

**SB**

**359**

HFIN

FILE

# ALASKA STATE LEGISLATURE



## SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Senator John Torgerson, Chair

Official Business

Senator Alan Austerman  
Senator Pete Kelly  
Senator Goergianna Lincoln  
Senator Randy Phillips

State Capitol, Room 427  
Juneau, AK 99801-1182  
Phone: (907) 46504989  
Fax: (907) 465-4779

### Sponsor Statement

#### CSSB 359(RJL) – Municipal Organization Grants

This bill amends current statutes regarding organization grants to boroughs and unified municipalities. It also directs the Local Boundary Commission to report to the Twenty-Third Legislature on areas in the unorganized boroughs that could be incorporated as boroughs.

Currently, statutes do not provide for an organization grant to be disbursed to a unified municipality that merges or consolidates by occupying an area formerly occupied by a borough.

The bill amends the statutes by providing for an organization grant for a municipality that unifies after January 1, 2002 in an area formerly occupied by a third class borough.

The grant is for \$200,000 for the first full or partial fiscal year.

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Juneau, AK 99801-1182  
Phone: (907) 465-4989  
Fax: (907) 465-4779

### Sectional Analysis

#### CSSB 359(RLS) – Municipal Organization Grants

**Section 1:** Amends AS 29.05.190(c) by inserting an exception to current statutes that restrict organization grants to unified municipalities formerly occupied by a borough.

**Section 2.** Amends AS 29.05.190 by adding new subsection (d), exemption language regarding a grant for unified municipalities formerly occupied by a third class borough.

**Section 3.** Amends the uncodified law by adding a new section that directs the Local Boundary Commission to review conditions in the unorganized borough and report to the 23<sup>rd</sup> Legislature on areas it has identified that meet incorporation standards.



# FISCAL NOTE

STATE OF ALASKA  
2002 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: CS SB 359 (FIN)  
(S) Publish Date: 5/2/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
Title Municipal Organization Grants BRU Community Assist & Econ. Dev. (405)  
Component Community & Business Development  
Sponsor Senate Community & Regional Affairs  
Requester Senate Finance Component No. 2486

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Personal Services	15.0					
Travel	20.0					
Contractual	15.0					
Supplies						
Equipment						
Land & Structures						
Grants & Claims	200.0	200.0				
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>250.0</b>	<b>200.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	250.0	200.0				
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>250.0</b>	<b>200.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2002) cost: 0.0  
Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
  
Please see second page.

Prepared by: Patrick K. Poland, Director Phone 907-269-4578  
Division Community & Business Development Date/Time 4/30/02 4:25 PM  
Approved by: Deborah. B. Sedwick, Commissioner Date 4/30/2002  
Agency Department of Community & Economic Development

**FISCAL NOTE**

**STATE OF ALASKA  
2002 LEGISLATIVE SESSION**

**BILL NO. CS SB 359 (FIN) #2**

**ANALYSIS CONTINUATION**

This legislation provides grants for transitional costs where a third class borough is dissolved as a result of merger, consolidation, or unification. The successor municipality is entitled to \$200.0 (\$ in thousands) for the first full or partial fiscal year and an additional \$200.0 for the second fiscal year.

The legislation also requires the Local Boundary Commission to undertake a preliminary review of conditions in the unorganized borough and report to the 2003 Legislature on areas that the Commission has preliminarily identified as meeting the standards for incorporation. The Commission is to also report the basis for its preliminary determination and make recommendations for legislative consideration. To the extent possible, the Commission will utilize existing staff resources to carry out the preliminary review. Doing so, however, will impact other workload of the Commission. It is estimated that travel for staff and the Commission to conduct the preliminary review and to prepare the report will cost \$20.0. Personal services for a temporary research associate are projected to cost \$15.0. Contractual services, which will pay for publication of notices, publication of reports, and professional services, are projected to cost \$15.0.

22-LS1633VP  
Cook  
5/11/02

*Adopted*

HOUSE CS FOR CS FOR SENATE BILL NO. 359( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to organization grants for mergers, consolidations, or unifications  
2 involving third class boroughs; and relating to identification by the Local Boundary  
3 Commission of areas that meet the standards for borough incorporation."

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

5 \* Section 1. AS 29.05.190(c) is amended to read:

6 (c) Except as provided in (d) of this section, this [THIS] section does not  
7 apply to a borough incorporated by consolidation or to a unified municipality that  
8 occupies the area formerly occupied by a borough.

9 \* Sec. 2. AS 29.05.190 is amended by adding a new subsection to read:

10 (d) For the purpose of defraying the cost of government transition, each third  
11 class borough that merges or consolidates with a city after January 1, 2002, and each  
12 municipality that unifies after January 1, 2002, in an area formerly occupied by a third  
13 class borough is entitled to an organization grant of \$200,000 for the municipality's  
14 first full or partial fiscal year after the merger or consolidation or after unification.

1 \* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to  
2 read:

3 NEW BOROUGH INCORPORATION. The Local Boundary Commission shall  
4 review conditions in the unorganized borough. By the 30th day of the First Regular Session  
5 of the Twenty-Third Alaska State Legislature, the commission shall report to the legislature  
6 the areas it has identified that meet the standards for incorporation. No portion of the report  
7 under this section constitutes a Local Boundary Commission proposal for purposes of art. X,  
8 sec. 12, Constitution of the State of Alaska.

22-LS1633P  
Cook  
5/11/02

*Adopted  
5/11/02*

HOUSE CS FOR CS FOR SENATE BILL NO. 359( )  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY

Offered:  
Referred:

Sponsor(s): SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

A BILL

FOR AN ACT ENTITLED

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8 sec. 12, Constitution of the State of Alaska.

**HOUSE CS FOR CS FOR SENATE BILL NO. 359(FIN)  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-SECOND LEGISLATURE - SECOND SESSION**

**BY THE HOUSE FINANCE COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to organization grants for mergers, consolidations, or unifications  
2 involving third class boroughs; and relating to identification by the Local Boundary  
3 Commission of areas that meet the standards for borough incorporation."

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13 class borough is entitled to an organization grant of \$200,000 for the municipality's  
14 first full or partial fiscal year after the merger or consolidation or after unification.

1 \* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to  
2 read:

3 NEW BOROUGH INCORPORATION. The Local Boundary Commission shall  
4 review conditions in the unorganized borough. By the 10th day of the First Regular Session  
5 of the Twenty-Third Alaska State Legislature, the commission shall report to the legislature  
6 the areas it has identified that meet the standards for incorporation.

# FISCAL NOTE

REPORTED OUT OF  
HFC

STATE OF ALASKA  
2002 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: CS SB 359 (FIN)  
(S) Publish Date: 5/2/02

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: DCED  
Title: Municipal Organization Grants BRU: Community Assist & Econ. Dev. (405)  
Sponsor: Senate Community & Regional Affairs Component: Community & Business Development  
Requester: Senate Finance Component No.: 2486

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<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

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Estimate of any current year (FY2002) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2003 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

Please see second page.

Prepared by: Patrick K. Poland, Director  
Division: Community & Business Development  
Approved by: Deborah. B. Sedwick, Commissioner  
Agency: Department of Community & Economic Development

Phone 907-269-4578  
Date/Time 4/30/02 4 25 PM  
Date 4/30/2002

## FISCAL NOTE

STATE OF ALASKA  
2002 LEGISLATIVE SESSION

BILL NO. CS SB 359 (FIN) #2

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