that do not meet the definition of a Native village government. It should be noted that Native village governments under state revenue sharing requirements do not have to meet a 25 or more population standard. Attached is a list of "non-Native communities" in the unorganized borough and within boroughs that have a population of 25 or more. As you may know, Native village governments located within organized boroughs are eligible to receive State Revenue Sharing.

CSSA 169 treats unincorporated communities more equitably. Unincorporated communities in the unorganized borough are eligible for the \$1,000 per capita payment while unincorporated places within boroughs are excluded. The borough receives the \$1,000 per capita payment for all of its residents that reside outside of cities. No distinction is made between Native and non-Native communities.

I hope this information proves useful.

Sincerely,

LEE McANERNEY  
COMMISSIONER

  
By: Palmer McCarter  
Director, Local Government  
Assistance

**APPENDIX D**

UNINCORPORATED COMMUNITIES

		1980 Preliminary Census			1980 Preliminary Census
B	Big Lake	412		Meyers Chuck	50
	Tok	585	B	Montana	40
	Big Delta	282	B	Moose Creek	518
B	Bodenburg Butte	982	B	Moose Pass	77
B	Big Horn	363	B	Murphy Dome	72
	Campion	59		Nikishka	1114
	Central	36		Paxson	30
	Chicken	36	B	Pennock Island	88
B	Clam Gulch	48		Perkinsville	34
B	Clover Pass	441		Point Baker	90
	Coffman Cove	196		Port Clarence	29
	Cold Bay	226	B	Prudhoe Bay	50
B	Cooper Landing	111	B	Salcha	308
B	Dead Horse	65		Slana	49
	Dunbar	49	B	Sterling	913
	Elfin Cove	28		Suntrana	56
B	Ester	150	B	Sutton	182
	Evansville	93	B	Talkeetna	265
	False Pass	65		Thorne Bay	300+
B	Fox	110		Two Rivers	358
B	Fritz Creek	302		Usibelli Mine	54
	Glenallen	488		Whale Pass	90
	Gustavus	98			
B	Halibut Cove	45			
B	Harding Lake	40			
	Healy	333			
B	Herring Cove	99			
B	Hope	101			
	Hyder	82			
B	Jakalof Bay	36			
B	King Salmon	536			
	Lower Tonsina	40			
	McKinley Park	32			

Non-Native Unincorporated Communities with Populations of 25+		
		Population
Outside Boroughs	30	3,867
Inside Boroughs	25	6,355
Total	55	10,222

Note: Native villages of less than 25 people are eligible for Revenue Sharing.

\*B stands for unincorporated villages within an organized borough.

# Aleut war internment probed

The Aleutian Pribilof Island Association is documenting the private papers of Aleuts and their descendants who interned in Southeast Alaska camps during World War II.

A task force of Aleuts interested at the time is searching for others to record their stories for formal presentation to a presidential commission over this summer, according to Alfred Segeton, the association's World War II project director.

The task force was created after

President Carter signed the Commission on Wartime Relocation and Internment of Civilians Act in September. President-elect Ronald Reagan will name the commissioners, who will have 18 months "to study the injustices and damages suffered by the Aleuts during and after their relocation to evacuation camps."

Those with information about evacuees can call Segeton at 263-2200, ext. 220. The task force office is located at 1921 C.

February 11, 1981

Tundra Times

## Aleut Bill Update:

### Reagan to Appoint Commission

On July 30, 1980, President Jimmy Carter signed into law a bill that would establish a Congressional Commission to look into charges that during World War II the Aleut and Japanese-American communities were made to suffer constitutional injustices and excessive damages at the hands of the federal government.

The commission, which will consist of nine members, is expected to be appointed soon by the new Reagan administration, but one Aleut official is apprehensive about the new conservative government's potential selections. Philomen Tutiakoff, Chairman of the Aleutian Pribilof Island Association, said Friday that it was of "the utmost importance that the commission be an objective one. The Aleut community will have one member to select but it

is imperative that all members be willing to consider carefully the unique situation present during the Aleut's World War II experience. The commission must examine the culture of the Aleut, who has been the victim of "culture crash after culture crash...ever since the first Russian blew ashore."

(Continued on Page Twelve)

# for commission

Times - Washington Bureau

Washington - Congress approved and sent to the President Wednesday legislation that will authorize an Aleut on a commission investigating the wartime relocation of Americans.

Sen. Ted Stevens, R-Alaska, called for the measure this week to expand the commission from seven members to nine, after the initial round of appointments included no Aleut members. The House agreed and sent it to the White House.

Stevens has recommended appointing Father Ismael Vincent Connolly, who lives in Unalaska. The commission will study the wartime relocation of Japanese Americans and Aleuts, and recommend any compensation for them.

Thursday, January 29, 1981, The Anchorage Times

### Aleut Bill

(Continued from Page One)

The Congressional body will have 18 months and a budget of 15 million dollars to confirm their findings. Hearings are scheduled to take place in Seattle, Anchorage, Dutch Harbor and on St. Paul. But Tutiakoff points out the million-plus budget will only cover the immediate cost of the commission, not gathering of pertinent information. That burden of proof falls to the Aleut community. "It is a monumental task," says Tutiakoff. "Individual descriptions, an accurate description of each village at that time and complete lists of all personal belongings that were lost must be presented to the commission. APPIA is currently trying to raise the funds to implement this research."

Tutiakoff, who was evacuated from Unalaska during the war and held at the Hunter Bay Camp, says "...a lot of the older people would like to forget this terrible experience, put it forever behind them. I think the important thing is that nothing like this should ever happen to a 115 million people."

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE AMENDMENTS by REP. RANDOLPH  
TO HOUSE BILL 367

Page 1, delete lines 6 to 8 and substitute therefore:

"for an Act entitled: 'an Act relating to state aid for municipalities; establishing the Alaska Local Sales and Use Tax Relief Program; and providing for an effective date.'"

Page 1 and 2 beginning at line 10, delete section 1 and substitute therefore:

Section 1. AS 29.53.415 is amended by adding a new subsection (e) to read:

"(e) In place of collecting the sales or use tax, a borough, or cities under Article 5 of this chapter, may participate in the Alaska Local Sales and Use Tax Relief Program (AS 29.55)."

Page 2, line 13, delete section 2 and substitute therefore:

Section 2. AS 29 is amended by adding a new chapter to read:

"CHAPTER 55. ALASKA LOCAL SALES AND USE TAX RELIEF PROGRAM.

Sec. 29.55.010. ALASKA LOCAL SALES AND USE TAX RELIEF PROGRAM. The Alaska local sales and use tax relief program is established to provide state aid to municipalities in place of money raised by collecting sales and use taxes. An entitlement from the Alaska local sales and use tax relief program may be used by a municipality for all purposes for which the municipality is authorized to use money raised from sales and use taxes.

Sec. 29.55.020. APPLICATION. (a) Each quarter a municipality may apply to the department for an entitlement from the Alaska local sales and use tax relief program. Substantiation of sales and use taxes which would have been collected under AS 29.53.415 - 29.53.460 shall be supplied together with financial statements required by the department for the quarter for which an application is filed.

(b) A municipality which applies under this section shall levy, but may not collect sales or use taxes during the calendar year for which any quarterly entitlement is sought except as provided in (c) of this section.

(c) A municipality may levy and collect sales and use taxes above those in effect on January 1, 1981, in accordance with AS 29.53.415 - 29.53.460, but any such taxes shall be collected from those subject to sales and use taxes and are not eligible for entitlements from the Alaska local sales and use tax relief program.

Sec. 29.55.030. REVIEW. The department shall review each application for an entitlement from the Alaska local sales and use tax relief program. If the commissioner determines that the substantiation of sales and use taxes which would have been collected by the municipalities does not accurately reflect such revenues, he may adjust the assessments and notify the municipality in writing.