

HB

420

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: 1
Bill Version: HB 420
(H) Publish Date: 2/1/06

Revision Date/Time (Note if correction): 01/23/06 Dept. Affected: Natural Resources
Title: Relating to riparian protection standards for RDU: Resource Development
forest resources and practices... Component: Forest Management & Development
Sponsor: Rules Committee
Requester: Governor Component No.: 435

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ()	0.0	0.0	0.0	0.0	0.0	0.0
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FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill will have a negligible impact on operating costs, and there is no capital cost associated with this project. This bill changes the riparian standards under the Forest Resources & Practices Act, but doesn't change the process DNR uses to administer the standards.

The Division of Forestry included state, municipal, Trust, and private landowners in the development of these recommendations. Their assessment was that the proposed changes would have a negligible economic impact on their operations because the timber value per acre is low, many riparian areas are naturally unforested, and landowners have routinely included voluntary buffers in their harvest operations.

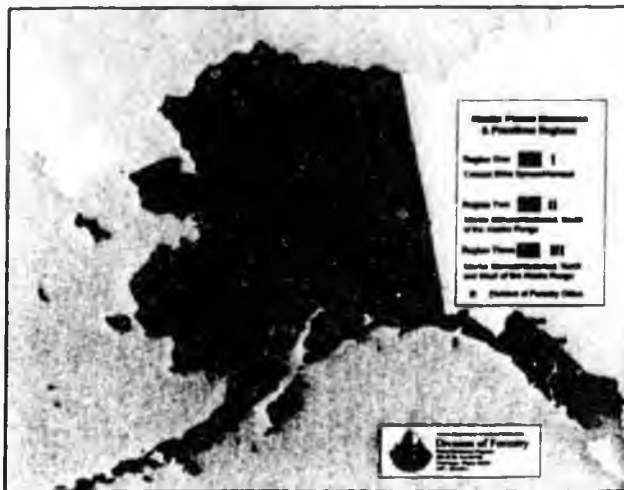
Prepared by: Chris Maisch, Director
Division: Forestry
Approved by: Mike Menge, Commissioner
Agency: Natural Resources

Phone 451-2660
Date/Time 1/23/2006
Date 1/23/2006

DRAFT – February 2, 2006

**HB 420/SB 262 – Forest practices riparian standards in Region II
Sectional Analysis**

This bill would complete the task of setting statewide riparian protection standards -- stream buffers -- for commercial forest operations. This process began with the 1990 changes to the Forest Resources and Practices Act ("FRPA", AS 41.17), and included updates to the riparian



standards for Region I (coastal forests) in 1999, and for Region III (interior forests) in 2003.

The existing FRPA standards for Region II (southcentral forests, see blue on map) were adopted in 1990 as interim standards pending scientific review. That review was completed in 2004. The recommendations were reviewed by the Board of Forestry and affected interests in 2005, and incorporated into the FRPA amendments in this bill.

Section 1 – Findings. Section 1 comprises legislative findings clarifying the intent to protect fish habitat and water quality during forest operations, and emphasizing the unique characteristics of the forests and fisheries of Southcentral Alaska. The standards in this bill are tailored specifically to conditions in Region II. Compared to other regions, Region II has an abundance of both large, dynamic rivers and narrow anadromous streams in forested areas, high fisheries values, low timber volumes per acre, and a higher proportion of hardwood timber (cottonwood, birch, and aspen).

Section 2: AS 41.17.116 – Private land. Section 2 sets riparian standards for commercial forest operations on private land along water bodies with anadromous or high-value resident fish in Region II. For large, nonglacial, and most glacial rivers, no-harvest buffers would extend 150 feet from the water body, with a widened buffer along outer bends subject to erosion. Most nonglacial waters, lakes, and glacial rivers with relatively stable banks would have 100-foot no-harvest buffers, similar to the existing interim standard. Small streams would have 50-foot no-harvest buffers. Buffers are designed to prevent erosion and sedimentation and provide large woody debris for fish habitat. Buffers also apply to estuarine areas along anadromous or high-value resident fish streams, using the same width that applies to the adjacent stream type. Forested estuaries are rare in Region II.

Section 3: AS 41.17.118 – State land. Section 3 sets riparian standards for state land along water bodies with anadromous or high-value resident fish in Region II. The no-harvest buffers would be the same as those set for private land. In addition, on state land only, harvesting from the landward boundary of the no-harvest buffer to 300 feet from the water body may occur but must be consistent with the maintenance or enhancement of wildlife habitat.

Section 4: AS 41.17.119 – Other public land. Section 4 sets riparian standards for other public land along water bodies with anadromous or high-value resident fish in Region II. The no-harvest buffers are the same as those applicable to state and private land.

Section 5: AS 41.17.950 (21) – “Riparian area” definition. This section amends the definition of “riparian area” to be consistent with the riparian standards set forth in sections 2, 3, and 4.

Section 6: AS 41.17.950 (34) – (41) – Other definitions. This section adds definitions for new terms used in the riparian standards in sections 3, 4, and 5. The definitions cover the four new stream categories (Types II-A, II-B, II-C, and II-D), and clarify the terms “outer bend subject to erosion,” “point bar,” “terrace,” and “terrace top break”.

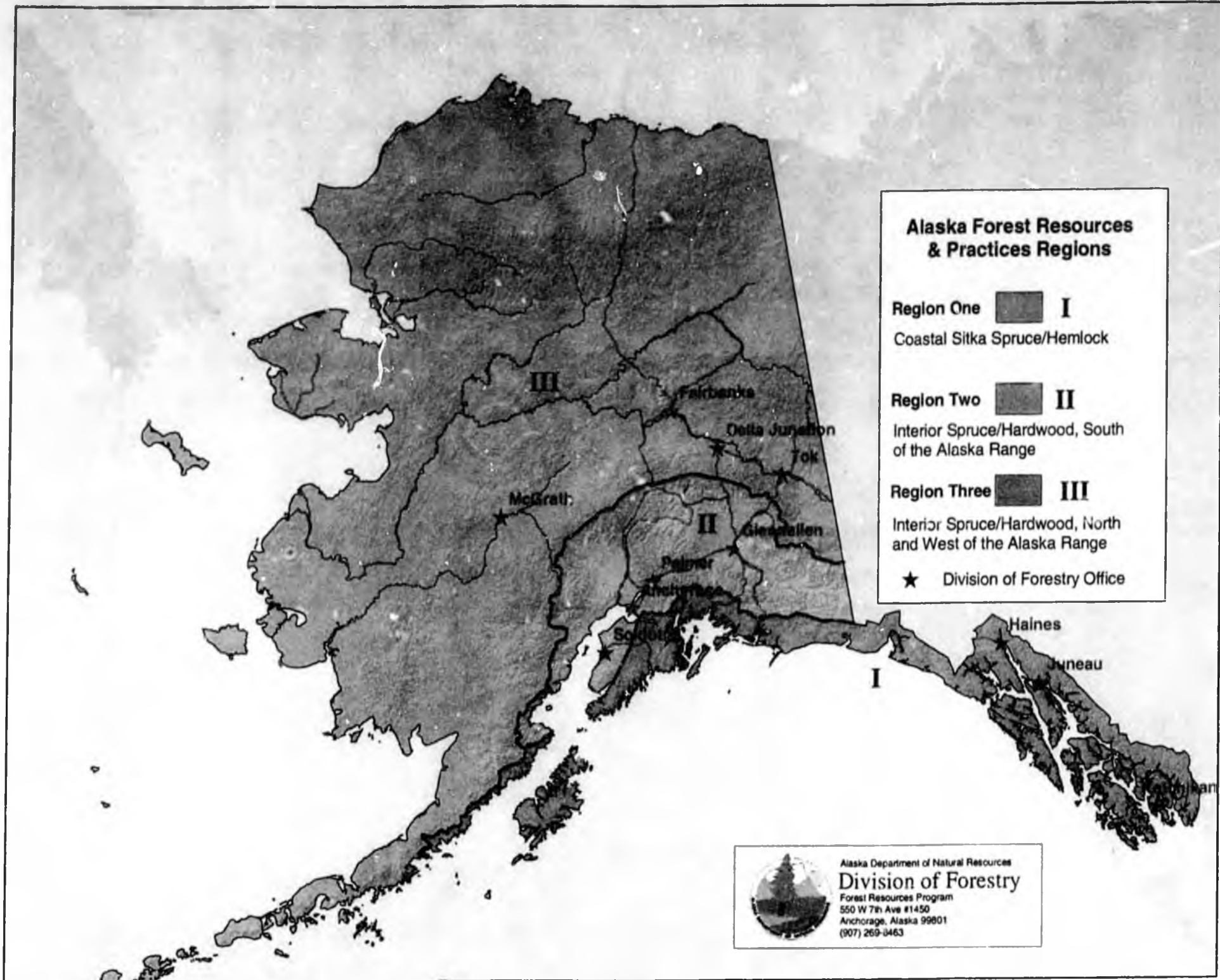
Section 7 – Effective date. This section sets the effective date as July 1, 2006.



MARTHA WELBOURN FREEMAN
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Fact Sheet:

Alaska Forest Resources and Practices Act

December 8, 2005

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF FORESTRY

Background. The Alaska Forest Resources and Practices Act (FRPA, AS 41.17) governs how timber harvesting, reforestation, and timber access occur on state, private, and municipal land. Forest management standards on federal land must also meet or exceed the standards for state land established by the Act. The FRPA was originally adopted in 1978. Major revisions were adopted in 1990 to address riparian management on private land, enhance notification procedures for timber operations, reorganize the Board of Forestry, and establish enforcement procedures. Additional changes to the stream classification system and riparian management standards were adopted in 1999 for Region I (coastal Alaska) and in 2003 for Region III (interior Alaska). Review of the standards for Region II (southcentral Alaska) is in progress.

Purpose. The Act balances economic concerns for the timber industry with water quality and habitat protection needs. It protects fish habitat and water quality, ensures prompt reforestation, and helps the timber and fishing industries provide long-term jobs. This framework provides certainty and credibility for landowners, operators, and the public.

Key provisions. The Act

- Establishes a process for landowners to notify the state before beginning commercial timber operations. This is not a permit process. Tight timeframes are set for agency review of notifications, and timber operations can proceed if the agencies do not respond within the set time frame.
- Sets standards for forest management along waterbodies, including buffers (see attached chart), and provides flexibility to harvest valuable trees within buffers when it can be done without harming fish habitat or water quality. Harvest within buffers requires agency approval. Buffers are tailored to the conditions in each region.
- Sets standards to prevent erosion from roads and harvest areas into waterbodies.
- Requires reforestation except where land will be converted to another use, or where the harvest area is significantly composed of dead or dying trees.
- Provides one-stop shopping for forest operation compliance with state and federal clean water and coastal management standards.

Best management practices (BMPs). Regulations adopted under 11 AAC 95 also establish BMPs for road construction and maintenance, and for timber harvesting. These standards are designed to prevent adverse impacts to fish habitat and water quality from timber operations.

Regions and applicability. Alaska is divided into three forest practices regions. Region I covers coastal forests from Southeast Alaska through Prince William Sound, the eastern Kenai Peninsula, the Kodiak Archipelago, and parts of the Alaska Peninsula. Region II is the boreal forest south of the Alaska Range. Region III is the boreal forest in Interior Alaska.

The FRPA applies to commercial timber operations on forestland, including harvesting, roading, site preparation, thinning, and slash treatment operations on forestland. Operations must comply with the FRPA if they are larger than 10 acres in Region I or larger than 40 acres in Region II. In Region III, it applies to operations larger than 40 acres for forest landowners that own more than 160 acres in total. All commercial harvest operations that encompass or border surface waters or a riparian area also must comply with the Act, regardless of their size.

**Existing riparian management standards by region and land owner
March 2004**

Region	Land Owner and Authority	Standard
I: Coastal spruce-hemlock	State AS 41.17.118(a)(2)	<ul style="list-style-type: none"> ▪ Harvest of timber may not be undertaken within 100 feet immediately adjacent to an anadromous or high value resident fish water body; ▪ Between 100' and 300' from the water body, timber harvest may occur but must be consistent with the maintenance of important fish and wildlife habitat. ▪ Slope stability standards apply within 100' from the water body on anadromous and high value resident fish waters and tributaries to these waters with <12% gradient, and within 50' of other tributaries to anadromous and high value resident fish waters.
	Other public AS 41.17.119(1)	<ul style="list-style-type: none"> ▪ Harvest of timber may not occur within 100' from the shore or bank on anadromous or high value resident fish waters located south of the Alaska Range. ▪ Slope stability standards apply within 100' from the water body on anadromous and high value resident fish waters and tributaries to these waters with <12% gradient, and within 50' of other tributaries to anadromous and high value resident fish waters.
	Private AS 41.17.116(a)	<ul style="list-style-type: none"> ▪ Along a Type I-A water body, harvest of timber may not be undertaken within 66 feet of the water body. ▪ Along a Type I-B water body, harvest of timber may not be undertaken within 66' of the waterbody or to the break of the slope, whichever area is smaller. ▪ Along a Type I-C water body, the operator shall, where prudent, retain low value timber within 25' of the stream or to the limit of the riparian area, whichever is greater [slope break or 100'] where the width of the water body is >13' at OHWM or >8' at OHWM if the channel is incised. ▪ Along a Type I-D water body, the operator shall, where prudent, retain low value timber within 25' of the stream or to the limit of the riparian area, whichever is greater [slope break or 50'] where the width of the water body is >13' at OHWM or >8' at OHWM if the channel is incised. ▪ Slope stability standards apply to 100' from the water body on Type I-A, I-B, and I-C water bodies, and within 50' on Type I-D water bodies.
II – Interior spruce-hardwood South of the Alaska Range	State AS 41.17.118(a)(2) 11AAC95.280(b)(2),(d)	<ul style="list-style-type: none"> ▪ Harvest of timber may not be undertaken within 100 feet immediately adjacent to an anadromous or high value resident fish water body; ▪ Between 100' and 300' from the water body, timber harvest may occur but must be consistent with the maintenance of important fish and wildlife habitat. ▪ Slope stability standards apply within 100' of an ordinary high water mark of an anadromous or high value resident fish water body.
	Other public AS 41.17.119(1) 11AAC95.280(b)(2),(d)	<ul style="list-style-type: none"> ▪ Harvest of timber may not occur within 100' from the shore or bank of an anadromous or high value resident fish water body that is located south of the Alaska Range. ▪ Slope stability standards apply within 100' of an ordinary high water mark of an anadromous or high value resident fish water body.

	Private 11 AAC 95.260	<ul style="list-style-type: none"> ▪ A timber harvest operation within 100 feet from the shore or bank of an anadromous or high-value resident fish water body must be located and designed primarily to protect fish habitat and surface water quality from significant adverse effects.
III—Interior spruce-hardwood North of the Alaska Range	State and Other Public AS 41.17.118(a)(1) AS 41.17.119(2)	<ul style="list-style-type: none"> ▪ Along a Type III-A water body, harvest of timber may not be undertaken within 100 feet of the water body, except that between 66 feet and 100 feet from the water body harvest of timber may be undertaken where consistent with the maintenance of important fish and wildlife habitat as determined by the department with the concurrence of the Office of Habitat Management & Permitting; ▪ Along a Type III-B water body, harvest of timber may not be undertaken within 50 feet of the water body; between 50 feet and 100 feet from the water body, up to 50 percent of standing white spruce trees having at least a nine-inch diameter at breast height may be harvested; ▪ Along a Type III-C water body, harvest of timber within 100 feet of the water body must be consistent with the maintenance of important fish and wildlife habitat as determined by the department with due deference to the Office of Habitat Management & Permitting
	Private AS 41.17.116(b)	<ul style="list-style-type: none"> ▪ Along a Type III-A water body, harvest of timber may not be undertaken within 66 feet of the water body; ▪ Along a Type III-B water body, harvest of timber may not be undertaken within 33 feet of the water body; between 33 feet and 66 feet from the water body, up to 50 percent of standing white spruce trees having at least a nine-inch diameter at breast height may be harvested without requiring a variation; ▪ Along a Type III-C water body, harvest of timber within 100 feet of the water body must be located and designed primarily to protect fish habitat and surface water quality as determined by the department with due deference to the Office of Habitat Management & Permitting.

Note: Under AS 41.17.118 (b) The commissioner may impose additional riparian protection standards for timber harvest operations through the adoption of land use plans. Many of the state area plans have additional riparian protection for specific waters.

Note: In addition to the buffer requirements in the chart, BMPs apply to commercial forest operations on all land ownerships. BMPs address

- Road location, construction, maintenance, and closure
- Road drainage
- Bridge standards, culverts, and other water crossings
- Bank integrity
- Material extraction and disposal sites
- Rehabilitation after mass wasting
- Blasting standards
- Harvest unit planning and design
- Landing location, construction, and operation
- Felling, bucking, and yarding
- Tracked and wheeled harvest systems
- Slash
- Reforestation and site preparation

Briefing: HB 420/SBB 262
Region II Forest Practices amendments
DEPARTMENT OF NATURAL RESOURCES



Alaska Department of
**NATURAL
RESOURCES**

February 2006

DIVISION OF FORESTRY

Overview. HB 420/SB 262 would amend the Alaska Forest Resources and Practices Act (FRPA) for the boreal forest in southcentral Alaska (Region II). The bill sets standards for forestry activities in riparian areas and ensures that Region II standards

- support healthy timber and fishing industries,
- protect fish habitat and water quality,
- incorporate the best available science,
- maintain "one-stop shopping" for compliance with federal laws.

The bill is the product of two years of work by an array of interests. There is broad support for the consensus in the bill. This process was convened at the request of the Board of Forestry, and completes a statewide review of the FRPA riparian standards that was begun in 1996. Updates to the standards for Region I were adopted in 1999, and for Region III in 2003.

Applicability. FRPA Region II covers the boreal forest in southcentral Alaska. This includes the Mat-Su valley, the interior part of the Copper River Basin, the west side of the Kenai Peninsula, and the upper Cook Inlet area (see map). In Region II, FRPA applies to commercial forestry operations on all land ownerships where the operation borders surface waters or a riparian area, or where the operation is more than 40 acres.

Background. This bill is based on work by an interdisciplinary Science & Technical Committee. The Committee reviewed relevant research and published an annotated bibliography of the results, drafted a stream classification system, and recommended changes to current standards. Committee members had expertise in fisheries, forestry, hydrology, and soils. Members included scientists and experienced field staff from state and federal resource agencies, the University of Alaska, and the private sector.

An Implementation Group then discussed how to implement the recommendations of the Science and Technical Committee in a manner that works on the ground, and drafted language for changes to the FRPA and regulations. Group members represented affected interests, including municipalities, trust land managers, private forest owners, the timber and fishing industries, environmental groups, and the departments of Natural Resources, Fish and Game, and Environmental Conservation.

The Board of Forestry reviewed and concurred with the recommendations from the Implementation Group. The Board added findings to emphasize that this proposal is tailored specifically to the conditions in Region II, and does not revise the standards for Regions I and III. With this addition, the Board endorsed the bill recommended by the Implementation Group. All recommendations from the Science & Technical Committee, the Implementation Group, and the Board of Forestry were consensus recommendations.

Summary of key provisions. The bill defines four types of water bodies that have anadromous or high-value resident fish, and sets riparian standards for each type as follows:

- **Types II-A and II-B.** On large, dynamic, non-glacial rivers and dynamic, glacial rivers: a no-cut buffer of 150'. The buffer widens to 225' on actively eroding outer bends not constrained by terraces on Type II-A rivers, and to 325' on such bends on Type II-B rivers.
- **Type II-C.** On smaller dynamic, non-glacial streams, streams and rivers with stable channels, and lakes: a 100' no-cut buffer.
- **Type II-D.** On small streams (<3' wide): a no-cut buffer of 50'.

Buffers are designed to prevent erosion and sedimentation, provide large woody debris for fish habitat, and provide a long-term supply of the ten habitat characteristics identified by FRPA. Compared to the other regions, these buffers are wider on the big, dynamic rivers and narrower on small streams. The Science & Technical Committee and Implementation Group identified several reasons for the differences in Region II.

- 1) In Region II, there are many more large, dynamic rivers that overlap with areas where harvesting is likely to occur.
- 2) The fisheries values in Region II are very high, and the timber values relatively low. A disproportionate share of sport fishing occurs in Region II, and it takes place primarily in freshwater areas that are adjacent to forested areas.
- 3) The volume of timber per acre in Region II is lower than in Regions I or III, and more of the timber is in hardwoods. This means that it takes a bigger area to get the same amount of large woody debris into the river system, and the wood that gets into the river decays faster.
- 4) There are many small, anadromous streams in forested areas of Region II. Buffers are needed to keep sediment out of these streams, but sediment can be controlled with narrower buffers.

Relation to federal laws. FRPA provides the timber industry with "one-stop shopping" for compliance with federal Clean Water Act and Coastal Zone Management Act compliance. Forest operations that are consistent with FRPA are deemed consistent with these laws. However, final approval of FRPA as the state's forestry management measures for the Coastal Zone Reauthorization Act depends on adoption of buffer standards on private land in Region II. This bill accomplishes that in a manner that is workable for the timber industry.

Public review. Public review to date include input from the Implementation Group, public hearings at the Board of Forestry, and contacts with major forest landowners, including Native corporations, the University and Mental Health trusts, and the Mat-Su and Kenai Boroughs.

Minutes of all Science & Technical Committee and Implementation Group meetings, and the recommendations from these groups were also sent to a mailing list that included 158 names of Native corporations and tribal groups, municipalities, timber businesses, resource agencies, trust land managers, groups representing environmental, recreation, fishing and development interests, and individuals.

Comments from landowners indicated that impacts from the proposed standards are limited due to the Region II topography and existing vegetation patterns, relatively low timber values, and current harvesting practices which typically incorporate voluntary buffers.

For more information, contact:

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 DNR Division of Forestry
 550 W. 7th Avenue/Anchorage, AK 99501
 907-269-8473



MATANUSKA-SUSITNA BOROUGH

Borough Manager

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February 23, 2006

Representative Jay Ramras, Co-Chairman
Representative Ralph Samuels, Co-Chairman
House Resources Committee
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Re: House Bill 420, Forest Resources and Practices, Region II

Dear Representatives Ramras and Samuels:

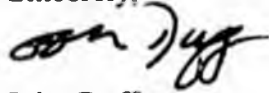
On February 21, 2006 the Matanuska-Susitna Borough Assembly passed Resolution 06-029, supporting the above-referenced legislation urging its passage this session and without any amendments.

The process to get to this legislation to where we are today was very involved and included representatives from science, technology, industry and land owners/managers. The result of the process is that collectively we are making suggested changes to the Forest Practices Act that affect Region II. The recommended changes are based on the best scientific information we currently have available and are practical for landowners to understand and loggers to implement. The decisions and the legislation are the result of a consensus process by all those that participated.

We feel it is very important to point out that at each step along the way a wide variety of interests met together to discuss the Act and its implementation. Our Community Development Director, Ron Swanson, served on the Implementation Group along with representatives of the timber industry, private landowners, Native corporations, fishing and development interests, environmentalists, and agency representatives. Collectively the group reviewed the information from the Science and Technology Committee along with their recommendations and came up with practical solutions that provide for continued timber harvesting, and in a way that protects valuable habitat and riparian areas for anadromous and high-value resident fish. The bottom line is that the legislation is good public policy.

Again, we urge your support and prompt action to see that this legislation becomes law.

Sincerely,



John Duffy
Borough Manager

Attachment: Matanuska-Sitka Borough Resolution 06-029

cc: Marty Freeman, Division of Forestry
Mayor Keller, City of Wasilla
Tom Healy, City of Palmer
Mayor Adams, City of Houston
Mayor Williams, Kenai Peninsula Borough
Jerry Mackie

Adopted: 02/21/06

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 06-029**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING
ADOPTION OF HOUSE BILL 420 AND SENATE BILL 262 WHICH WOULD MAKE
CHANGES TO THE FOREST PRACTICES ACT FOR REGION II.

WHEREAS, the state of Alaska, Forest Practices Act ensures that timber harvest occurs on public and private land in a manner that protects fish habitat and water quality, ensures prompt reforestation, requires sustained yield forests, and requires multiple use management for continuation of businesses, activities, and lifestyles that depend of forest resources; and

WHEREAS, the Alaska State Board of Forestry has requested that forestry activities in riparian areas be reviewed in each of the three forest regions of the State; and

WHEREAS, the result of this review has indicated that changes should be made to support healthy timber and fishing industries, protect fish habitat and water quality, incorporate the best available science, and maintain "one-stop shopping" for compliance with federal laws; and

WHEREAS, changes have been proposed that were the result of an interdisciplinary science and technical committee, and an implementation group that represented a wide variety of interests including municipalities; and


WHEREAS, these groups unanimously agreed to proposed changes to the Forest Practices Act and these recommendations were also endorsed unanimously by the Alaska State Board of Forestry; and

WHEREAS, these recommended changes have been incorporated into House Bill 420 and Senate Bill 262, which are now pending before the Alaska State Legislature.

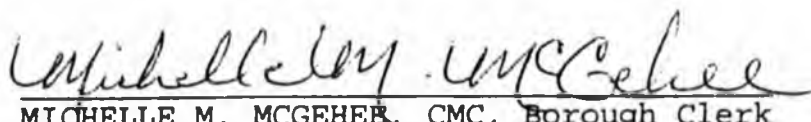
NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Assembly supports adoption of House Bill 420 and Senate Bill 262.

BE IT FURTHER RESOLVED, that because the changes recommended in these bills have already gone through an extensive scientific, technical, and public review process, the Matanuska-Susitna Borough Assembly urges the Alaska State Legislature to adopt these bills without further amendment.

ADOPTED by the Matanuska-Susitna Borough Assembly this 21 day of February, 2006.


TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:


MICHELLE M. MCGEHEE, CMC, Borough Clerk

(SEAL)

PASSED UNANIMOUSLY: Woods, Allen, Colberg, Kvalheim. Bettine, Colver, and Vehrs

A request for exemption from the property taxes on real property should be made by March 31 of the applicable tax year, but no later than December 15th of the tax year for which and exemption is sought. The property must be in use as of January 1 of the tax year in order to obtain and exemption for that year.

Exemptions are not prorated and are granted based on two critical criteria: non-profit status and exclusive use for an exempt purpose.

The property owner is responsible for providing that the property is used exclusively for an exempt purpose and qualifies for an exemption. The following minimum information is necessary to receive an exemption.

- 1. Type of non-profit exemption the organization is requesting.*
- 2. Copy of the recorded conveyance document of the property, or legal description of the leased property.*
- 3. Photograph of the property.*
- 4. A copy of the organizations Articles of Incorporation, if it is incorporated, or other organizational papers that demonstrate the purpose of the organization. A church should provide their national affiliate, if any, and if local, provide the date they organized. Charter information should be copies and included with the exemption request.*
- 5. State to what use the property will be put. If use is as a church rectory, please provide the name of the bishop, pastor, priest, rabbi, minister or religious order of a recognized religious organization occupying said property.*
- 6. Is any of the equipment used in the business operations being leased? If so, please identify the equipment type and the lessor's name and address.*
- 7. State whether or not any remuneration will be received as a result of the use of the property.*
- 8. Include a copy of the organization or church's Internal Revenue Service Exemption Status Report.*
- 9. State the date on which the property will commence to be used for an exempt purpose, if this date is different from the purchase date.*
- 10. Educational exemptions require that classroom space, a developed curriculum, and systematic instruction be in place.*
- 11. Provide source and use of funds statement.*

PLEASE ENCLOSE ANY HANDBOOKS, PAMPHLETS OR BROCHURES YOU HAVE AVAILABLE REGARDING YOUR ORGANIZATION.

Dear Legislator,

Non profit religious organizations in the state of Alaska need your help.

The need is to provide clarity to existing Alaska statutes regarding tax exempt status of certain properties owned by non profit religious organizations.

The current Alaska statutes regarding the tax exemption for houses owned by non-profit 501 c 3 organizations, presently reads as follows:

Sec. 29.45.030. Required exemptions.

(a) [See delayed amendment note]. [See editor's note]. The following property is exempt from general taxation:

(3) property used exclusively for nonprofit religious, charitable, cemetery, hospital, or educational purposes;

(b) In (a) of this section, "property used exclusively for religious purposes" includes the following property owned by a religious organization:

(1) the residence of a bishop, pastor, priest, rabbi, minister, or religious order of a recognized religious organization;

(2) a structure, its furniture, and its fixtures used solely for public worship, charitable purposes, religious administrative offices, religious education, or a nonprofit hospital;

As you know, after statutes become law they must be interpreted and applied to everyday life. Those charged with the duty of implementing the statute must design a format whereby they can evaluate if a request for tax exemption is valid and meets the criteria of the statute.

In this situation (AO Sec. 29.45.030) the State Assessor (Steve Van Sant), city assessors (Anchorage – Marty McGee), and borough assessors are charged with the duty of developing standards that all non profit organizations can use to submit request for tax exemptions.

The Municipality of Anchorage has developed such standards. These standards are list below.

According to the Anchorage Municipal Assessor's office, property is granted tax exempt status within Anchorage if the following criteria are met.