

SB

204

**SENATE COMMITTEE REPORT
First Committee of Referral**

DATE: 1/16/08

FURTHER: Finance

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED
IN TO OFFICE: 2/12/08

Community and Regional Affairs Committee considered SENATE BILL NO. 204

SB 204 MUNI TAX EXEMPTION: COMBAT DEATHS

"An Act relating to an optional exemption from municipal property taxes for residences of widows and widowers of certain members of the armed forces of the United States; and providing for an effective date."

and recommends:

- be replaced with SCS or CS _____ (_____)
- adopt previous SCS or CS _____ (_____)
- attached amendment(s)
- adopt _____ Letter of Intent
- further referral to _____ Committee

SENATE BILL:
<input checked="" type="checkbox"/> Same Title
<input type="checkbox"/> New Title
<hr/>
HOUSE BILL:
<input type="checkbox"/> Same Title
<input type="checkbox"/> Technical Title Change
<input type="checkbox"/> New Title w/ SCR # _____

NEW FISCAL NOTE(S):

Department	Date	Fiscal	Initial	Zero	FN#
DCEED	1/31/08			✓	

PREVIOUS FISCAL NOTE(S):

Department	Date	Fiscal	Initial	Zero	FN#

APPROPRIATION - no fiscal note

SIGNATURE AND RECOMMENDATION	PRINTED LAST NAME	DO PASS	DO NOT PASS	NO REC	AMEND
	THOMAS	✓			
	WAGONER	✓			
	FOOKER	✓			
	STEVENS	X			
CHAIR:	OLSON	X			



25th ALASKA STATE LEGISLATURE

SENATE REPUBLICAN CAUCUS

www.aksenateminority.com

SENATOR GENE THERRIALT, MINORITY LEADER
STATE CAPITOL, ROOM 427, 465-4797 (FAX 465-3884)

SENATOR CON BUNDE
SENATOR FRED DYSON
SENATOR TOM WAGONER
SENATOR GARY WILKEN

Fact Sheet for : Senate Bill 204
Sponsor: Senator Gene Therriault

Contact: Heather Brakes, 465-4797

Short Title: Property Tax Relief for Military Widows and Widowers

Summary:

- Provides a partial or whole municipal property tax exemption to the widow or widower of a member of the United States' armed forces who is killed in the line of duty.
- Requires that the deceased served in active duty capacity, was eligible for hostile fire or imminent danger pay, and died within 90 days if having sustained combat related injuries.
- Requires that the widow or widower be a permanent Alaska resident.
- Allows a municipality the discretion to shape and opt-in to the property tax exemption.

Benefits:

- Provides financial relief to families of members of the United States' armed forces killed during combat operations.
- Honors the sacrifices made by members of the armed services and their families while protecting the United States from foreign aggression.

Background:

- Operations Enduring Freedom and Iraqi Freedom began on October 7, 2001 and March 20, 2003. Heeding their nation's call, men and women of the United States' armed forces left behind friends and family to serve our country. Sadly, not all returned home. In Alaska alone, over eighty soldiers have died in the Iraq and Afghanistan theatres of war. Many of these fallen soldiers' families have chosen to make Alaska their home. This bill will help to ease their financial and emotion burdens as well as to offer a token of appreciation by the citizens of Alaska.

Alaska State Legislature

SENATOR
GENE THERRIAULT

Mailing Address:
1292 Sadler Way, Suite 308
Fairbanks, Alaska 99701
(907) 488-0857
Fax: (907) 488-4271



Senate

While in session
State Capitol
Juneau, Alaska
99801-1182
(907) 485-4797
Fax: (907) 465-3884
SENATE DISTRICT F

Memorandum

To: The Honorable Senator Donald Olson
Chair Senate Community and Regional Affairs

From: Senator Gene Therriault
Senate Minority Leader

A handwritten signature in cursive script that reads "Gene Therriault".

Date: January 21, 2008

Re: SB 204 – Property Tax Relief for Military Widows and Widowers

Senate Bill 204 (Property Tax Relief for Military Widows and Widowers) honors the sacrifices made by members the United States' armed forces and their families by granting municipalities the option of providing a partial or whole property tax exemption to a widow or widower of a member of the United States' armed forces killed in the line of duty. Though tragically freed of their military obligation to live in Alaska, many of these fallen heroes' families choose to make Alaska their home. SB 204 provides a measure of financial relief as the transition from military to civilian life is made.

In deference to Alaska's economic and demographic diversity, SB 204 refrains from dictating the provisions of the property tax exemption by granting authority to each municipality to implement provisions such as tax exemption rate, qualification retroactivity, and exemption duration.

I respectfully request that you join me in honoring our armed forces by scheduling Senate Bill SB 204 for a Community and Regional Affairs Committee hearing.

Alaska State Legislature

**SENATOR
GENE THERRIAULT**

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1292 Sadler Way, Suite 308
Fairbanks, Alaska 99701
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SENATE DISTRICT F

Sponsor Statement

Senate Bill 204

"An Act relating to an optional exemption from municipal property taxes for residences of widows and widowers of certain members of the armed forces of the United States; and providing for an effective date."

Alaska Statute 29.45.050 (i)(2) provides authority for a municipality to:

"...exempt from taxation the assessed value that exceeds \$150,000 of real property owned and occupied as a permanent place of abode by a resident who is a disabled veteran, including a person who was disabled in the line of duty while serving in the Alaska Territorial Guard."

Senate Bill 204 extends a similar token of gratitude by granting municipalities the option of providing a partial or whole property tax exemption to a widow or widower of a member of the United States' Armed Forces killed in the line of duty. To qualify for the property tax exemption, the deceased must have qualified for hostile fire or imminent danger pay and died within 90 days if having sustained combat related injuries. Furthermore, the exemption applies only to widows and widowers who choose to make Alaska their home; their real property must be owned in Alaska and serve as their permanent place of abode.

In deference to Alaska's economic and demographic diversity, SB 204 refrains from dictating the provisions of the property tax exemption by granting authority to each municipality to implement provisions such as tax exemption rate, qualification retroactivity, and exemption duration.

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: SB 204
 () Publish Date: _____

Identifier (file name): SB204-CED-CRA-01-31-08 Dept. Affected: DCCED
 Title: Muni Tax Exemptions, Combat Death RDU: Comm Asst & Ec Dev (405)
 Component: Community & Regional Affairs
 Sponsor: Therriault
 Requester: Senate Community & Regional Affairs Component Number: 2879

Expenditures/Revenues (Thousands of Dollars)

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

	Appropriation Required	Information					
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
OPERATING EXPENDITURES							
Personal Services							
Travel							
Contractual							
Supplies							
Equipment							
Land & Structures							
Grants & Claims							
Miscellaneous							
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

This legislation would allow municipalities to partially or wholly by ordinance exempt from taxation real property owned and occupied by a resident who is the widow or widower of certain members of the armed forces of the United States. The residence must be a permanent place of abode.

This is a local optional property tax exemption not reimbursable by the State. It would have no fiscal impact on the operations of the division. The amount of municipal residential real property potentially subject to this tax exemption is indeterminate.

Prepared by: Tara Jollie, Director
 Division: Community and Regional Affairs
 Approved by: Emil R. Notti, Commissioner
Commerce, Community, and Economic Development

Phone 907-269-7959
 Date/Time 1/31/08 7:07 PM
 Date 1/31/2008



Fairbanks North Star Borough

Office of the Mayor

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1300

Fax 907/459-1102

Email mayor@co.fairbanks.ak.us

January 29, 2008

The Honorable Senator Gene Therriault
State Capitol
Juneau, AK 99801

Dear Senator Therriault,

I would like to thank you for your sponsorship of SB 204, also known as the Sgt. Irving Hernandez Act of 2007.

The greater Fairbanks area incorporates a seamless community of military and civilian residents. Those of us residing here hold an immense degree of respect and value for our military families. However, there is no provision by which to allow for the same property tax exemptions for the spouses of our fallen active duty military as there exists for our veterans.

This legislation allows our community to better honor the sacrifices and contributions of our active duty residents and their families.

The Fairbanks North Star Borough fully supports the passage of this legislation.

Regards,

Jim Whitaker, Mayor



Fairbanks North Star Borough

Assembly

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267 907/459-1401

Fax 907/459-1224

Email: clerks@co.fairbanks.ak.uswww.co.fairbanks.ak.us

January 25, 2008

The Honorable Senator Gene Theriault
State Capitol
Juneau, Alaska 99801-1182

Re: Senate Bill 204

Dear Senator Theriault,

On behalf of the Fairbanks North Star Borough Assembly and myself as presiding officer, I would like to thank you for introducing Senate Bill 204 - Property Tax Relief for Military Widows and Widowers.

In August of 2007 past Assemblymember Hank Bartos and Mayor Jim Whitaker were approached and met with Mrs. Susan Hernandez, the widow of Sgt. Irving Hernandez who had been stationed at Fort Wainwright Army Post in Fairbanks and who was killed by sniper fire while serving in the United States Army in Iraq. After the meeting with Ms. Hernandez, Mr. Bartos and Mayor Whitaker met with the Interior Delegation and suggested that a bill be introduced that would exempt a widow or a widower of a member of the United States Armed Forces who had been killed in the line of duty, from property taxes. We are grateful that you have moved forward with the information presented during this meeting and have introduced Senate Bill 204.

Sadly more than 80 soldiers stationed in Alaska have been killed in Iraq and Afghanistan. A property tax exemption is a very small way to show our gratitude for the sacrifices made by the military members and their families.

The Fairbanks North Star Borough supports Senate Bill 204 and urges the Alaska State Legislature to support it, providing some small measure of support and relief to the Alaskan families left behind by brave young men and women.

Sincerely,

Nadine Winters
Presiding Officer
Fairbanks North Star Borough Assembly

r/encl.

cc: FNSB Assembly, Mayor Whitaker

**CITY OF NORTH POLE
RESOLUTION 07- 13**

**A RESOLUTION OF THE CITY OF NORTH POLE URGING THE ALASKA
STATE LEGISLATURE TO AMEND STATE STATUTE TO ALLOW FOR
AN EXEMPTION OF MUNICIPAL PROPERTY TAXES FOR SURVIVING
SPOUSES OF MEMBERS OF THE ARMED FORCES WHO HAVE LOST
THEIR LIFE IN ACTIVE DUTY COMBAT**

WHEREAS, the North Pole City Council and the North Pole community have the greatest pride and respect for the members of the Armed Forces and strongly support them; and

WHEREAS, the war in Iraq began on March 20, 2003 and in the years since, thousands of men and women have made sacrifices for their country and for some the sacrifice has meant their lives; and

WHEREAS, the sacrifice made by these brave men and women extends to their families who struggle both emotionally and financially after their death; and

WHEREAS, the war has claimed more than 3700 casualties nationwide. The statistics for Alaskans killed in action as of September 25, 2007 are 15 Alaska residents, 30 soldiers from Ft. Wainwright, 1 from Eielson Air Force Base, 52 from Ft. Richardson and 5 from Elmendorf Air Force Base; and

WHEREAS, several surviving spouses have chosen to make Alaska their permanent home; and


WHEREAS, everything that can be done should be done to ease the burden placed upon surviving spouses and their children; and

WHEREAS, a small way to extend our gratitude to these families is to offer surviving spouses of military members who have lost their life in combat, an exemption of municipal property taxes.

NOW, THEREFORE, BE IT RESOLVED, that the North Pole City Council supports a change to state statute that would allow for the municipal property tax exemption for the surviving, un-remarried spouse of a military member killed in active duty combat.

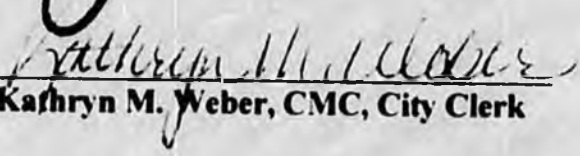
BE IT FURTHER RESOLVED, that copies of this resolution be sent to the Honorable Governor Sarah Palin and the Alaska Interior Delegation.

PASSED AND APPROVED by a duly constituted quorum of the City Council of the City of North Pole on October 1, 2007.



Douglas W. Isaacson, Mayor

ATTEST:



Kathryn M. Weber, CMC, City Clerk

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By: Hank Bartos
Introduced: 09/13/07
Amended: 09/13/07
Adopted: 09/13/07

THE FAIRBANKS NORTH STAR BOROUGH

RESOLUTION NO. 2007 - 38

A RESOLUTION URGING THE ALASKA STATE LEGISLATURE TO AMEND STATE STATUTE TO ALLOW FOR AN EXEMPTION OF RESIDENTIAL MUNICIPAL PROPERTY TAXES FOR SURVIVING SPOUSES OF MEMBERS OF THE ARMED FORCES WHO HAVE LOST THEIR LIFE IN ACTIVE-DUTY COMBAT.

WHEREAS, the Fairbanks North Star Borough Assembly and the Fairbanks community have the greatest pride and respect for the members of the Armed Forces and strongly support them; and

WHEREAS, the war in Iraq began in March of 2003 and in the years since thousands of men and women have made sacrifices for their country, for some the sacrifice has meant their lives; and

WHEREAS, the sacrifice made by these brave men and women extends to their families who struggle both emotionally and financially after their death; and

WHEREAS, the war has claimed more than 3700 casualties nationwide and more than 100 of those were military members stationed at military bases in Alaska; and

WHEREAS, several surviving spouses have chosen to make Alaska their permanent home; and

WHEREAS, everything that can be done should be done to ease the burden placed upon surviving spouses and their children; and

WHEREAS, a small way to extend our gratitude to these families is to offer surviving spouses of military members who have lost their life in combat an exemption of municipal property taxes.

NOW, THEREFORE, BE IT RESOLVED, that the Assembly of the Fairbanks North Star Borough supports a change to state statute that would allow for the residential municipal property tax exemption for the surviving spouse of a military member killed in active duty combat.

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BE IT FURTHER RESOLVED, that copies of this resolution be sent to the Honorable Governor Sarah Palin and the Alaska Interior Delegation.

PASSED AND APPROVED THIS 13th DAY OF SEPTEMBER 2007.



Luke Hopkins
Presiding Officer

ATTEST:



Mona Lisa Dreiser, CMC
Municipal Borough Clerk

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Ayes: Bartos, Beck, Frank, Foote, Winters, Musick, Therrien, Hopkins
Nays: None
Excused: Rex

By: Jim Whitaker, Mayor
Introduced: August 16, 2007

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5 FAIRBANKS NORTH STAR BOROUGH

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7 RESOLUTION NO. 2006 -

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9 A RESOLUTION THANKING THE INTERIOR DELEGATION TO THE ALASKA STATE
10 LEGISLATURE FOR THE SPONSORSHIP OF THE SGT. IRVING HERNANDEZ ACT
11 ALLOWING FOR THE EXEMPTION OF MUNICIPAL PROPERTY TAXES FOR
12 SURVIVING SPOUSES OF MEMBERS OF THE ARMED SERVICES WHO HAVE
13 LOST HIS OR HER LIFE IN ACTIVE COMBAT DUTY

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15 WHEREAS, the greater Fairbanks area incorporates a seamless
16 community of military and civilian residents; and

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18 WHEREAS, those of us residing here hold an immense degree of respect
19 and value for our military families; and

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21 WHEREAS, there is no provision by which to allow for the same property
22 tax exemptions for the spouses of our fallen active duty military as there exists for our
23 veterans; and

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25 WHEREAS, the Fairbanks North Star Borough desired to better honor the
26 contributions of our active duty residents and their families; and

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28 WHEREAS, by sponsoring this legislation, the members of the Interior
29 Delegation have acted with forethought to rectify this situation in order for
30 municipalities to better honor the sacrifices of our fallen active duty military by initiation
31 of the above mentioned legislation; and

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33 WHEREAS, the Fairbanks North Star Borough is grateful for their efforts;
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NOW, THEREFORE, BE IT RESOLVED that the Assembly of the Fairbanks North Star Borough joins the Mayor and the many borough residents who wish to honor our armed service personnel in thanking the following legislators, recognizing them as community role models for their efforts in the Alaska Legislature with the sponsorship of the Sgt. Irving Hernandez Act of 2007:

Senator Gene Therriault; Senator Joe Thomas; Senator Gary Wilken; Representative John Coghill; Representative David Guttenberg; Representative John Harris; Representative Scott Kawasaki; Representative Mike Kelly; and Representative Jay Ramras

PASSED AND APPROVED THIS __ DAY OF _____, 2006.

Luke Hopkins
Presiding Officer

ATTEST:

APPROVED:

Mona Lisa Drexler, MMC
Municipal Borough Clerk

A. René Broker
Borough Attorney