

**HB**

**75**

<TARGET><BILL>HB 75</BILL><SUBJECT>HB  
75</SUBJECT><COMM>SRLS29</COMM></TARGET>



# ALASKA STATE LEGISLATURE

## House Community and Regional Affairs Committee

REP. CATHY TILTON  
*Chairman*  
State Capitol, Rm. 411  
Juneau, AK 99801

Rep. Paul Seaton, Vice-Chair  
Rep. Shelley Hughes  
Rep. Benjamin Nageak  
907.465.2199

Rep. Lora Reinbold  
Rep. Harriet Drummond  
Rep. Dan Ortiz

---

### SPONSOR STATEMENT

CSHB 75(JUD)am  
(29-LS0345\U.A)

***“An Act relating to the registration of marijuana establishments by municipalities; relating to the definition of marijuana by persons 21 years of age or older; prohibiting the public consumption of marijuana; authorizing the registration of marijuana clubs; relating to established villages and to local option elections regarding the operations of marijuana establishments; and providing for an effective date.”***

In short, CSHB 75 (JUD) is “fix it” legislation on behalf of Alaska’s boroughs and cities intended to further define and clarify provisions of Ballot Measure 2 and provide additional processes for implementing AS 17.38 at the municipal level.

Shortly after the conclusion of the November 2014 General Election, municipalities throughout Alaska began contacting the House Community and Regional Affairs Committee seeking direction on a variety of provisions of AS 17.38 as passed by the voters. It became clear that while the drafters of the initiative language were thorough and thoughtful in crafting the language of the initiative, there were a number of “gaps” stemming from their unfamiliarity of Title 29 (Local Government) in Alaska statute.

Through every step of developing the current iteration of this bill, the Committee worked closely with Alaska’s municipalities, the Alaska Municipal League and the initiative sponsors to ensure that the bill addressed the needs expressed by boroughs and cities while remaining consistent with the provisions of the initiative.



# ALASKA STATE LEGISLATURE

## House Community and Regional Affairs Committee

REP. CATHY TILTON  
*Chairman*  
State Capitol, Rm. 411  
Juneau, AK 99801

Rep. Paul Seaton, Vice-Chair  
Rep. Shelley Hughes  
Rep. Benjamin Nageak  
907.465.2199

Rep. Lora Reinbold  
Rep. Harriet Drummond  
Rep. Dan Ortiz

---

### SECTIONAL ANALYSIS

#### 2dSCSCSHB 75(RLS)

(29-LS0345\AA)

***"An Act relating to background checks for persons applying to operate marijuana establishments; relating to possessing, using, displaying, purchasing, growing, processing, transporting, and transferring marijuana; relating to assisting another person 21 years of age or older in activities related to marijuana; relating to established villages and to local option elections regarding the operation of marijuana establishments; and providing for an effective date."***

Title (Page 1, lines 1-6) – The title has been changed to reflect the changes included in this new version with specific regard to criminal background checks for applicants applying for a registration for a marijuana establishment.

Section 1 (Page 1, line 8 through Page 2, line 31) – Section 1 adds applicants for marijuana establishment registrations to the list of licensures, certifications or registrations the department is statutorily authorized to submit fingerprints to the FBI for criminal history record checks. This is one of two sections that rectifies unintended omissions resulting from the passage of HB 123 pertaining to criminal background check requirements.

Section 2 (Page 3, lines 1-20) – This section provides for a household maximum plant limit of “not more than 12 marijuana plants, with 6 or fewer being mature” where two or more adults reside.

Section 3 (Page 3, lines 21-31) – Section 3 provides legal authority for the Marijuana Control Board to request that an applicant for a license renewal or application submit the applicant’s fingerprints and required fees so that the Department of Public Safety may request a report of criminal justice information and a national criminal history record check. This section does not create any new requirements for licensure.

Section 4 (Page 4, lines 1-10) – This provision establishes that the entirety of the unorganized borough, except existing municipalities, is opted out of commercial marijuana activities/establishments but provides that established villages may exercise a local option through an election to opt in to commercial marijuana activities/establishments.

Section 5 (Page 4, lines 11-15) – Stipulates that any powers authorized to boroughs may only be adopted on a “nonareawide” basis, meaning that those powers would not extend into cities that lay within a borough’s boundaries.

Section 6 (Page 4, line 16 through Page 6, line 28) – Section 6 sets forth the process by which an established village can hold a local option election for the approval or the removal of an approval of marijuana establishments and commercial marijuana activities within the boundary of an established village.

In addition, Section 6 contains (Page 6, lines 26-28) a provision that allows the Supreme Court to establish bailable offenses not requiring a mandatory court appearance for certain marijuana related offenses.

Section 7 (Page 6, line 29 through Page 7, line 4) – Provides express definitions of “dwelling” and “established village” and stipulates that “manufacture” has the meaning found in AS 11.71.900.

Section 8 (Page 7, line 5) – Provides an immediate effective date for the provisions of the bill.

29-LS0345\AA  
Martin  
2/18/16

**2d SENATE CS FOR CS FOR HOUSE BILL NO. 75(RLS)**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-NINTH LEGISLATURE - SECOND SESSION**

**BY THE SENATE RULES COMMITTEE**

**Offered:**  
**Referred:**

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

**A BILL**  
**FOR AN ACT ENTITLED**

1 **"An Act relating to background checks for persons applying to operate marijuana**  
2 **establishments; relating to possessing, using, displaying, purchasing, growing,**  
3 **processing, transporting, and transferring marijuana; relating to assisting another**  
4 **person 21 years of age or older in activities related to marijuana; relating to established**  
5 **villages and to local option elections regarding the operation of marijuana**  
6 **establishments; and providing for an effective date."**

7 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

8 **\* Section 1.** AS 12.62.400(a) is amended to read:

9 (a) To obtain a national criminal history record check for determining a  
10 person's qualifications for a license, permit, registration, employment, or position, a  
11 person shall submit the person's fingerprints to the department with the fee established  
12 by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau  
13 of Investigation to obtain a national criminal history record check of the person for the

1 purpose of evaluating a person's qualifications for

2 (1) a license or conditional contractor's permit to manufacture, sell,  
3 offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage  
4 under AS 04.11;

5 (2) licensure as a mortgage lender, a mortgage broker, or a mortgage  
6 loan originator under AS 06.60;

7 (3) admission to the Alaska Bar Association under AS 08.08;

8 (4) licensure as a collection agency operator under AS 08.24;

9 (5) a certificate of fitness to handle explosives under AS 08.52;

10 (6) licensure as a massage therapist under AS 08.61;

11 (7) licensure to practice nursing or certification as a nurse aide under  
12 AS 08.68;

13 (8) certification as a real estate appraiser under AS 08.87;

14 (9) a position involving supervisory or disciplinary power over a minor  
15 or dependent adult for which criminal justice information may be released under  
16 AS 12.62.160(b)(9);

17 (10) a teacher certificate under AS 14.20;

18 (11) licensure as a security guard under AS 18.65.400 - 18.65.490;

19 (12) a concealed handgun permit under AS 18.65.700 - 18.65.790;

20 (13) licensure as an insurance producer, managing general agent,  
21 reinsurance intermediary broker, reinsurance intermediary manager, surplus lines  
22 broker, or independent adjuster under AS 21.27;

23 (14) serving and executing process issued by a court by a person  
24 designated under AS 22.20.130;

25 (15) a school bus driver license under AS 28.15.046;

26 (16) licensure as an operator or an instructor for a commercial driver  
27 training school under AS 28.17;

28 (17) registration as a broker-dealer, agent, investment adviser  
29 representative, or state investment adviser under AS 45.55.030 - 45.55.060;

30 **(18) a registration or license to operate a marijuana establishment**  
31 **under AS 17.38.**

1 \* **Sec. 2.** AS 17.38.020 is amended to read:

2 **Sec. 17.38.020. Personal use of marijuana.** Notwithstanding any other  
3 provision of law, except as otherwise provided in this chapter, the following acts, by  
4 persons 21 years of age or older, are lawful and **are not** [SHALL NOT BE A] criminal  
5 or civil **offenses** [OFFENSE] under Alaska law or the law of any political subdivision  
6 of Alaska or **bases** [BE A BASIS] for seizure or forfeiture of assets under Alaska law:

7 (1) possessing, using, displaying, purchasing, or transporting  
8 marijuana accessories or one ounce or less of marijuana;

9 (2) possessing, growing, processing, or transporting **not** [NO] more  
10 than six marijuana plants, with three or fewer being mature, flowering plants, and  
11 possession of the marijuana produced by the plants on the premises where the plants  
12 were grown, **except that not more than 12 marijuana plants, with six or fewer  
13 being mature, flowering plants, may be present in a single dwelling regardless of  
14 the number of persons 21 years of age or older residing in the dwelling;**

15 (3) transferring one ounce or less of marijuana and up to six immature  
16 marijuana plants to a person who is 21 years of age or older without remuneration;

17 (4) consumption of marijuana, except that nothing in this chapter  
18 **permits** [SHALL PERMIT] the consumption of marijuana in public; and

19 (5) assisting, **aiding, or supporting** another person who is 21 years of  
20 age or older in any of the acts described in (1) - (4) of this section.

21 \* **Sec. 3.** AS 17.38.200(a) is amended to read:

22 (a) Each application or renewal application for a registration to operate a  
23 marijuana establishment shall be submitted to the board. A renewal application may be  
24 submitted up to 90 days **before** [PRIOR TO] the expiration of the marijuana  
25 establishment's registration. **When filing an application under this subsection, the  
26 applicant shall submit the applicant's fingerprints and the fees required by the  
27 Department of Public Safety under AS 12.62.160 for criminal justice information  
28 and a national criminal history record check. The board shall forward the  
29 fingerprints and fees to the Department of Public Safety to obtain a report of  
30 criminal justice information under AS 12.62 and a national criminal history  
31 record check under AS 12.62.400.**

1 \* **Sec. 4.** AS 17.38.210(a) is amended to read:

2 (a) A local government may prohibit the operation of marijuana cultivation  
3 facilities, marijuana product manufacturing facilities, marijuana testing facilities, or  
4 retail marijuana stores through the enactment of an ordinance or by a voter initiative.

5 The operation of marijuana cultivation facilities, marijuana product  
6 manufacturing facilities, marijuana testing facilities, and retail marijuana stores  
7 in the unorganized borough outside of a municipality is prohibited. An  
8 established village may permit the operation of marijuana cultivation facilities,  
9 marijuana product manufacturing facilities, marijuana testing facilities, or retail  
10 marijuana stores as provided in AS 17.38.300.

11 \* **Sec. 5.** AS 17.38.210 is amended by adding a new subsection to read:

12 (m) Except as provided in AS 29, the exercise of the powers authorized by this  
13 section by a borough may be exercised only on a nonareawide basis. In this  
14 subsection, "nonareawide" means throughout the area of a borough outside all cities in  
15 the borough.

16 \* **Sec. 6.** AS 17.38 is amended by adding new sections to read:

17 **Sec. 17.38.300. Local option election by an established village.** (a) If a  
18 majority of the voters voting on the question vote to approve the option, an established  
19 village shall exercise a local option to permit the operation of one or more of the  
20 following types of marijuana establishments:

- 21 (1) marijuana cultivation facilities;  
22 (2) marijuana product manufacturing facilities;  
23 (3) marijuana testing facilities; or  
24 (4) retail marijuana stores.

25 (b) A ballot question to adopt a local option under this section must at least  
26 contain language substantially similar to the following: "Shall (name of village) adopt  
27 a local option to permit (specify local option under (a) of this section)? (yes or no)."

28 **Sec. 17.38.310. Removal of local option.** (a) If a majority of the voters voting  
29 on the question vote to remove the option, an established village shall remove a local  
30 option previously adopted under AS 17.38.300. The option is repealed effective the  
31 first day of the month following certification of the results of the election.

1 (b) A ballot question to remove a local option under this section must at least  
2 contain language substantially similar to the following: "Shall (name of village)  
3 remove the local option currently in effect, that permits (current local option under  
4 AS 17.38.300(a)), so that there is no longer any local option in effect? (yes or no)."

5 **Sec. 17.38.320. Effect on registrations of prohibition of marijuana**  
6 **establishments.** If a majority of voters vote to remove a local option permitting the  
7 operation of marijuana establishments under AS 17.38.300, the board may not issue,  
8 renew, or transfer, between persons or locations, a registration for a marijuana  
9 establishment located within the perimeter of the established village. A registration  
10 that may not be renewed because of a local option election held under AS 17.38.300 is  
11 void 90 days after the results of the election are certified. A registration that expires  
12 during the 90 days after the results of a local option election are certified may be  
13 extended, until it is void under this section, by payment of a prorated portion of the  
14 annual registration fee.

15 **Sec. 17.38.330. Procedure for local option elections.** (a) An election to adopt  
16 a local option under AS 17.38.300 or remove a local option under AS 17.38.310 shall  
17 be conducted as required in this section.

18 (b) Upon receipt of a petition of 35 percent or more of the registered voters  
19 residing within an established village, the lieutenant governor shall place on a separate  
20 ballot at a special election the local option or removal of local option that constitutes  
21 the subject of the petition. The lieutenant governor shall conduct the election under  
22 AS 15.

23 (c) An election under (b) of this section to remove a local option may not be  
24 conducted during the first 24 months after the local option was adopted or more than  
25 once in a 36-month period.

26 (d) After a petition has been certified as sufficient to meet the requirements of  
27 (b) of this section, another petition may not be filed or certified until after the question  
28 presented in the first petition has been voted on. A local option question to permit the  
29 operation of marijuana cultivation facilities, marijuana product manufacturing  
30 facilities, marijuana testing facilities, or retail marijuana stores or to permit all  
31 marijuana establishments may be presented in one election.

1           **Sec. 17.38.340. Establishment of perimeter of established village.** (a)

2 Except as provided under (b) and (c) of this section, for purposes of AS 17.38.300 and  
3 17.38.320, the perimeter of an established village is a circle around the established  
4 village that includes an area within a five-mile radius of the post office of the  
5 established village. If the established village does not have a post office, the perimeter  
6 of an established village is a circle around the established village that includes an area  
7 within a five-mile radius of another site selected by the local governing body or by the  
8 board if the established village does not have a local governing body.

9           (b) If the perimeter of an established village determined under (a) of this  
10 section includes any area that is within the perimeter of another established village  
11 and, if the other established village has

12                   (1) also adopted a local option under AS 17.38.300, the local option of  
13 the established village that is less restrictive applies in the overlapping area;

14                   (2) not adopted a local option under AS 17.38.300, the local option  
15 does not apply in the overlapping area.

16           (c) If the board determines that the perimeter of an established village as  
17 provided under (a) and (b) of this section does not accurately reflect the perimeter of  
18 the established village, the board may establish the perimeter of the established village  
19 and the areas of overlapping perimeter described under (b) of this section for purposes  
20 of applying a local option selected under this chapter.

21           **Sec. 17.38.350. Notice of the results of a local option election.** If a majority  
22 of the voters vote to adopt or remove a local option under AS 17.38.300 or 17.38.310,  
23 the lieutenant governor shall notify the board of the results of the election immediately  
24 after the results are certified. The board shall immediately notify the Department of  
25 Law and the Department of Public Safety of the results of the election.

26           **Sec. 17.38.360. Bail forfeiture for certain offenses.** The supreme court shall  
27 establish by rule or order a schedule of bail amounts that may be forfeited without  
28 court appearance for a violation of AS 17.38.030 - 17.38.050.

29 \* **Sec. 7.** AS 17.38.900 is amended by adding new paragraphs to read:

30                   (17) "dwelling" has the meaning given in AS 11.81.900;

31                   (18) "established village" means an area that does not contain any part

1 of an incorporated city or another established village and that is an unincorporated  
2 community that is in the unorganized borough and that has 25 or more permanent  
3 residents;

4 (19) "manufacture" has the meaning given in AS 11.71.900.

5 \* **Sec. 8.** This Act takes effect immediately under AS 01.10.070(c).

## Part 2 - Municipal Class Tax Types, Rates and Revenues

**Table 1**  
**2015 Municipalities: Class, Populations and Property Taxes**

Municipality	Type of Municipality	Population <sup>(1)</sup>	Property Tax	Mills
Adak	Second Class City	247	No	None
Akhiok	Second Class City	81	No *	10.750
Akiak	Second Class City	389	No	None
Akutan	Second Class City	1,052	No	None
Alakanuk	Second Class City	730	No	None
Aleknagik	Second Class City	232	No	None
Aleutians East Borough	Second Class Borough	3,096	No	None
Allakaket	Second Class City	111	No	None
Ambler	Second Class City	274	No	None
Anaktuvuk Pass	Second Class City	375	No *	18.500
Anchorage, Municipality of	Unified Home Rule Borough	300,549	Yes	14.700
Anderson	Second Class City	209	No	None
Angoon	Second Class City	416	No	None
Aniak	Second Class City	533	No	None
Anvik	Second Class City	79	No	None
Atka	Second Class City	70	No	None
Atkasuk	Second Class City	248	No *	18.500
Barrow	First Class City	4,825	No *	18.500
Bethel	Second Class City	6,241	No	None
Bettles	Second Class City	13	No	None
Brevig Mission	Second Class City	411	No	None
Bristol Bay Borough	Second Class Borough	942	Yes	13.000
Buckland	Second Class City	482	No	None
Chefornak	Second Class City	420	No	None
Chevak	Second Class City	989	No	None
Chignik	Second Class City	96	No	None
Chuathbaluk	Second Class City	134	No	None
Clark's Point	Second Class City	48	No	None
Coffman Cove	Second Class City	184	No	None
Cold Bay	Second Class City	89	No	None
Cordova	Home Rule City	2,286	Yes	11.530
Craig	First Class City	1,198	Yes	6.000
Deering	Second Class City	152	No	None
Delta Junction	Second Class City	1,089	No	None
Denali Borough	Non-Unified Home Rule Borough	1,785	No	None
Dillingham	First Class City	2,431	Yes	13.000
Diomedes	Second Class City	111	No	None
Eagle	Second Class City	81	Yes	None
Edna Bay	Second Class City	46	No	None
Eek	Second Class City	349	No	None
Egegik	Second Class City	106	No	None
Ekwok	Second Class City	119	No	None
Elim	Second Class City	350	No	None
Emmonak	Second Class City	841	No	None
Fairbanks	Home Rule City	31,721	Yes	17.277
Fairbanks North Star Borough	Second Class Borough	97,972	Yes	13.456
False Pass	Second Class City	60	No	None
Fort Yukon	Second Class City	576	No	None
Galena	First Class City	449	No	None
Gambell	Second Class City	713	No	None
Golovin	Second Class City	171	No	None
Goodnews Bay	Second Class City	259	No	None

36 Municipalities (cities & boroughs) levy a property tax; the cities of Eagle and Wasilla have a property tax but don't actually levy the tax and are not counted here.

15 Boroughs & 12 cities within boroughs, levy a property tax

9 Cities in the Unorganized Borough levy a property tax

<sup>(1)</sup>DCCED 2014 Certified Municipal Populations for FY16 Programs

\* Indicates that city does not levy property tax, but borough in which city is located does.

## Part 2 - Municipal Class Tax Types, Rates and Revenues

**Table 1**  
**2015 Municipalities: Class, Populations and Property Taxes**

Municipality	Type of Municipality	Population <sup>(1)</sup>	Property Tax	Mills
Grayling	Second Class City	191	No	None
Gustavus	Second Class City	516	No	None
Haines Borough	Non-Unified Home Rule Borough	2,537	Yes	10.470
Holy Cross	Second Class City	177	No	None
Homer	First Class City	5,099	Yes	11.300
Hoonah	First Class City	787	No	None
Hooper Bay	Second Class City	1,178	No	None
Houston	Second Class City	1,965	Yes	12.984
Hughes	Second Class City	86	No	None
Huslia	Second Class City	338	No	None
Hydaburg	First Class City	405	No	None
Juneau, City & Borough of	Unified Home Rule Borough	33,026	Yes	10.760
Kachemak	Second Class City	460	Yes	7.800
Take	First Class City	626	No	None
Kaktovik	Second Class City	262	No *	18.500
Kaltag	Second Class City	182	No	None
Kasaan	Second Class City	75	No	None
Kenai	Home Rule City	7,167	Yes	8.860
Kenai Peninsula Borough	Second Class Borough	57,212	Yes	4.500
Ketchikan	Home Rule City	8,314	Yes	11.700
Ketchikan Gateway Borough	Second Class Borough	13,825	Yes	5.000
Kiana	Second Class City	403	No	None
King Cove	First Class City	905	No	None
Kivalina	Second Class City	411	No	None
Klawock	First Class City	802	No	None
Kobuk	Second Class City	152	No	None
Kodiak	Home Rule City	6,329	Yes	12.750
Kodiak Island Borough	Second Class Borough	13,797	Yes	10.750
Kotlik	Second Class City	653	No	None
Kotzebue	Second Class City	3,153	No	None
Koyuk	Second Class City	321	No	None
Koyukuk	Second Class City	92	No	None
Kupreanof	Second Class City	25	No *	4.000
Kwethluk	Second Class City	800	No	None
Lake & Peninsula Borough	Non-Unified Home Rule Borough	1,672	No	None
Larsen Bay	Second Class City	71	No *	10.750
Lower Kalskag	Second Class City	281	No	None
Manokotak	Second Class City	500	No	None
Marshall	Second Class City	444	No	None
Matanuska-Susitna Borough	Second Class Borough	98,063	Yes	9.984
McGrath	Second Class City	315	No	None
Mekoryuk	Second Class City	210	No	None
Metlakatla	Federal Law	1,480	No	None
Mountain Village	Second Class City	857	No	None
Napakiak	Second Class City	387	No	None
Napaskiak	Second Class City	451	No	None
Nenana	Home Rule City	396	Yes	12.000
New Stuyahok	Second Class City	499	No	None
Newhalen	Second Class City	207	No	None
Nightmute	Second Class City	274	No	None
Nikolai	Second Class City	83	No	None
Nome	First Class City	3,721	Yes	11.000

36 Municipalities (cities & boroughs) levy a property tax; the cities of Eagle and Wasilla have a property tax but don't actually levy the tax and are not counted here.

15 Boroughs & 12 cities within boroughs, levy a property tax

9 Cities in the Unorganized Borough levy a property tax

<sup>(1)</sup>DCCED 2014 Certified Municipal Populations for FY16 Programs

\*Indicates that city does not levy property tax, but borough in which city is located does.

## Part 2 - Municipal Class Tax Types, Rates and Revenues

**Table 1**  
**2015 Municipalities: Class, Populations and Property Taxes**

Municipality	Type of Municipality	Population <sup>(1)</sup>	Property Tax	Mills
Nondalton	Second Class City	164	No	None
Noorvik	Second Class City	639	No	None
North Pole	Home Rule City	2,198	Yes	16.449
North Slope Borough	Non-Unified Home Rule Borough	10,249	Yes	18.500
Northwest Arctic Borough	Non-Unified Home Rule Borough	7,774	No	None
Nuiqsut	Second Class City	449	No *	18.500
Nulato	Second Class City	246	No	None
Nunam Iqua (Sheldon Point)	Second Class City	210	No	None
Nunapitchuk	Second Class City	563	No	None
Old Harbor	Second Class City	213	No *	10.750
Ouzinkie	Second Class City	171	No *	10.750
Palmer	Home Rule City	6,053	Yes	12.984
Pelican	First Class City	93	Yes	7.000
Petersburg Borough	Non-Unified Home Rule Borough	3,209	Yes	11.180
Pilot Point	Second Class City	78	No	None
Pilot Station	Second Class City	634	No	None
Platinum	Second Class City	60	No	None
Point Hope	Second Class City	697	No *	18.500
Port Alexander	Second Class City	45	No	None
Port Heiden	Second Class City	114	No	None
Port Lions	Second Class City	176	No *	10.750
Quinhagak	Second Class City	724	No	None
Ruby	Second Class City	186	No	None
Russian Mission	Second Class City	325	No	None
Saint George	Second Class City	92	No	None
Saint Mary's	First Class City	550	No	None
Saint Michael	Second Class City	418	No	None
Saint Paul	Second Class City	436	No	None
Sand Point	First Class City	946	No	None
Savoonga	Second Class City	718	No	None
Saxman	Second Class City	419	No *	5.000
Scammon Bay	Second Class City	528	No	None
Selawik	Second Class City	876	No	None
Seldovia	First Class City	233	Yes	9.850
Seward	Home Rule City	2,768	Yes	8.370
Shageluk	Second Class City	79	No	None
Shaktolik	Second Class City	282	No	None
Shishmaref	Second Class City	607	No	None
Shungnak	Second Class City	308	No	None
Sitka, City & Borough of	Unified Home Rule Borough	9,061	Yes	6.000
Skagway, Municipality of	First Class Borough	1,031	Yes	7.000
Soldotna	First Class City	4,311	Yes	7.660
Stebbins	Second Class City	608	No	None
Tanana	First Class City	229	No	None
Teller	Second Class City	256	No	None
Tenakee Springs	Second Class City	128	No	None
Thorne Bay	Second Class City	530	No	None
Togiak	Second Class City	876	No	None
Toksook Bay	Second Class City	623	No	None
Unalakleet	Second Class City	744	No	None
Unalaska	First Class City	4,689	Yes	10.500
Upper Kalskag	Second Class City	231	No	None

36 Municipalities (cities & boroughs) levy a property tax; the cities of Eagle and Wasilla have a property tax but don't actually levy the tax and are not counted here.

15 Boroughs & 12 cities within boroughs, levy a property tax

9 Cities in the Unorganized Borough levy a property tax

<sup>(1)</sup>DCCED 2014 Certified Municipal Populations for FY16 Programs

\*Indicates that city does not levy property tax, but borough in which city is located does.

## Part 2 - Municipal Class Tax Types, Rates and Revenues

**Table 1**  
**2015 Municipalities: Class, Populations and Property Taxes**

Municipality	Type of Municipality	Population <sup>(1)</sup>	Property Tax	Mills
Valdez	Home Rule City	4,032	Yes	20.000
Wainwright	Second Class City	550	No *	18.500
Wales	Second Class City	146	No	None
Wasilla	First Class City	8,275	Yes *	9.984
White Mountain	Second Class City	203	No	None
Whittier	Second Class City	234	Yes	8.000
Wrangell, City & Borough of	Unified Home Rule Borough	2,406	Yes	12.750
Yakutat, City & Borough of	Non-Unified Home Rule Borough	631	Yes	8.000

36 Municipalities (cities & boroughs) levy a property tax; the cities of Eagle and Wasilla have a property tax but don't actually levy the tax and are not counted here.

15 Boroughs & 12 cities within boroughs, levy a property tax

9 Cities in the Unorganized Borough levy a property tax

<sup>(1)</sup>DCCED 2014 Certified Municipal Populations for FY16 Programs

\*Indicates that city does not levy property tax, but borough in which city is located does.

<b>Community Name</b>	<b>Incorporation Type</b>
Adak	2nd Class City
Akiak	2nd Class City
Alakanuk	2nd Class City
Aleknagik	2nd Class City
Allakaket	2nd Class City
Angoon	2nd Class City
Aniak	2nd Class City
Anvik	2nd Class City
Atka	2nd Class City
Bethel	2nd Class City
Bettles	2nd Class City
Brevig Mission	2nd Class City
Chefornak	2nd Class City
Chevak	2nd Class City
Chuathbaluk	2nd Class City
Clark's Point	2nd Class City
Coffman Cove	2nd Class City
Cordova	Home Rule City
Craig	1st Class City
Delta Junction	2nd Class City
Dillingham	1st Class City
Diomedes	2nd Class City
Eagle	2nd Class City
Edna Bay	2nd Class City
Eek	2nd Class City
Ekwok	2nd Class City
Elim	2nd Class City
Emmonak	2nd Class City
Fort Yukon	2nd Class City
Galena	1st Class City
Gambell	2nd Class City
Golovin	2nd Class City
Goodnews Bay	2nd Class City
Grayling	2nd Class City
Gustavus	2nd Class City
Holy Cross	2nd Class City
Hoonah	1st Class City
Hooper Bay	2nd Class City
Hughes	2nd Class City
Huslia	2nd Class City
Hydaburg	1st Class City
Kake	1st Class City
Kaltag	2nd Class City
Kasaan	2nd Class City
Klawock	1st Class City
Kotlik	2nd Class City
Koyuk	2nd Class City
Koyukuk	2nd Class City

Kwethluk	2nd Class City
Lower Kalskag	2nd Class City
Manokotak	2nd Class City
Marshall	2nd Class City
McGrath	2nd Class City
Mekoryuk	2nd Class City
Mountain Village	2nd Class City
Napakiak	2nd Class City
Napaskiak	2nd Class City
Nenana	Home Rule City
New Stuyahok	2nd Class City
Nightmute	2nd Class City
Nikolai	2nd Class City
Nome	1st Class City
Nulato	2nd Class City
Nunam Iqua	2nd Class City
Nunapitchuk	2nd Class City
Pelican	1st Class City
Pilot Station	2nd Class City
Platinum	2nd Class City
Port Alexander	2nd Class City
Quinhagak	2nd Class City
Ruby	2nd Class City
Russian Mission	2nd Class City
Saint George	2nd Class City
Saint Mary's	1st Class City
Saint Michael	2nd Class City
Saint Paul	2nd Class City
Savoonga	2nd Class City
Scammon Bay	2nd Class City
Shageluk	2nd Class City
Shaktoolik	2nd Class City
Shishmaref	2nd Class City
Stebbins	2nd Class City
Tanana	1st Class City
Teller	2nd Class City
Tenakee Springs	2nd Class City
Thorne Bay	2nd Class City
Togiak	2nd Class City
Toksook Bay	2nd Class City
Unalakleet	2nd Class City
Unalaska	1st Class City
Upper Kalskag	2nd Class City
Valdez	Home Rule City
Wales	2nd Class City
White Mountain	2nd Class City
Whittier	2nd Class City

# Fiscal Note

State of Alaska  
2016 Legislative Session

Bill Version: HB 75  
Fiscal Note Number: \_\_\_\_\_  
( ) Publish Date: \_\_\_\_\_

Identifier: HB075CS(CRA)-DCCED-AMCO-02-20-15  
Title: MARIJUANA REG;CLUBS;MUNIS;LOCAL OPT  
ELECT  
Sponsor: COMMUNITY & REGIONAL AFFAIRS  
Requester: (S) Rules

Department: Department of Commerce, Community and  
Economic Development  
Appropriation: Alcohol and Marijuana Control Office  
Allocation: Alcohol and Marijuana Control Office  
OMB Component Number: 3119

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2017	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2017 Request	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
<b>OPERATING EXPENDITURES</b>	<b>FY 2017</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Fund Source (Operating Only)**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Positions**

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>							
---------------------------	--	--	--	--	--	--	--

**Estimated SUPPLEMENTAL (FY2016) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2017) cost:** 0.0 *(separate capital appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**  
If yes, by what date are the regulations to be adopted, amended or repealed? **11/01/17**

**Why this fiscal note differs from previous version:**

Regulations were adopted by the Marijuana Control Board on 11/20/15 and become effective 02/21/16. This bill would require conforming changes to those regulations.

Prepared By:	Cynthia Franklin, Director	Phone:	(907)269-0351
Division:	Alcohol and Marijuana Control Office	Date:	01/29/2016 06:07 PM
Approved By:	Catherine Reardon, Director	Date:	01/29/16
Agency:	Division of Administrative Services, DCCED		

FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2016 LEGISLATIVE SESSION

BILL NO. CSHB 75(CRA)

**Analysis**

HB75 amends AS 17.38 to refer to municipalities instead of local governments, and adds requirements for municipalities that have not already taken action related to the regulation of marijuana, to establish advisory boards. The bill also requires municipalities to designate a local regulatory authority that is responsible for processing applications submitted for registration to operate a marijuana establishment. The bill will require conforming changes to be made to the nine articles of marijuana regulations adopted by the Marijuana Control Board on 11/20/15 and which are set to take effect on 02/21/16.

There is no anticipated fiscal impact to the Alcoholic Beverage Control Board from this bill.