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**11**

BOARDS & COMMISSIONS WITH COMPENSATION OTHER THAN STANDARD TRAVEL & PER DIEM

<u>Board/Commission Name</u>	<u># Members</u>	<u># Meetings</u>	<u>Compensation</u>
Commercial Fisheries Entry Commission	3	120	Salaried
Commercial Fishing & Agricultural Bank	7	11, (22Day)	\$250/Day Max.
Disability Review Board, Pub. Emp & Teachers	5	Call-Chair	Hourly Comp.
Fisheries, Board of (met 43 days in 1987)	7	6	\$150/Day-Reg. \$100/Day-Other
Game, Board of (met 35 days in 1987)	7	2	\$150/Day-Reg. \$100/Day-Other
Historical Records Advisory Board, State	7	3	Fed. Funding
Housing Finance Corporation, AK	5	16	\$100/Day
Industrial Development & Export Authority, AK	5	26	\$100/Day
Medical Indemnity Corporation of Alaska	9	4 30Day	Necessary Expenses
Municipal Bond Bank Authority, Alaska	5	5	Actual Expenses
Occupational Safety & Health Review Board	3	2 6Day	\$50/Day
Oil & Gas Conservation Commission, Alaska	3	N/A	Salaried
Parole, State Board of	5	4 Min.	Set by Governor
Permanent Fund Corporation Board of Trustees	6	7 40Day	\$400/Day
Pharmacy, Board of	7	3 9Day	Actual Expenses
Public Offices Commission, Alaska	5	6 15Day	\$50/Day
Railroad Corporation, Board of Directors	7	4 Min.	\$400/Day
Teachers' Retirement Board	5	2 6Day	Actual Expenses
Utilities Commission, Alaska Public	5	Cont.	Salaried
Western Interstate Commission for Higher Ed.	3	2 10Day	Actual Expenses
Workers' Compensation Board, Alaska	9	2	\$50/Day

#18,750~~00~~

5 CS SB 292 (CRA) am

SB 11: An Act authorizing compensation for members of the state Local Boundary Commission and providing for an effective date.

Sponsor: STURGULEWSKI

The first bill on our agenda today is SB 11, an Act authorizing compensation for members of the state Local Boundary Commission and providing for an effective date. Testifying this afternoon for the bill's sponsor, Senator Sturgulewski, is McKie Campbell. Also here to testify is LBC Chairman, C.B. Bettisworth.

I'd like to invite Mr. Campbell to the table and have him give a brief presentation of the bill.

## FISCAL NOTE

**REQUEST:** \_\_\_\_\_

Revision Date: \_\_\_\_\_  
 Title: "An Act..compensation for members  
 of the State Boundary Commission..."  
 Sponsor: Senator Sturgulewski  
 Requestor: \_\_\_\_\_

Agency Affected: Community & Regional Affairs  
 BRU: \_\_\_\_\_  
 Components: \_\_\_\_\_

**EXPENDITURES/REVENUES:** (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	18.75	18.75	18.75	18.75	18.75	18.75
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>
<b>CAPITAL</b>						
<b>REVENUE</b>						

**FUNDING:** (Thousands of Dollars)

GENERAL FUND	18.75	18.75	18.75	18.75	18.75	18.75
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>	<b>18.75</b>

**POSITIONS:**

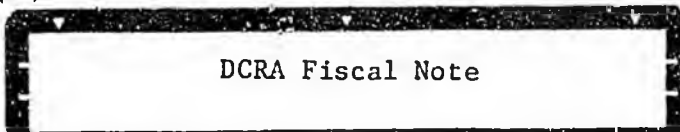
FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary) No fiscal impact in FY 90.

This fiscal note assumes 25 days of meeting per year with compensation at \$150 per day.

Prepared by: Jim Plasman, Deputy Director Phone: 465-4750  
 Division: Municipal & Regional Assistance Date: March 7, 1990  
 Approved by Commissioner: [Signature] Date: 3-7-90  
 Agency: Department of Community & Regional Affairs

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requestor
  - Office of Management and Budget
  - Impacted Agency(ies)



**Senate Bill 11 - "An Act authorizing compensation for members of the state Local Boundary Commission".**

This bill is virtually identical to a measure approved by the Senate in 1988 to provide compensation to each member of the Commission at a rate of \$150 for each day the member attends a meeting. The Commission supports this legislation.

The merits of compensation to the Commission were perhaps first recognized by the Public Administration Service (PAS) which assisted the Alaska Statehood Committee and Alaska Constitutional Convention in setting the framework for the operation of the State of Alaska. In a 1959 report, the PAS provided suggestions on the significant issues requiring immediate attention to effect Alaska's transition to statehood. In its proposed program for action by the First Session of the First State Legislature it is recommended that the Local Boundary Commission be established. The report goes on to state that "*Members of the Commission should be adequately compensated . . .*" (Local Government Under the Alaska Constitution, A Survey Report, Public Administration Service, Chicago, Illinois, January 9, 1959, p. 23.)

It would appear that compensation was not a particularly significant issue with the Commission during the years immediately following Statehood. When the Local Boundary Commission was first formed, there were only about 30 municipal governments in Alaska. Records indicate that the Commission met only a few times each year. By contrast, there are 163 municipalities in the state today. The current Commission typically meets 15 - 20 times a year, often in remote parts of the state.

The increase in the number of municipal governments and the number of meetings alone do not fully account for the additional demands placed on the Commission. Procedures which were simple thirty years ago have, regretfully, grown much more complex. For example, the Commission operated without regulations until it was mandated to establish such by a ruling of the Supreme Court in 1971. Today, the Commission's regulations take up more than 50 pages. Another example of added procedural responsibilities is the relatively recent requirement that the U.S. Justice Department review and approve every municipal incorporation, dissolution and boundary change approved by the Commission.

Further, given our litigious society and the typically controversial nature of the issues brought before the Commission, actions taken by the Commission are often challenged in court. Decisions of the Commission have been the subject of four landmark rulings by the State Supreme Court. A host of other Supreme and Superior

ANNUAL REPORT TO THE STATE LEGISLATURE  
JANUARY 1990

Court decisions affect each and every action taken by the Commission. The ever present threat of legal challenge of actions by the Commission demand that the Commission often spend several days preparing for a single meeting.

To deal with the current burden placed upon the Commission requires a level of expertise and perseverance beyond that which might be reasonably expected of volunteers. The fiscal impact of such legislation would be minimal. Based upon 25 one-day meetings per year with compensation of \$150 per day, the total compensation to the Commission would amount to \$18,750. Therefore, the Commission urges the Legislature to approve Senate Bill 11.

(5) "rural" means

(A) a community with a population of 4,500 or less in the first or second judicial district of the state;

(B) a community with a population of 4,500 or less in the third judicial district of the state that is more than 100 nautical miles from the conforming boundary of jurisdiction of the Municipality of Anchorage; or

(C) a community with a population of 4,500 or less in the fourth judicial district of the state that is more than 35 nautical miles from the conforming boundary of jurisdiction of the City of Fairbanks;

(6) "rural housing" means housing, whether or not it is nonconforming housing, that is located in a rural area of the state. (§ 73 ch 106 SLA 1980; am § 50 ch 113 SLA 1982; am § 7 ch 128 SLA 1984)

Effect of amendments. — The 1982 amendment added paragraphs (5) and (6). The 1984 amendment rewrote paragraph (5).

Article 9. Local Boundary Commission.

Section

- 565. Local boundary commission
- 567. Powers and duties
- 569. Meetings and hearings
- 571. Minutes and records
- 573. Notice of public hearings

Section

- 575. Quorum
- 577. Boundary change
- 579. Expenses
- 581. Hearings on boundary changes
- 583. When boundary change takes effect

Sec. 44.47.565. Local boundary commission. There is in the department a local boundary commission. The local boundary commission consists of five members appointed by the governor for overlapping five-year terms. One member shall be appointed from each of the four judicial districts described in AS 22.10.010 and one member shall be appointed from the state at large. The member appointed from the state at large is the chairman of the commission. (§ 7 ch 64 SLA 1959; am § 5 ch 200 SLA 1972; am § 100 ch 59 SLA 1982)

Revisor's notes. — Formerly AS 44.19.250. Renumbered in 1980.

Cross references. — For further provisions relating to the local boundary commission and to annexation by local action, see AS 29.68.010. As to appointment, qualifications, and terms of office of members of departmental boards, councils, or

commissions, see AS 39.05.060.

Effect of amendments. — The 1982 amendment substituted "judicial districts described in AS 22.10.010" for "major senatorial election districts" and inserted "member shall be appointed" in the third sentence.

NOTES TO DECISIONS

When constitutional provision effective. — The method for making boundary changes, contemplated by art. X, § 12, of the Alaska Constitution, was operative upon the enactment of AS 44.19.260 [now AS 44.47.567] and this section. Fairview Pub. Util. Dist. No. 1 v. Anchorage, Sup.

Ct. Op. No. 61 (File Nos. 69, 71), 368 P.2d 540, appeal dismissed and cert. denied, 371 U.S. 5, 83 S. Ct. 39, 9 L. Ed. 2d 49 (1962).

Cited in Mobil Oil Corp. v. Local Boundary Comm'n, Sup. Ct. Op. No. 989 (File No. 1947), 518 P.2d 92 (1974).

Sec. 44.47.567. Powers and duties. (a) The local boundary commission shall

- (1) make studies of local government boundary problems;
- (2) develop proposed standards and procedures for changing local boundary lines;
- (3) consider a local government boundary change requested of it by the legislature, the commissioner of community and regional affairs, or a political subdivision of the state; and
- (4) develop standards and procedures for the extension of services and ordinances of incorporated cities into contiguous areas for limited purposes upon majority approval of the voters of the contiguous area to be annexed and prepare transition schedules and prorated tax mill levies as well as standards for participation by voters of these contiguous areas in the affairs of the incorporated cities furnishing services.

(b) The local boundary commission may

- (1) conduct meetings and hearings to consider local government boundary changes and other matters related to local government boundary changes, including extensions of services by incorporated cities into contiguous areas and matters related to extension of services; and
- (2) present to the legislature during the first 10 days of a regular session proposed local government boundary changes, including gradual extension of services of incorporated cities into contiguous areas upon a majority approval of the voters of the contiguous area to be annexed and transition schedules providing for total assimilation of the contiguous area and its full participation in the affairs of the incorporated city within a period not to exceed five years. (§ 7 ch 64 SLA 1959; § 2 ch 45 SLA 1960; am §§ 1, 2 ch 55 SLA 1964; am §§ 1, 2 ch 161 SLA 1966; am § 6 ch 200 SLA 1972)

Revisor's notes. — Formerly AS 44.19.260. Renumbered in 1980.

Cross references. — For further statement of powers of local boundary commission, see Alaska Constitution, art. X, § 12.

Opinions of attorney general. — When grouped together, the powers and duties of the local boundary commission

are as follows: (1) To consider any local government boundary change (§ 12, art. X, Alaska Constitution); (2) to present proposed changes to the legislature (§ 12, art. X, Alaska Constitution; § 7, ch. 64, SLA 1959); (3) (subject to law) to establish procedures whereby boundaries may be adjusted by local action (§ 12, art. X, Alaska Constitution); (4) to make studies

of local (§ 7, ch proposed changing) SLA 19 proposed

By this provide make a boundar standard boundari changes visions. hearings proposed change legislature permits Staelting Boundar (File No. When tive. — § 44.47.567 Alaska lished t bounda direct ac sion subj (2) by es procedur aries by City of V No. 1990 Step : ase:milit in .edie tion p assimila incorpor ation we Port Val Op. No. 1147 (19 How i Ordinar menced specific although could re the step Valdez, 1996), 5 Secti art. X, mented

Revisor's notes. — Formerly AS 44.19.280. Renumbered in 1980.

Sec. 44.47.573. Notice of public hearings. Public notice of a hearing of the local boundary commission shall be given in the area in which the hearing is to be held at least 15 days before the date of the hearing. The notice of the hearing shall include the time, date, place, and subject of the hearing. The director of local affairs shall give notice of the hearing at least three times in the press, through other news media, or by posting in a public place, whichever is most feasible. (§ 3 ch 45 SLA 1960)

Revisor's notes. — Formerly AS 44.19.290. Renumbered in 1980.

Sec. 44.47.575. Quorum. Three members of the commission constitute a quorum for the conduct of business at a meeting. Two members constitute a quorum for the conduct of business at a hearing. (§ 3 ch 45 SLA 1960)

Revisor's notes. — Formerly AS 44.19.300. Renumbered in 1980.

Sec. 44.47.577. Boundary change. A majority of the membership of the local boundary commission must vote in favor of a proposed boundary change before it may be presented to the legislature. (§ 3 ch 45 SLA 1960)

Revisor's notes. — Formerly AS 44.19.310. Renumbered in 1980.

Sec. 44.47.579. Expenses. Members of the local boundary commission receive no pay but are entitled to the travel expenses and per diem authorized for members of boards and commissions. (§ 4 ch 45 SLA 1960)

Revisor's notes. — Formerly AS 44.19.320. Renumbered in 1980.

Sec. 44.47.581. Hearings on boundary changes. A local government boundary change may not be proposed to the legislature unless a hearing on the change has been held in or in the near vicinity of the area affected by the change. (§ 2 ch 45 SLA 1960)

Revisor's notes. — Formerly AS 44.19.330. Renumbered in 1980.

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Reviso 44.19.340 Cross

By this provided make at boundar standards boundarie changes r visions. hearings i proposed change b ielature i permits Smelting. Boundary (File No. Alaska empowe mission i Ref. & l Comm'n. 1461), 48 But si compel complia United St v. Local No. 727 (1971). This se § 12, do whether with th United St v. Local No. 727 (1971).

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Section 610. Dec 620. Sen