

S B

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Cook ✓

A M E N D M E N T

Offered in the SENATE

TO: CSSB 142(C&RA)

Page 4, line 15:

Delete "home rule or"

Page 6, line 26:

Delete "home rule or"

Page 7, line 5:

Delete "municipality" and insert "borough"

Page 8, line 27:

Delete "municipality" and insert "borough"

Page 11, line 16:

Delete "home rule or"

Page 29, lines 11 - 16:

After "ment." delete all material and reletter the following subsections accordingly.

Page 29, line 27:

Delete "an unincorporated community or"

Page 30, line 1:

Delete "municipality" and insert "borough"

Page 30, lines 3 and 4:

Delete "and at least one model home rule charter for a city"

Delete "charters" and insert "charter"

Page 30, line 6:

Delete "municipality" and insert "borough"

Page 31, line 18:

Delete "unincorporated community or for an"

Page 31, line 23:

Delete "an unincorporated community or in"

Page 31, lines 24 and 25:

Delete "municipality" and insert "borough"

Page 31, line 28:

Delete "municipality" and insert "borough"

Page 33, line 1:

Delete "municipality" and insert "borough"

Page 33, line 2:

Delete "unincorporated community or"

CITY of WRANGELL, ALASKA

INCORPORATED JUNE 15, 1903

BOX 531, 99929 (907) 874-2381

March 13, 1985

House Community & Regional Affairs Comm.
House Judiciary Committee
House Finance Committee
Pouch V
Juneau, AK 99801

Senate Community & Regional Affairs Comm.
Senate Judiciary Committee
Senate Finance Committee

Dear Sirs:

We have reviewed House Bill No. 72 (Senate Bill No. 142, Title 29 revisions, only insofar as it pertains to home rule municipalities. As a home rule municipality, the Wrangell City Council has the following concerns:

- CS (C+R4) Sec. 29.10.100 (7) AS 29.10.100--(Charter Amendment) should read (7) AS 29.10.100--(limitation of home rule powers) Charter Amendment is 29.10.080.
- CS (C+R4) Sec. 29.10.100 (44) AS 29.60.230 (state aid for hospital and health facility construction) is incorrect as there is no AS 29.60.230.
- P. 35 L. 14 Sec. 29.20.010 Conflict of Interest (2) provides that the presiding officer shall rule on a request by a member of the governing body to be excused from a vote. Our municipal code provides that the Council will rule on the request. The manner of ruling on the request should be set by the governing body.
- P. 43 L. 3 Sec. 29.20.140 Qualifications provides that a city voter is eligible to be a member of the Council and allows a municipality to establish durational residency requirements. A City voter is 18 years of age, our Charter sets an age requirement of 21 years of age. The voters of a home rule municipality should be allowed to establish an age requirement for their elected officials. This is supported by the United States and State of Alaska Constitutions which do establish age requirements for elected officials. The local governing body carries a great deal of responsibility and certainly deserves the maturity that is recognized as necessary for a State office.
- P. 69 L. 10 Sec. 29.26.270 Recall Petition (a) provides that the City Clerk shall prepare a recall petition. The sponsors should be responsible for preparation of the petition. The City Clerk should only be responsible for certifying whether content of the petition is sufficient.
- P. 72 L. 22 Sec. 29.26.350 Successors prescribes the manner of filling the office of an official that is recalled from a governing body (29.20.180). Home Rule municipal Charters should prescribe the manner of filling vacancies.

CITY OF WRANGELL, ALASKA

House Community & Regional Affairs Comm.
House Judiciary Committee
House Finance Committee
Page Two

Senate Community & Regional Affairs Comm.
Senate Judiciary Committee
Senate Finance Committee

P. 77 L. 21 Sec. 29.35.120 Past Audit (a) provides that copies of the audit shall be available to the public upon request. A strict reading by the public would require the audit to be available for distribution to the public at no cost. Although we understand this is not the intent, we request the section be amended for clarification to the public, to require the audit to be available for review or at cost.

P. 125 L. 24 Sec. 29.45.320 Real Property Tax Collection (a) provides for annual foreclosure unless otherwise provided by ordinance. Sec. 29.45.330 (a) (1) provides for annual foreclosure proceedings, but does not include "unless otherwise provided by ordinance." Sec. 29.45.330 (a) (1) should be amended to be consistent with 29.45.320 (a). The number of delinquent accounts in a small municipality may not justify the cost of annual foreclosure.

~~P. 134~~
P. 131 L. 1 Sec. 29.45.460 Disposition and Sale of Foreclosed Property (c) provides that the Clerk shall send a copy of the published notice of hearing of an ordinance by certified mail to the former record owner. Home rule municipalities are not required to publish notice of a hearing of an ordinance. This section should be amended to provide for notice to the former record owner prior to introduction of an ordinance by a home rule municipality.

The City of Wrangell supports revisions to Title 29. We cannot, however, support additional limitations and regulation of home rule powers. Some of our foregoing concerns are merely clerical errors and inconsistencies. Our review and comments are limited to home rule only. Any amendments that may have been made have not yet been received, so our comments are limited to the Bill as introduced.

Very truly yours,



Joyce Rasler
City Manager

JR:fv

cc: Senator Robert Ziegler
Representative Robin Taylor
Representative John Sund
Alaska Municipal League

ARECA CONCERNS ON SENATE BILL 142
submitted to Senate Judiciary Committee
April 11, 1985

1. Page 102. Exemption from municipal taxation.

Problem: Electric and telephone cooperatives are taxed under AS 10.25.540-560 and are exempt from municipal taxes. Our concern is that the enactment of a new Title 29 without an exemption for electric and telephone cooperatives could be interpreted as a change in public policy.

Solution: A letter of intent which clearly states that this does not represent a change of public policy and that electric and telephone cooperatives taxed under AS 10.25 will continue to be exempt from municipal taxes as provided in AS 10.25.540. The letter of intent from the Senate Committee on Community and Regional Affairs appears to be adequate.

2. Page 77 - 78. Franchises and permits.

Problem: The proposed AS 29.35.060 reenacts subsections (a) and (b), but it deletes the existing law now contained in AS 29.48.050(c). The missing language provides that utilities shall have the right to use municipal rights of way under reasonable terms and conditions and that the APUC shall decide what is reasonable when there is a disagreement between a municipality and a utility. Similar language also is found in AS 42.05.251. We are concerned that the enactment of a new Title 29 without this provision could be interpreted as a change in public policy.

Solution: A letter of intent which clearly states that this does not represent a change in public policy and that public utility access to municipal rights of way are governed by AS 42.05.251. The letter of intent from the Senate Committee on Community and Regional Affairs appears to be adequate.

3. Page 78. Utility Regulation.

Problem: The drafting style in this section opens the door for municipal regulation of utilities already regulated by the APUC if the regulation by the municipality is somehow different from the regulation by the APUC.

Solution: Amend p. 78, lines 8-11, to read:

"or its inhabitants by a utility that is not subject to regulation under AS 42.05 unless that utility is exempted from regulation under AS 42.05.711(a) or (d)-(k)."

4. Pages 74-75. Extraterritorial jurisdiction.

Problem: Existing law in AS 29.48.040 provides that a municipal utility may extend its service outside its municipal boundary into "adjacent areas." This language was written to solve real historical problems. The proposed AS 29.35.020 would give municipal utilities the legal authority to extend their service anywhere in the state. That authority, coupled with the power of eminent domain, could permit municipal imperialism at the expense of existing utilities.

Solution: Reenact the present law by amending AS 29.35.020, page 75, line 3, by deleting "utility services" and on line 15, by adding a new subsection (c) to read:

"(c) A municipality owning or operating utilities may extend service to adjacent areas outside its municipal limits. For that purpose the municipality may acquire, maintain and operate utility facilities together with necessary real property interests in real property outside its limits."

MEMORANDUM


State of Alaska
Community and Regional Affairs

TO: Jeff Smith
Deputy Commissioner

DATE: April 12, 1985

THRU: Marty Rutherford
Director

FILE NO: 0109j/JP/sw

FROM: Jim Plasman 
Local Government Specialist IV

TELEPHONE NO: 465-4707

SUBJECT: Requested Senate
Bill 142 Amendment

You have requested I prepare an amendment for SB 142 which would essentially delete the House CRA amendment allowing second class cities and unincorporated communities to go directly to home rule status and restore the original language of the Governor's bill.

AMENDMENT

TO: SB 142

Page 29, line 9 through page 33, line 7:

Delete all material and insert the following new sections:

1 be appealed under the Administrative Procedure Act (AS 44.62).

2 Sec. 29.06.510. ELECTION. (a) The Local Boundary Commission
3 shall immediately notify the director of elections of its acceptance
4 of a dissolution petition. Within 30 days after notification, the
5 director of elections shall order an election in the municipality to
6 determine whether the voters desire dissolution. The election must be
7 held at least 30 and not more than 90 days after the election order.
8 A person who is a voter of the municipality may vote in the dissolu-
9 tion election.

10 (b) The director of elections shall supervise the election in
11 the general manner prescribed by the Alaska Election Code (AS 15).
12 The state shall pay all election costs.

13 (c) The director of elections shall certify the election re-
14 sults. If dissolution is approved, the director of elections shall
15 declare that the municipality is dissolved effective on the date of
16 certification.

17 Sec. 29.06.520. SUCCESSION. The government succeeding to a dis-
18 solved municipality succeeds to all its rights, powers, duties, as-
19 sents, and liabilities.

20 Sec. 29.06.530. APPLICATION. AS 29.06.450 -- 29.06.530 apply to
21 home rule and general law municipalities.

22 * Sec. 5. AS 29 is amended by adding a new chapter to read:

23 CHAPTER 10. HOME RULE MUNICIPALITIES.

24 ARTICLE 1. CHARTERS.

25 Sec. 29.10.010. MUNICIPAL CHARTER ADOPTION. A first class
26 municipality or second class borough may adopt a charter for its own
27 government. A home rule municipality may amend its charter or adopt a
28 new one. A charter is framed by a charter commission of seven members
29 chosen by the municipal voters at a regular or special election. A

1 candidate for the commission shall be a qualified voter of the munici-
2 pality and a resident of the municipality for three years immediately
3 preceding the election. A charter commission election is called by
4 filing a petition with the borough assembly or the city council, or by
5 resolution of the borough assembly or city council. The petition
6 shall be signed by a number of municipal voters equal to 15 percent of
7 the votes cast in the last regular election of the municipality.

8 Sec. 29.10.020. NOMINATION. Charter commission candidates are
9 nomina by petitions signed by 50 voters or the number of qualified
10 municipal voters equal to 10 percent of the number of votes cast in
11 the last regular election, whichever is less.

12 Sec. 29.10.030. ELECTION. At the charter commission election
13 the voters shall consider the question "Shall a charter commission be
14 elected to frame a proposed new charter?" and shall select the members
15 of the commission. If the question is approved, the seven candidates
16 receiving the highest number of votes shall immediately organize as a
17 charter commission.

18 Sec. 29.10.040. PREPARATION OF CHARTER. The charter commission
19 shall, within one year, prepare a municipal charter. The proposed
20 charter shall be signed by a majority of the charter commissioners and
21 filed in the office of the municipal clerk. Within 15 days, the
22 borough assembly or city council shall have the charter published once
23 in a newspaper of general circulation if distributed within the
24 municipality. The clerk shall post copies of the proposed charter in
25 at least three public places and make copies available at the office
26 of the clerk. The commission shall give published notice of and hold
27 at least one public hearing on the proposed charter before the signing
28 and filing of the charter.

29 Sec. 29.10.050. INITIATIVE AND REFERENDUM. (a) Municipal

1 charters shall provide the procedures for the initiative and referen-
2 dum.

3 (b) A charter may not require an initiative or referendum peti-
4 tion to have a number of signatures greater than 25 percent of the
5 total votes cast at the last regular municipal election.

6 (c) A charter may not permit the initiative and referendum to be
7 used for a purpose prohibited by sec. 7, art. XI of the state consti-
8 tution.

9 Sec. 29.10.060. CHARTER ELECTION. The charter shall be submit-
10 ted to the municipal voters at a regular or special election held not
11 less than 30 days nor more than 90 days from the publication of the
12 charter.

13 Sec. 29.10.070. CHARTER ADOPTION. (a) If a majority of those
14 voting on the question favor the proposed charter, it becomes the
15 organic law of the municipality. Thereafter, the court shall take
16 judicial notice of the charter. The municipality shall file the
17 indicated number of copies of the charter with the

- 18 (1) lieutenant governor -- two copies;
19 (2) Department of Community and Regional Affairs -- two
20 copies;
21 (3) district recorder -- one copy;
22 (4) municipal clerk -- one copy.

23 (b) If a proposed charter is rejected, the charter commission
24 shall prepare another proposed charter to be submitted to the voters
25 at a regular or special election to be held within one year after the
26 date of the first charter election. If the second proposed charter is
27 also rejected, the charter commission shall be dissolved and the
28 question of adoption of a charter shall be treated as if it had never
29 been proposed or approved.

1 Sec. 29.10.080. CHARTER AMENDMENT. A municipal charter may be
2 amended as provided in the charter or by initiative referendum as
3 provided in AS 29.26.100 -- 29.26.190, except that no amendment shall
4 be effective unless ratified by the voters.

5 ARTICLE 2. HOME RULE LIMITATIONS.

6 Sec. 29.10.100. LIMITATION OF HOME RULE POWERS. Only the fol-
7 lowing provisions of this title apply to home rule municipalities as
8 prohibitions on acting otherwise than as provided. These provisions
9 supersede existing and prohibit future home rule enactments that
10 provide otherwise:

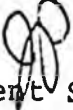
- 11 (1) AS 29.05.140 (transition)
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- 13 (3) AS 29.06.040 -- 29.06.060 (annexation and detachment)
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16 ties)
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25 bodies)
- 26 (13) AS 29.20.150 (term of office)
- 27 (14) AS 29.20.220 (executive power)
- 28 (15) AS 29.20.630 (prohibitions)
- 29 (16) AS 29.20.640 (reports)

MEMORANDUM

State of Alaska
Community and Regional Affairs

TO: Jeff Smith
Deputy Commissioner

THRU: Marty Rutherford
Director

FROM: Jim Plasman 
Local Government Specialist IV

DATE: April 12, 1985

FILE NO: 0109j/JP/sw

TELEPHONE NO: 465-4707

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M E M O R A N D U M

April 1, 1985

TO: Senator Pat Rodey, Chairman
Judiciary Committee

FROM: Senator Frank R. Ferguson *FR*

SUBJECT: CSSB 142 (C&RA)

I would like to raise a strong objection to the language contained in this bill.

Under current law a second class city must become a first class city before having the ability to consider home rule status. The new language contained in this bill would allow a second class city or an unincorporated community, containing 400 or more permanent residents, to file for home rule status. This would allow these communities to by pass the other mandatory powers prescribed to first class cities.

Therefore, this new language is illogical. The whole theory of various classes of municipalities is that with greater local autonomy comes greater local responsibility. This new language circumvents this prescribed theory. My particular concern with this new language is the damage it could cause the existing REAA school system. Any second class city or unincorporated community could assume educational powers which would fragment our existing system and significantly drive up the cost of providing education within the state, and considering the most recent revenue projections, this does not look fiscally sound.

I have attached an amendment to this bill whould I believe would take care of the problems I mentioned above. Thank you for your consideration of this amendment.

A M E N D M E N T

#2

Offered in the SENATE

BY FERGUSON

To: CSSB 142(C&RA)

Page 4, line 15:

Delete "home rule or"

Page 5, after line 2 insert the following new subsection:

"(c) A community that meets the standards under (a)(2)-(5), exceeds 35 square miles in area, and has at least 3,500 permanent residents may incorporate as a home rule city."

Page 29, line 12:

After "if" insert "it exceeds 35 square miles in area and"

Page 29, line 13:

Delete "400" and insert "3,500"

Page 29, line 15:

Delete "with" and insert "that exceeds 35 square miles in area and has"


Delete "400" and insert "3,500"

Alaska MUNICIPAL League

TELEPHONES
(907) 586-1325
(907) 586-6526

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Senator Patrick Rodey, Chair
Members of the Senate Judiciary Committee

FROM: Scott A. Burgess 
Executive Director

DATE: April 10, 1985

SUBJECT: Support of SB 142 - Title 29 Revisions

On behalf of the Alaska Municipal League, I urge the Committee to pass SB 142 quickly and without controversial amendments. While the League supports SB 142 as originally introduced, it will accept CSSB 142 (C&RA). The League will work for the passage of those powers limited by the amendments contained in the CS (C&RA) which it feels strongly about under separate legislation. If additional amendments are brought before the Judiciary Committee, we urge that those amendments also be addressed by separate legislation. The bill before you, SB 142, as introduced by the Governor, represents the result of more than five years of work, discussion, and hearings; therefore, any substantive amendments should be considered only after adequate public scrutiny and debate.

The Alaska Municipal League directly represents 100 direct member municipalities. The Board of Directors of the League has again identified the passage of the Title 29 revisions contained in SB 142 as one of its highest priorities for the First Session of the 14th Alaska State Legislature. The League has also received individual letters and resolutions of support for the legislation from 10 boroughs or unified municipalities and 21 cities. Most of these letters and resolutions are copies of those sent directly to individual legislators or committees. In addition, the passage of the Title 29 revisions, without controversial amendments, has been supported by the Alaska Conference of Mayors, the North and Northwest Mayors Conference, the Yukon-Kuskokwim Delta Mayors Conference and the Alaska Association of Municipal Clerks.

Again, the League urges the quick action by the Committee to approve CSSB 142 (C&RA) without additional amendment.

Thank you.

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS

PREPARED TESTIMONY ON SB 142

"AN ACT RELATING TO MUNICIPAL GOVERNMENT; AN PROVIDING FOR AN EFFECTIVE DATE."

THANK YOU CHAIRMAN AND MEMBERS OF THE COMMITTEE. IT IS A GREAT PLEASURE TO COME BEFORE YOU THIS AFTERNOON TO SPEAK ON BEHALF OF THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS IN SUPPORT OF SB 142, "AN ACT RELATING TO MUNICIPAL GOVERNMENT" AND, IN THE OPINION OF MOST MUNICIPALITIES AND PERSONS FAMILIAR WITH THIS BILL, AN ACT RELATING TO GOOD GOVERNMENT, MORE RESPONSIVE GOVERNMENT FOR ALL ALASKANS THAT RESIDE WITHIN ONE OF ITS 157 MUNICIPALITIES.

THIS BILL HAS A LONG HISTORY DATING BACK TO SENATE CONCURRENT RESOLUTION NUMBER 66 WHICH WAS PASSED BY THE ELEVENTH LEGISLATURE IN 1980. THIS RESOLUTION REQUESTED THAT A BILL OF THIS TYPE TO COMPREHENSIVELY REORGANIZE, CLARIFY, AND REVISE THE EXISTING BODY OF LAW GOVERNING MUNICIPAL GOVERNMENT BE DRAFTED AND INTRODUCED TO OVERHAUL THE PATCHWORK, OFTEN INCOMPREHENSIBLE STATUTE THAT EXISTS NOW AS TITLE 29.

AFTER THE LEGISLATURE ADJOURNED IN 1980, THIS DEPARTMENT, THE LEGAL SERVICES DIVISION OF THE LEGISLATIVE AFFAIRS AGENCY, THE DEPARTMENT OF LAW, AND THE MUNICIPALITIES OF THE STATE

REPRESENTED BY THE ALASKA MUNICIPAL LEAGUE BEGAN AN UNPRECEDENTED COOPERATIVE EFFORT TO HAMMER OUT A NEW, IMPROVED TITLE 29 WHICH WOULD BE TRUE TO CONSTITUTIONAL DIRECTION OF PROVIDING FOR "MAXIMUM LOCAL SELF-GOVERNMENT WITH A MINIMUM OF LOCAL GOVERNMENT UNITS". THIS ENOURMOUS UNDERTAKING WAS ACCOMPLISHED THROUGH A POLICY GROUP REPRESENTING CITIES AND BOROUGHES OF VARIOUS SIZES ACROSS THE STATE THAT IDENTIFIED PROBLEMS WITH THE EXISTING STATUTE AND SOUGHT MUTUALLY ACCEPTABLE SOLUTIONS, AND A TECHNICAL GROUP COMPOSED OF MUNICIPAL ATTORNEYS AND OTHER TECHNICALLY ORIENTED MUNICIPAL OFFICIALS TO FASHION THE NEW STATUTE IN CLEAR, EASY TO UNDERSTAND LANGUAGE AND ORGANIZE THE STATUTE IN AN EASIER TO USE FORMAT. THE CONSENSUS OF EVERYONE INVOLVED, AND OTHERS FAMILIAR WITH THIS PORTION OF THE ALASKA STATUTES, IS THAT THESE TWO GROUPS DID AN ADMIRABLE JOB OF ACCOMPLISHING WHAT THEY HAD SET OUT TO DO. THE OPEN, REPRESENTATIVE AND BUSINESS-LIKE APPROACH TAKEN TO REDRAFT THIS STATUTE PRODUCED A BILL THAT HAD WIDE-SPREAD SUPPORT AND FEW, IF ANY, DETRACTORS.

UNFORTUNATELY, PASSAGE OF THE BILL DID NOT GO AS SMOOTHLY AS ITS PREPARATION. DURING THE TWELFTH LEGISLATURE THE BILL WAS PASSED BY THE LEGISLATURE, BUT SEVERAL CONTROVERSIAL AMENDMENTS ATTACHED ON THE FLOOR OF THE HOUSE PROMPTED A VETO BY GOVERNOR HAMMOND. DURING THE LAST LEGISLATURE THE BILL WAS INTRODUCED AS A HIGH PRIORITY OF GOVERNOR SHEFFIELD'S. FOLLOWING EXTENSIVE, DETAILED HEARINGS, THE BILL PASSED THE HOUSE, BUT FAILED TO RECEIVE SENATE APPROVAL.

GOVERNOR SHEFFIELD HAS AGAIN MADE THIS BILL A HIGH PRIORITY FOR THE FOURTEENTH LEGISLATURE. THE ADMINISTRATION WOULD LIKE TO SEE IT PASSED WITHOUT MAJOR AMENDMENTS WHICH WOULD UNDO THE HARD WORK OF THOSE INVOLVED IN FASHIONING THIS LENGTHY BILL. ALL PARTIES INTERESTED IN THE PASSAGE OF THIS BILL HAVE TAKEN AN IDENTICAL POSITION OF WISHING TO KEEP WHAT IS LARGELY A NONCONTROVERSIAL HOUSEKEEPING AND REORGANIZATION BILL FROM BEING SIDETRACKED OR BURDENED WITH CONTROVERSIAL AMENDMENTS THAT DO NOT HAVE THE WIDE-SPEAD, NONPARTISAN SUPPORT THAT THIS BILL, IN ITS PRESENT FORM, ENJOYS.

AS I MENTIONED EARLIER, THE MAIN THRUST OF THIS BILL IS TO ORGANIZE THE STATUTE IN A CLEARER, MORE COMPREHENSIBLE MANNER AND TO USE TERMINOLOGY CONSISTENTLY THROUGHOUT THE STATUTE. THERE ARE A HANDFUL OF CHANGES THE DEPARTMENT WOULD CLASSIFY AS SUBSTANTIVE AND SOME OF THESE ARE RELATIVELY MINOR. GENERALLY, THESE CHANGES FALL INTO THREE CATEGORIES: 1) CHANGES THAT PROVIDE MUNICIPALITIES ADDITIONAL FLEXIBILITY BY EXPANDING LOCAL GOVERNMENT POWERS, 2) AMENDMENTS TO THE ORGANIZATIONAL GRANT PROGRAM TO SUBSTANTIALLY INCREASE THE INCENTIVE FOR INCORPORATION AS A CITY OR BOROUGH BY REALISTICALLY DEFRAYING STARTUP COSTS FOR A NEW MUNICIPALITY, AND 3) AMENDMENTS WHICH MAKE IT EASIER FOR THIS DEPARTMENT TO ADMINISTER THE STATE REVENUE SHARING PROGRAM CONTAINED IN TITLE 29.

ADDITIONAL FLEXIBILITY IS PROVIDED TO LOCAL GOVERNMENTS BY:

1) ADDING SOLID AND SEPTIC WASTE DISPOSAL, UTILITY SERVICES, TRANSPORTATION FACILITIES, AND MARINE FACILITIES TO OTHER SERVICES THAT MAY BE PROVIDED ON AN EXTRATERRITORIAL BASIS, THAT IS OUTSIDE OF MUNICIPAL BOUNDARIES. THE MUNICIPALITIES ARE ALSO CLEARLY GIVEN THE POWER TO REGULATE THESE SERVICES TO THE EXTENT THAT THE JURISDICTION IN WHICH THEY ARE LOCATED DOES NOT DO SO.

2) SECOND CLASS CITIES ARE GIVEN THE POWER TO EXERCISE EMINENT DOMAIN AND DECLARATION OF TAKING WITHOUT FIRST RECEIVING C&RA APPROVAL, AS IS NOW REQUIRED.

3) MUNICIPAL LAND DISPOSAL IS SIMPLIFIED FROM THE PRESENT DETAILED STATE REQUIREMENTS BY REQUIRING ONLY THAT THE GOVERNING BODY OF THE MUNICIPALITY ESTABLISH A FORMAL PROCEDURE BY ORDINANCE FOR THE DISPOSAL OF MUNICIPAL LAND.

4) IN LIEU OF A LIST OF SERVICES A GENERAL LAW MUNICIPALITY MAY NOW PROVIDE, THE REWRITE ALLOWS ALL MUNICIPALITIES TO PROVIDE THOSE SERVICES NECESSARY AND DESIRED AND NOT SPECIFICALLY EXCLUDED BY LAW.

ORGANIZATIONAL (OR SOMETIMES CALLED TRANSITIONAL) GRANTS ARE BROUGHT UP TO REALISTIC LEVELS WHICH MAY PROVIDE GREATER INCENTIVES FOR COMMUNITIES OR REGIONS OF THE STATE TO INCORPORATE. PRESENTLY A SECOND CLASS CITY OR A CITY INCORPORATING WITHIN A BOROUGH RECEIVES ONLY \$10 FOR EACH VOTE CAST AT THE INCORPORATION ELECTION AS AN ORGANIZATIONAL GRANT. DEPENDING ON THE SIZE OF THE COMMUNITY THIS MIGHT PRODUCE A GRANT LARGE ENOUGH TO PURCHASE A SET OF STATUTES AND REGULATIONS FOR THE NEW CITY. BOROUGH AND FIRST CLASS CITIES IN THE UNORGANIZED BOROUGH (WHICH BY LAW PROVIDE EDUCATION POWERS) RECEIVE \$25,000 UPON INCORPORATION. THESE GRANTS DO NOT, IN THE OPINION OF DRAFTERS OF THIS BILL, PROVIDE ADEQUATE FUNDING TO COMPENSATE FOR THE ADDITIONAL RESPONSIBILITIES REQUIRED BY TITLE 29. SB 142 INCREASES ORGANIZATIONAL GRANTS TO \$75,000 FOR CITIES. THIS GRANT IS PAID OUT OVER TWO YEARS WITH \$50,000 GOING OUT DURING THE FIRST YEAR OF INCORPORATION AND \$25,000 PAID OUT FOR THE CITY'S SECOND YEAR. NEWLY FORMED BOROUGH WILL RECEIVE \$600,000 OVER THREE YEARS: \$300,000 THE FIRST YEAR, \$200,000 THE SECOND YEAR, AND \$100,000 THE THIRD YEAR. THE FISCAL NOTE FOR THIS BILL REFLECTS THIS INCREASE IN THE ORGANIZATIONAL GRANTS AND ASSUMES TWO CITIES INCORPORATING IN FY 86, TWO CITIES AND ONE BOROUGH INCORPORATING IN FY 87, AND TWO MORE CITIES INCORPORATING IN FY 88.

FINALLY, LANGUAGE DEALING WITH NATIVE VILLAGE GOVERNMENTS THAT THE DEPARTMENT OF LAW CITES AS UNCONSTITUTIONAL IS REPLACED WITH ACCEPTABLE LANGUAGE TO CLARIFY HOW REVENUE SHARING GOES TO UNINCORPORATED COMMUNITIES. AN AMENDMENT TO THE BILL WILL ALSO BE OFFERED TO CLARIFY THE HEALTH FACILITY PORTION OF THE STATE REVENUE SHARING PROGRAM.

THESE ARE A SUMMARY OF THE ESSENTIAL CHANGES THAT HAVE BEEN PROPOSED. I BELIEVE THIS LEGISLATION HAS RECEIVED A GREAT DEAL OF SCRUTINY AND PUBLIC REVIEW OVER THE LAST FOUR YEARS IT HAS BEEN BEFORE THE LEGISLATURE. VETERAN LEGISLATORS ARE VERY FAMILIAR WITH THE PROVISIONS OF SB 142 AS THEY ARE NEARLY IDENTICAL TO PREVIOUS VERSIONS OF THE BILL. THERE ARE FEW BILLS BEFORE THE FOURTEENTH LEGISLATURE WHICH ENJOY SUCH WIDESPREAD SUPPORT FROM MUNICIPAL OFFICIALS AROUND THE STATE AND STATE OFFICIALS WITHIN THE ADMINISTRATION. IT IS A FORMIDABLE BILL, BUT THE DEPARTMENT BELIEVES THAT IT SHOULD BE EXPEDITIOUSLY ADDRESSED AND FAVORABLY PASSED OUT OF THIS COMMITTEE AT THE EARLIEST POSSIBLE DATE.

THANK YOU FOR YOUR TIME AND ATTENTION. I WILL BE HAPPY TO RESPOND TO ANY QUESTIONS YOU MIGHT HAVE AT THIS TIME.



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

SB 142

The Honorable Don Bennett
President of the Senate
Alaska State Legislature
Pouch V
Juneau, AK 998

Dear Senator Bennett:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill revising the municipal code (AS 29).

An identical bill, HB 72, was introduced in the House on January 16, 1985. At the request of the Alaska Municipal League, I am introducing this bill in the Senate today so that both houses of the Legislature can work on it concurrently.

The bill was modeled on the committee substitute prepared last session by the House Finance Committee as CSHB 172(Fin). There is one significant difference between former CSHB 172(Fin) and this bill with regard to home rule municipalities. Rather than allowing second class cities to move to home rule status in a single step, as sec. 5 of HB 172 and CSHB 172(Fin) had provided, this bill retains the requirement that second class cities become first class cities before voting for home rule, as AS 29.13.010 -- 29.13.080 currently provide.

This bill makes many uncontroversial improvements to our municipal code and I urge its prompt consideration and passage.

Sincerely,

A handwritten signature in cursive script that reads "Bill Sheffield".

Bill Sheffield
Governor

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 142
 Title: An Act relating to
Municipal Government
 Sponsor: Rules/Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Community & Regional Affairs
 Program Category Affected: _____
Community Development
 BRU, Program or Subprogram(s) Affected: _____
 BRU: Community Assistance Grants
 Component: Organizational Grants

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS		100.0	450.0	350.0		
800 MISCELLANEOUS						
TOTAL OPERATING		100.0	450.0	350.0		

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		100.0	450.0	350.0		
FEDERAL FUNDS						
OTHER						
TOTAL		100.0	450.0	350.0		

POSITIONS:

FULL-TIME		-0-	-0-	-0-		
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

(See Attached Page)

Prepared By: Doug Griffin, Deputy Director Phone: 465-4750
 Division: Municipal & Regional Assistance Date: 1-10-85

Approved by Commissioner: [Signature] Date: 1-10-85
 Agency: Community & Regional Affairs

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

STATE OF ALASKA 1985 - 14th LEGISLATURE, 1ST SESSION
FISCAL NOTE

Bill/Resolution No.: _____

Title: An Act relating to municipal government

ANALYSIS:

Assumptions: Incorporation under Sec. 29.05.180--190 of the proposed legislation provides for increased transitional assistance to newly incorporated cities and boroughs. For purposes of this fiscal note it is assumed that incorporations will occur as follows:

- FY 86: 2 cities incorporate
- FY 87: 2 cities and one borough incorporate
- FY 88: 2 cities incorporate

Program Summary: The only portion of this 206 page bill which will create fiscal impact is Sec. 29.05.180--29.05.190 which provides additional transitional assistance through increased organizational grants. These increased organizational grants more realistically provide the level of assistance required to establish new cities and boroughs. The Department is also required to provide additional assistance to newly formed cities and boroughs in setting up a sales tax collection system and tax rolls for property taxation. It is difficult to gauge whether this type of assistance will in fact be requested. If it is requested, additional work will be required of the State Assessor and technical assistance sections of the Division of Municipal and Regional Assistance. Given this uncertainty, possible costs for this type of technical assistance are not reflected in the fiscal note.

1. Positions: No new positions
2. Other Expenditures: N/A
3. Funding: General funds
4. Section Cost Analysis: All costs are contained in Section 3, Article 3 of this bill.

Computations: The costs for FY 86-FY 88 are computed as follows based on the assumptions previously stated:

Grants in FY 86.....	100.0
(2 cities incorporate @ \$50,000 per -- first year grant)	
Grants in FY 87.....	450.0
(2 cities @ \$50,000 per -- first year grant)	
(1 borough @ \$300,000 per -- first year grant)	
(2 cities @ \$25,000 per -- second year grant)	
Grants in FY 88.....	350.0
(2 cities @ \$50,000 per -- first year grant)	
(1 borough @ \$200,000 -- second year grant)	
(2 cities @ \$25,000 -- second year grant)	

Economic Impact: Other than providing newly incorporated municipalities with greater financial incentives to incorporate and a more realistic level of transitional assistance, the economic impact on the state and local governments will be limited.

Impact on Local Governments: This bill is strongly supported by the Alaska Municipal League and most municipalities of the State. Impacts will generally be positive, particularly for newly incorporated municipalities.



Official Business

Alaska State Legislature

Senate

Committee on Community and Regional Affairs

Senator Edna DeVries, Chairman

Members

Senator Ferguson, Vice Chairman

Senator Coghill

Senator Sturgulewski

Senator V. Fischer

Pouch V

J.neau, Alaska 99811

March 14, 1985

Letter of Intent to Accompany Committee Substitute for
Senate Bill 142

It is not the intent of the Legislature through the passage of CSSB 142 to change the taxing provisions for electric and telephone cooperatives as set forth by AS 10.25-540-560; nor is it the intent of the Legislature to change present statute provisions covering public utility access to municipal rights of way as set forth by AS 42.05.251.

SENATE COMMITTEE ON COMMUNITY AND REGIONAL AFFAIRS

A handwritten signature in cursive script that reads "Edna DeVries".

Senator Edna DeVries, Chairman

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

MEMORANDUM

February 21, 1985

SUBJECT: Municipal Code Revision (SB 142)

TO: Senator Edna DeVries
Chairman, Community and Regional Affairs

FROM: Tamara Brandt Cook *TBC*
Deputy Director
Division of Legal Services

You have asked me whether the versions of the municipal code revision bill, SB 142 and HB 72, are identical. According to the Governor's transmittal letter, SB 142 is identical to the house bill that was introduced first. (Senate Journal, February 8, 1985, page 250) I have compared both bills and found no difference between them.

If I may be of further assistance, please contact me.

TBC:csh
c3/015

BILL SHEFFIELD, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

- POUCH B
JUNEAU, ALASKA 99801
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 563-1173

January 25, 1985

The Honorable Peter Goll, Chairman
House Community and Regional Affairs Committee
Alaska State House of Representatives
Pouch V
Juneau, AK 99811

RE: BRIEF HISTORY OF TITLE 29 REWRITE (HB 72)

Dear Representative Goll:

To place HB 72 into perspective the Department has prepared a brief history of the issue of the Title 29 revision bill.

CS for Senate concurrent Resolution No. 66 offered during the Eleventh Legislature noted that the municipal code was in need of comprehensive revision and appointed the Alaska Legislative Council to prepare a revision of Title 29 of the Alaska Statutes. This involved having the legal services division of the Legislative Affairs Agency work with a policy advisory group to draft a total revision of the Municipal Code. The policy advisory group in turn appointed a technical advisory group consisting of municipal attorneys, clerks, and other technically oriented staff.

These two groups worked diligently during the latter half of 1980 to hammer out an acceptable comprehensive revision of Title 29. For the most part, the new bill was drafted to insure greater uniformity of terminology, eliminate inconsistencies in the present statute, and, in general, reorder the statute to a more comprehensible format.

A few policy revisions were introduced, but they were not the main focus of the bill. In short, the general intent of the new Title 29 was to create a more understandable, easier to use document which clearly enunciated State policy regarding local governments. The document tended, as a whole, to give local governments greater flexibility and freedom to address local concerns.

The Honorable Peter Goll
January 25, 1985
Page 2

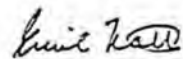
The new initiative was introduced as SB 180 during the Twelfth Legislature which convened in January 1981. The legislation was approved by this Legislature, but not before some controversial amendments regarding population, forest land taxation, and public utilities were attached on the floor of the House. These amendments resulted in a veto of the bill by then Governor Hammond. The attachment of these controversial amendments also prompted an unwritten policy among those interested in passage of this bill to keep future versions of the legislation free of controversial amendments which might stop or delay its passage.

The Title 29 bill was reintroduced in Thirteenth Legislature in generally the same form as the pre-amended SB 180. The bill that was introduced in 1982 by Governor Sheffield was numbered HB 172. The bill received extensive review by the House Community and Regional Affairs Committee and its companion in the Senate (SB 1) also received some attention by the Senate Community and Regional Affairs committee. HB 172 passed the House, but languished in the Senate Judiciary Committee until adjournment last year.

This brings us to the third legislature to address this comprehensive bill. Governor Sheffield has again identified a new Title 29 as a priority and has introduced it as HB 72. We hope to work with your committee and all supporters of a revised municipal code to assure speedy passage this year.

I hope this background information proves useful to your deliberations.

Sincerely,



Emil Notti
Commissioner

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 8, 1985

SUBJECT: Comparison of HB 72 and last session's
CSHB 172(Fin) revision of the municipal code

TO: Representative Peter Goll

FROM: Tamara Brandt Cook *TBC*
Deputy Director
Division of Legal Services

You have asked me to compare HB 72 introduced this session with CSHB 172(Fin) from the thirteenth legislative session. According to the Governor's transmittal letter, this is the version of the municipal code revision bill upon which HB 72 is based.

The most significant difference between the two bills is in chapter 10 dealing with home rule municipalities. Under HB 72, as in existing law, only a first class borough, a second class borough, or a first class city may adopt a home rule charter. This provision had been liberalized significantly in CSHB 172(Fin). It allowed a third class borough to adopt a home rule charter as well as a second class city with a population of at least 600. In addition, it permitted an unincorporated area to adopt a charter and incorporate as a home rule city or borough without organizing into a general law municipality first. The difference between HB 72 and CSHB 172(Fin) is accomplished through changes made in each section of chapter 10, with the language in HB 10 generally mirroring existing law. However, the list of requirements for an incorporation petition had been expanded in CSHB 172(Fin) to include the requirement that a home rule charter be provided in cases involving direct home rule incorporation. Since that possibility for incorporation has been deleted in HB 72, section 29.05.060(13) should also be deleted from the bill, but appears to have been inadvertently carried over from CSHB 172(Fin).

Because of the extensive changes made in chapter 10, the sections in that chapter were renumbered. Section 29.10.080

Representative Peter Goll
February 8, 1985
Page 2

dealing with charter amendment was originally section 29.10.100. In HB 72, section 29.10.100 (as renumbered) refers to the section dealing with charter amendment in paragraph (7) as it was originally numbered. This should be corrected to reflect the new numbering in HB 72.

Section 29.40.200 has been altered in the new bill. The provision prohibiting the platting authority from disapproving a subdivision of state land on the basis of requirements for capital improvements has been deleted. Since the section no longer refers to "capital improvements" the definition of that term in subsection (e) should have been deleted, but was not. Subsection (d) from CSHB 172(Fin) has also been deleted. It provided:

Notwithstanding any other provision of law, the provisions of this section apply to all disposals of land under AS 38.05 or AS 38.08.

Section 29.60.120(3) was changed by inserting after "health facility" at the end of the paragraph the phrase "whether licensed or unlicensed". This section deals with aid to health facilities and hospitals. Under the definition of "health facility" along with certain other restrictions the term can include only licensed facilities when the license is required by the state. Presumably, the term also includes an unlicensed facility if the facility can be deemed to be a "health" facility and if the state does not require that it be licensed. HB 72 does not change the definition of "health facility", so it is unclear whether the change in paragraph (3) is intended to allow an entitlement to a facility that is not license even though the license is, in fact, required by the state. If so, it appears to contradict the definition. This section, as changed by HB 72 needs to be clarified.

Chapter 65 dealing with general grant land entitlements was changed in HB 72 to reflect amendments under chapter 152, SLA 1984. However, not all the amendments made last year were picked up in HB 72. For example, changes in references from the "commissioner" to the director of the division of lands were not incorporated into HB 72. This chapter should be redrafted to include all changes made in 1984.

HB 72 contains some changes to the technical amendments at the end of the bill necessary to reflect legislation passed in 1984. The change to AS 38.05.321(c) contains a minor

Representative Peter Goll
February 8, 1985
Page 3

error that needs correcting and three sections altered in 1984 need to be added to the revision bill: AS 09.45.845, 19.30.260, and 19.30.280. In addition, AS 28.35.260(a)(10) was renumbered by the revisor in 1984 and needs to be corrected in the repealer section of HB 72. Sections 29.05.180 - 29.05.200 dealing with organization grants contained dates that should be revised. Since HB 72 does not take effect until January 1, 1986 and these provisions are of a fiscal nature, it seems that the dates should be July 1, 1986.

Lastly, as I just mentioned, HB 72 makes the revision effective January 1, 1986. CSRB 172(Fin) had an effective date tied to the fiscal year. Since the provisions dealing with taxation needed to correspond to the calendar year, certain sections of that bill had a January 1 effective date. HB 72 avoids the complexities caused by having two effective dates. However, this may create some slight administrative difficulty with the revenue sharing provisions which contain some changes that would then be in effect for only half a fiscal year.

If I can be of further assistance, please let me know.

TBC:ojb
J11/068

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 3/15/85

*Rec'd 3/18/85
SC&RA*

REQUEST

Bill/Resolution No.: CSSB 142 (C&RA)
 Title: An Act Relating to
Municipal Government
 Sponsor: Rules/Governor
 Requestor: Senate C&RA Committee
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Community & Regional Affairs
 Program Category Affected: _____
Community Development
 BRU, Program or Subprogram(s) Affected: _____
ppv. Community Assistance Grants
 Component: Organizational Grants

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		-0-	400.0	350.0		
800 MISCELLANEOUS						
TOTAL OPERATING		-0-	400.0	350.0		

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND		-0-	400.0	350.0		
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	400.0	350.0		

POSITIONS:

FULL-TIME		-0-	-0-	-0-		
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

SEE ATTACHED ANALYSIS

Prepared By: Doug Griffin, Deputy Director
 Division: Municipal & Regional Assistance

Phone: 465-4750

Date: 3/15/85

Approved by Commissioner: [Signature]
 Agency: Community & Regional Affairs

Date: 3/15/85

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

AN ACT RELATING TO MUNICIPAL GOVERNMENT

ANALYSIS: This bill commits the State to paying increased levels of transitional assistance to newly incorporated cities and boroughs. However, given the increasingly complex requirements for incorporation, the fact that the bill does not become effective until January 1, 1986 (half way through FY 86), and the ability to request supplemental funding to pay transitional grants after the fact on a reimbursement basis, assumptions have been changed to produce a zero fiscal effect for FY 86. This will prevent money from being tied up to address incorporations which may not occur.

The Legislature does need to acknowledge that the bill does carry possible increased financial obligations, but it is impossible to predict when these added costs will be borne by the State. For this reason, the fiscal note reflects no additional cost for FY 86, but assumptions for future years are included as follows:

Assumptions: FY 86 - no incorporations
 FY 87 - two cities and one borough incorporate
 FY 88 - two cities incorporate

Program Summary: The only portion of this bill which will create fiscal impact is Sec. 29.05.180-190 which provides additional transitional assistance through increased organizational grants. The Department is also required to provide additional assistance to newly formed cities and boroughs in setting up a sales tax collection system and tax rolls for property taxation. It is difficult to gauge whether this type of assistance will in fact be requested. If it is requested, additional work will be required of the State Assessor and technical assistance sections of the Division of Municipal and Regional Assistance. Given this uncertainty, possible costs for this type of technical assistance are not reflected in this fiscal note.

Computations:

Grants in FY 86.....	-0-
Grants in FY 87.....	400.0
(2 cities @ \$50,000 per -- first year grant)	
(1 borough @ \$300,000 per -- first year grant)	
Grants in FY 88.....	350.0
(2 cities @ \$50,000 per -- first year grant)	
(2 cities @ \$25,000 per -- second year grant)	
(1 borough @ 200,000 per -- second year grant)	

Economic Impact: The economic impact on State and local governments will be limited.

Impact on Local Governments: This bill is strongly supported by the Alaska Municipal League and most municipalities of the State. Impacts will generally be positive, particularly for newly incorporated municipalities.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 142
 Title: An Act relating to
Municipal Government
 Sponsor: Rules/Governor
 Requestor: _____
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Community & Regional Affairs
 Program Category Affected: _____
Community Development
 BRU, Program or Subprogram(s) Affected: _____
 BRU: Community Assistance Grants
 Component: Organizational Grants

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
500 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS		100.0	450.0	350.0		
TOTAL OPERATING		100.0	450.0	350.0		

CAPITAL						
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REVENUE						
----------------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		100.0	450.0	350.0		
FEDERAL FUNDS						
OTHER						
TOTAL		100.0	450.0	350.0		

POSITIONS:

FULL-TIME		-0-	-0-	-0-		
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

(See Attached Page)

Prepared By: Doug Griffin, Deputy Director Phone: 465-4750
 Division: Municipal & Regional Assistance Date: 1-10-85

Approved by Commissioner: [Signature] Date: 1-10-85
 Agency: Community & Regional Affairs

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

7/1/84

STATE OF ALASKA 1985 - 14th LEGISLATURE, 1ST SESSION
FISCAL NOTE

Bill/Resolution No.: _____

Title: An Act relating to municipal government

ANALYSIS:

Assumptions: Incorporation under Sec. 29.05.180--190 of the proposed legislation provides for increased transitional assistance to newly incorporated cities and boroughs. For purposes of this fiscal note it is assumed that incorporations will occur as follows:

- FY 86: 2 cities incorporate
- FY 87: 2 cities and one borough incorporate
- FY 88: 2 cities incorporate

Program Summary: The only portion of this 206 page bill which will create fiscal impact is Sec. 29.05.180--29.05.190 which provides additional transitional assistance through increased organizational grants. These increased organizational grants more realistically provide the level of assistance required to establish new cities and boroughs. The Department is also required to provide additional assistance to newly formed cities and boroughs in setting up a sales tax collection system and tax rolls for property taxation. It is difficult to gauge whether this type of assistance will in fact be requested. If it is requested, additional work will be required of the State Assessor and technical assistance sections of the Division of Municipal and Regional Assistance. Given this uncertainty, possible costs for this type of technical assistance are not reflected in the fiscal note.

- 1. Positions: No new positions
- 2. Other Expenditures: N/A
- 3. Funding: General funds
- 4. Section Cost Analysis: All costs are contained in Section 3, Article 3 of this bill.

Computations: The costs for FY 86-FY 88 are computed as follows based on the assumptions previously stated:

Grants in FY 86.....	100.0
(2 cities incorporate @ \$50,000 per -- first year grant)	
Grants in FY 87.....	450.0
(2 cities @ \$50,000 per -- first year grant)	
(1 borough @ \$300,000 per -- first year grant)	
(2 cities @ \$25,000 per -- second year grant)	
Grants in FY 88.....	350.0
(2 cities @ \$50,000 per -- first year grant)	
(1 borough @ \$200,000 -- second year grant)	
(2 cities @ \$25,000 -- second year grant)	

Economic Impact: Other than providing newly incorporated municipalities with greater financial incentives to incorporate and a more realistic level of transitional assistance, the economic impact on the state and local governments will be limited.

Impact on Local Governments: This bill is strongly supported by the Alaska Municipal League and most municipalities of the State. Impacts will generally be positive, particularly for newly incorporated municipalities.

TITLE 29 FACT SHEET

SUMMARY OF HB 72/SB 142 - TITLE 29 (MUNICIPAL CODE)

HB 72 and SB 142 are comprehensive bills that reorganize and clarify Title 29 (Municipal Code), but do not substantially change that part of the state statutes that direct the operation of local government in Alaska.

History: The current Title 29, last revised in 1972, is a hodgepodge of 13 years worth of amendments. It is very difficult for the average citizen to read and understand.

Recognizing the problem, the Legislature adopted SCR 66 in 1980, directing the rewrite of Title 29. A broadly representative policy committee, with the assistance of a technical committee, prepared a revised code after an exhaustive series of meetings, hearings, and public presentations.

HB 170 and SB 180 were introduced in 1981. More hearings were held during the 1981 legislative session, during the interim, and continuing through the 1982 session. SB 180 passed the legislature, but because of controversial floor amendments, Governor Hammond vetoed the bill.

In 1983, SB 1 was introduced by Senators Sturgulewski and Gilman; HB 172, by Governor Sheffield. Both bills are basically the same as the bill that had passed the previous year minus the controversial amendments. More committee work was done in both the House and Senate on the 204 page bill. HB 172 passed the House in the Second Session of the 13th Legislature but it did not reach the Senate.

Governor Sheffield has introduced HB 72 and SB 142 in the 14th Legislature. These identical bills are the same as HB 172, the bill that passed the House last year, except for removing the ability of a second class city to adopt a home rule charter.

Changes: For the most part, these bills reorganize and reword Title 29 for clarity and flexibility. Policy changes of any substance are very few. The main changes are:

Third Class Boroughs: The existing third class borough, Haines Borough, continues in existence, but there is no provision for incorporating new third class boroughs in the future.

Municipal Powers: A general grant of municipal powers is given to municipalities, instead of a long list of enumerated powers. The difference is more semantic than actual, since the list includes almost every conceivable municipal power. There is no change in the manner in which boroughs acquire powers.

Organizational Grants/Feasibility Studies: The organizational grants are increased and expanded, depending on the category of local government. Studies for the feasibility of local government are authorized.

Incorporation Requirements: The minimum number of people required for incorporation as either a first class or home rule city is increased from 400 to 600.

Ordinance Violation: Penalties for ordinance violations are increased from a maximum \$500 and 30-days to class B misdemeanor penalties, which are a maximum of \$1000 and 90-days.

COMMITTEE REPORTS (Senate)(cont'd)

SB 128 (cont'd)

law or regulation."

Effective July 1, 1985.

Labor
Relations
(school boards
& public
employees)

SENATE BILL NO. 129, (see page 216). Reported back to the Senate on March 12 by Labor & Commerce with the committee recommending it do pass. Concurring: Eliason (Vice-Chairman), Bennett and Ray. To HESS.

Rights of
the Terminally
Ill

SENATE BILL NO. 140, (see page 222). Reported back to the Senate on March 15 by Health, Education & Social Services with the committee recommending it be replaced with a HESS CS and as follows: Fahrenkamp (Chmn.) and Sturgulewski signed "do pass"; Paul Fischer and DeVries signed "no recommendation." To Judiciary.

The HFSS CS adds an immediate effective date and clarifies that the bill only applies to persons over the age of 18 (original only said "adult").

Municipal
Code Revision

SENATE BILL NO. 142, (see page 223). Reported back to the Senate on March 15 by Community & Regional Affairs with the committee recommending it be replaced with a C&RA substitute and that it do pass. Concurring: DeVries (Chairman), Sturgulewski, Vic Fischer and Coghill. To Judiciary.

The committee attached the following letter of intent:

It is not the intent of the Legislature through the passage of CSSB 142 to change the taxing provisions for electric and telephone cooperatives as set forth by AS 10.25.540-560; nor is it the intent of the Legislature to change present statute provisions covering public utility access to municipal rights-of-way as set forth by AS 42.05.251.

The bill is a 210-page major rewrite of the Municipal Code. See CSHB 72 (C&RA), page 415. Identical, except CSSB 142(C&RA) includes "Purpose" section in Sec. 1. Outlines the reasons for the municipal code revision. Reads, in part: "... Except as expressly provided, the legislature does not intend by this Act to alter or affect in any way the relationship or balance of authority between the state and home rule or general law municipalities with respect to the timing or manner of resource development ... the legislature does not intend by this Act to increase or reduce the authority of state agencies to carry out their functions under other titles."

State Aid
for School
Construction
(increasing)

SENATE BILL NO. 159, (see page 266). Reported back to the Senate on March 15 by Community & Regional Affairs with the committee recommending as follows: DeVries (Chairman) and Coghill recommended "do pass"; Sturgulewski and Vic Fischer signed "no recommendation." To HESS.

Extraterritorial Jurisdiction: Solid and septic waste disposal, utility services, wharves, harbors, and other marine services are added to the list of powers that may be exercised outside the boundaries of the municipality, if the municipality has the authority to exercise the power inside its boundaries.

Economic Development: Allow economic development as a non-areawide power for second class boroughs, without requiring a vote of the people to exercise it.

Franchise: Requires a vote on franchises of more than 5 years; current law requires a vote on all franchises.

Eminent Domain: Removes the requirement that second class cities get permission from the Department of Community and Regional Affairs and the voters before exercising the power of eminent domain.

Planning, Platting, and Land Use: Updates the language, changing "zoning" to "land use".

Run-Off Elections: Allows run-off election procedures and requirements to be changed by ordinance.

Personal Property: Allows exemption of personal property from taxation.

Taxation of Boats: Removes the \$5 and \$15 property tax limit on boats if assessed on the basis of net tonnage.

Penalties and Interest: Increases the maximum penalty on delinquent property and sales tax from 10% to 20% and interest from 8% to 15%.

Revenue Bonds: Authorizes revenue bonds to be payable solely from the revenue and property of the project.

Municipal Assistance Fund: Moves the administration of the Municipal Assistance Fund from the Department of Revenue to the Department of Community & Regional Affairs.

Municipal Property Disposal: Requires municipalities to adopt formal procedures by ordinance; current law sets out procedures including requiring an election on the disposal of any property valued at more than \$25,000.

*
* DELIVER TO: JFOM *
*
* ORIGINAL *
* SENT: 03/15/85 TIME: 15:25 *
* FROM: MICKI HENSON *
* SUBJECT: POM *
* PRINT DATE: 03/15/85 TIME: 15:25 *
*

TO: SENATOR RODEY

FROM: HEATHER FLYNN
918 R STREET
ANCHORAGE, AK. 99501
PHONE: 276-0964 HM. 272-5392 WK.

RE: HB 72 AND SB 142 TITLE 29

THE ALASKA MUNICIPAL LEAGUE CONTINUES TO GIVE HIGHEST PRIORITY TO
TITLE 29. WE WOULD APPRECIATE IT IF YOU WOULD WAIVE JUDICIARY
COMMITTEE REVIEW OF SB 142 SO THAT IT COULD REACH CONFERENCE
COMMITTEE AND THE FLOOR AS SOON AS POSSIBLE. THANKS FOR YOUR
ASSISTANCE. KIND REGARDS

No response - per Pat

*
* DELIVER TO: JFOM *
*
* ORIGINAL *
* SENT: 04/01/85 TIME: 14:20 *
* FROM: MARTIE ROZKYDAL *
* SUBJECT: POM - MATR-0176 *
* PRINT DATE: 04/01/85 TIME: 14:20 *
*

6

TO: SENATORS RODEY, KELLY, FAIKS, HALFORD AND ZIEGLER

FROM: ELSIE O'BRYAN
BOX 24
HOUSTON 99694

RE: SB 142

PLEASE WAIVE THIS BILL FROM THE JUDICIARY COMMITTEE.



Nulato City Council

General Delivery
Nulato, Alaska 99765
(907) 898-2205



March 21, 1985

Senator John Sackett
State Capitol
Pouch V
Juneau, AK 99811

Dear Senator Sackett:

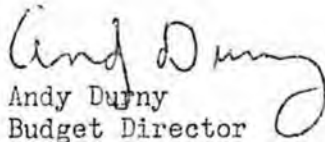
I am writing regarding SB 142 - Title 29 Revisions.

I think the Title 29 Revisions are long overdue. I do not believe that passage of this bill should be delayed just because of controversial amendments. In particular, I am referring to amendments offered by Exxon regarding Regulation of Use of State Land. Personally, I do not feel that Exxon should interfere with the exercise of local government powers.

I urge you to push for passage of SB 142 without any controversial amendments. If the Exxon amendment will hinder passage of SB 142 in any way, I ask that it be considered as separate legislation and be debated on its merits alone.

I thank you for your support in this matter.

Sincerely,


Andy Durny
Budget Director

AD/rb

c.c. - Senator Pat Rodey
Senator Tim Kelley
Senator Jan Faiks
Senator Rick Halford
Senator Robert Ziegler
Representative Kay Wallis
Representative Mike M. Miller
Senator Edna DeVries
Governor Bill Sheffield
Alaska Municipal League

Alaska State Legislature

SENATOR

ROBERT H ZIEGLER SR
307 BAWDEN STREET
KETCHIKAN ALASKA 99901

WHILE IN JUNEAU

POUCH V
JUNEAU ALASKA 99811



Senate

MEMBER

SENATE JUDICIARY COMMITTEE

SELECT COMMITTEE ON LEGISLATIVE ETHICS

WESTERN STATES LEGISLATIVE
FORESTRY TASK FORCE

EXECUTIVE COMMITTEE
WESTERN LEGISLATIVE CONFERENCE
COUNCIL OF STATE GOVERNMENTS

TERNATE MEMBER

NATIONAL CONFERENCE OF STATE LEGISLATURES
STATE AND FEDERAL ASSEMBLY

COMMITTEE ON
FEDERAL TAXATION TRADE AND ECONOMIC DEVELOPMENT

March 19, 1985

Ms. Joyce Rasler,
Manager
City of Wrangell
Box 531
Wrangell, Alaska 99929

Dear Joyce:

HB 72 is still working its way through the House. SB 142 is currently in the Senate Judiciary Committee which is chaired by Senator Pat Rodey.

I have taken the liberty of sending him a copy of your March 13th letter, together with a copy of this note.

Senator Rodey is a very diligent legislator, and I am sure that the concerns you enumerated will be given painstaking consideration.

Regards,

A handwritten signature in cursive script, appearing to read "Bob".

Robert H. Ziegler, Sr.

RHZLk

cc: Senator Rodey w/enc.

P.S. SB 189 probably won't go very far.



CITY of WRANGELL, ALASKA

INCORPORATED JUNE 15, 1903

BOX 531, 99929 (907) 874-2381

March 13, 1985

House Community & Regional Affairs Comm.
House Judiciary Committee
House Finance Committee
Pouch V
Juneau, AK 99801

Senate Community & Regional Affairs Comm.
Senate Judiciary Committee
Senate Finance Committee

Dear Sirs:

We have reviewed House Bill No. 72 (Senate Bill No. 142, Title 29 revisions, only insofar as it pertains to home rule municipalities. As a home rule municipality, the Wrangell City Council has the following concerns:

Sec. 29.10.100 (7) AS 29.10.100--(Charter Amendment) should read (7) AS 29.10.100--(limitation of home rule powers) Charter Amendment is 29.10.080.

Sec. 29.10.100 (44) AS 29.60.230 (state aid for hospital and health facility construction) is incorrect as there is no AS 29.60.230.

Sec. 29.20.010 Conflict of Interest (2) provides that the presiding officer shall rule on a request by a member of the governing body to be excused from a vote. Our municipal code provides that the Council will rule on the request. The manner of ruling on the request should be set by the governing body.

Sec. 29.20.140 Qualifications provides that a city voter is eligible to be a member of the Council and allows a municipality to establish durational residency requirements. A City voter is 18 years of age, our Charter sets an age requirement of 21 years of age. The voters of a home rule municipality should be allowed to establish an age requirement for their elected officials. This is supported by the United States and State of Alaska Constitutions which do establish age requirements for elected officials. The local governing body carries a great deal of responsibility and certainly deserves the maturity that is recognized as necessary for a State office.

Sec. 29.26.270 Recall Petition (a) provides that the City Clerk shall prepare a recall petition. The sponsors should be responsible for preparation of the petition. The City Clerk should only be responsible for certifying whether content of the petition is sufficient.

Sec. 29.26.350 Successors prescribes the manner of filling the office of an official that is recalled from a governing body (29.20.180). Home Rule municipal Charters should prescribe the manner of filling vacancies.

CITY OF WRANGELL, ALASKA

House Community & Regional Affairs Comm.
House Judiciary Committee
House Finance Committee
Page Two

Senate Community & Regional Affairs Comm.
Senate Judiciary Committee
Senate Finance Committee

Sec. 29.35.120 Past Audit (a) provides that copies of the audit shall be available to the public upon request. A strict reading by the public would require the audit to be available for distribution to the public at no cost. Although we understand this is not the intent, we request the section be amended for clarification to the public, to require the audit to be available for review or at cost.

Sec. 29.45.320 Real Property Tax Collection (a) provides for annual foreclosure unless otherwise provided by ordinance. Sec. 29.45.330 (a) (1) provides for annual foreclosure proceedings, but does not include "unless otherwise provided by ordinance." Sec. 29.45.330 (a) (1) should be amended to be consistent with 29.45.320 (a). The number of delinquent accounts in a small municipality may not justify the cost of annual foreclosure.

Sec. 29.45.460 Disposition and Sale of Foreclosed Property (c) provides that the Clerk shall send a copy of the published notice of hearing of an ordinance by certified mail to the former record owner. Home rule municipalities are not required to publish notice of a hearing of an ordinance. This section should be amended to provide for notice to the former record owner prior to introduction of an ordinance by a home rule municipality.

The City of Wrangell supports revisions to Title 29. We cannot, however, support additional limitations and regulation of home rule powers. Some of our foregoing concerns are merely clerical errors and inconsistencies. Our review and comments are limited to home rule only. Any amendments that may have been made have not yet been received, so our comments are limited to the Bill as introduced.

Very truly yours,



Joyce Rasler
City Manager

JR:fv

cc: Senator Robert Ziegler
Representative Robin Taylor
Representative John Sund
Alaska Municipal League

Sen. Rodeny.