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(7)  
Date Referred: April 20, 1994

HOUSE COMMITTEE REPORT  
FURTHER REFERRALS:

Date of Committee Action: 4-28-94

The COMMUNITY AND REGIONAL AFFAIRS Committee considered: CSSB 240(RLS)

CS FOR SENATE BILL NO. 240(RLS) MUNICIPAL TAX CREDIT/STUDENT HOUSING

"An Act relating to an optional municipal tax exemption for student housing for the University of Alaska."

RECOMMENDATIONS:

be replaced with House CS for SB for Senate Bill (CRA)  the same title  
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note \_\_\_\_\_

zero fiscal note(s) U of A

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>W.K. William</i>	<input checked="" type="checkbox"/>	<i>Ed Willis</i>		<input checked="" type="checkbox"/>	
<i>Jellis Beer</i>	<input checked="" type="checkbox"/>	<i>John Davis</i>			<input checked="" type="checkbox"/>
<i>Jay Sander</i>	<input checked="" type="checkbox"/>	<i>Haley Olberg</i>		<input checked="" type="checkbox"/>	

*Haley Olberg*  
CHAIRMAN'S SIGNATURE

Amendment to CSSB 240 ( Rules)

Page 2, Line 7

following "property" insert:

which, based upon a written agreement with the University of Alaska, is used exclusively for official student housing for the University of Alaska; property may be exempted.....



**SB 240      Municipal Tax Exemption for UA Student Housing Projects**

This legislation amends AS. 29.45.050 to provide municipalities the option of passing a local ordinance that would provide a property tax exemption for the development of projects dedicated to student housing at campuses of the University of Alaska.

Current law mandates that student's rent reflect the cost of property tax if they occupy a non-university owned facility, even if the facility is entirely dedicated to university housing use. Current law also requires property taxation if the university owns the land or facility and leases it to the private sector for management and operation.

The University of Alaska is currently investigating proposals to privatize student housing projects and would like to work with local communities in enhancing the prospects for such an alternative by providing the incentive of a property tax exemption for the development of student housing projects.

The practice of privatizing student housing is a growing practice at colleges and universities around the country. Private firms that specialize in student housing have had considerable success in Texas, Louisiana, Oklahoma and Florida. According to a recent article in the Chronicle of Higher Education, at least 11 other states are currently in negotiation with private firms for similar ventures.

The private firms specializing in student housing have considerable experience with the management and operations of this type of facility, including experienced on-site program and facility managers. The projects are designed developed and managed in cooperation and coordination with the university community.

This legislation does not in any way bind the State of Alaska, nor is it mandatory at the local level. It provides an opportunity for the University of Alaska in conjunction with local communities and private industry, to pursue opportunities for the development of high-quality, low-cost student housing.

**contact:**

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University Relations  
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Position Paper

No. 3

FISCAL NOTE

Bill Version: CSSB 240 (2<sup>d</sup> FIN.)

(S) Publish Date: 4-14-94

STATE OF ALASKA  
1994 LEGISLATIVE SESSION

Revision Date: 4/12/94  
Title: optional municipal tax exemption  
for UA housing  
Sponsor: Pearce  
Requestor: S Finance

Department Affected: University of Alaska  
BRU:  
Component: all

COMPONENT SERIAL NO.

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE FD SOURCE						
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FUNDING: (Thousands of Dollars)	FY95	FY96	FY97	FY98	FY99	FY00
1002 FEDERAL FUNDS						
1003 GF MATCH						
1004 GENERAL FUND						
1006 GF/MHTIA						
OTHER						
TOTAL FUNDING	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:	FY95	FY96	FY97	FY98	FY99	FY00
FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: None

Changes in CSSB 240 (RLS) have no fiscal impact. This fiscal note is appropriate.

ANALYSIS: (Attach a separate page if necessary.)

4-19-94 date WCE Comte (A)ide (initial)

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Phone: 463-3086  
Date: 4/12/84

Approved by: Alison Elgee, Director  
Agency: Statewide Budget Office

Date: 4/12/84

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