

LEG. FINANCE - BILLS

HB 70 cont., thru HB 72

1977

-

1978

655

1 taxation, the entitlement shall be calculated for areawide services and
2 for each area separately and totaled to reach the entitlement of the
3 municipality. Revenue sharing money for which the entitlement is based
4 upon areawide services may be used for areawide purposes only, and
5 revenue sharing money for which the entitlement is based upon service
6 area services may be used for that service area only.

7 Sec. 43.17.040. HEALTH FACILITIES AND HOSPITALS. (a) During each
8 fiscal year the state shall make payments as follows:

9 (1) \$2 per capita to a municipality which has the power to
10 provide health facilities and services and in which a hospital is
11 located;

12 (2) in addition to the payment made under (1) of this sub-
13 section

14 (A) the state shall make payments to a municipality
15 which has the power to provide hospital facilities and services
16 and which exercises the power on the basis of \$1,000 per bed for
17 each bed actually used for patient care limited to the number of
18 beds provided for in the construction design of the hospital, or
19 \$75,000 a hospital for those hospitals with 10 or more beds, or
20 \$25,000 a hospital for those hospitals with less than 10 beds, as
21 the municipality may elect; funds received under this subparagraph
22 may be used only for hospitals and shall be apportioned among
23 qualifying hospitals as the municipality determines;

24 (B) the state shall make payments on the basis set out
25 in (A) of this paragraph to a municipality for nonprofit hospitals
26 not operated by a municipality if the municipality first certifies
27 to the department that the hospital is in compliance with all
28 standards for hospitals which have been adopted by the municipality;
29 in the absence of this certification the funds which would have

1 gone to the hospital lapse into the state general fund; payments
2 to the municipality shall be transferred to the hospital in accord
3 with the basis by which the entitlement was generated by the
4 hospital and shall be applied to the annual cost of operation and
5 maintenance of the hospital or for the provision of health care
6 service at the hospital as the directors of the hospital determine;

7 (C) a hospital may not receive payment under both (A)
8 and (B) of this paragraph;

9 (3) \$1,000 per bed to an organized borough or city outside
10 an organized borough in which a health facility is operated for each
11 bed actually used for patient care, limited to the number of beds pro-
12 vided for in the construction design of the health facility, or \$4,000
13 per health facility as the local government may determine;

14 (4) funds received by a municipality under (1) or (3) of
15 this subsection shall be used for expenses of health services or opera-
16 tion and maintenance of facilities as the municipality determines.

17 (b) If construction of a hospital or health facility began before
18 January 1, 1976, and state matching aid for construction approved under
19 AS 18 for payment to a municipality or other facility sponsor consti-
20 tutes less than 25 per cent of the total project cost, the state shall
21 pay to the municipality or other facility sponsor each fiscal year a sum
22 equal to \$2,500 a bed for the maximum number of beds provided for in
23 the construction design of the facility. State aid provided for in this
24 subsection shall continue until the municipality or other facility
25 sponsor has received an amount which, combined with state matching money
26 for construction of the facility approved under AS 18, equals 25 per
27 cent of the total project cost. No funds received for construction
28 shall be used for any other purpose.

29 (c) In this section

1 (1) "hospital" means a licensed hospital determined by the
2 Department of Health and Social Services to be a general hospital; the
3 term excludes facilities operated or wholly supported by the state or
4 the federal government;

5 (2) "health facility" means public health centers, maternity
6 homes and community mental health centers, facilities for the mentally
7 or physically handicapped, nursing homes and convalescent centers which
8 are licensed, when required, by the state under AS 18.20.010 - 18.20.130
9 and are owned or operated or both by a local government or by a non-
10 profit corporation or other nonprofit sponsor; the term excludes facili-
11 ties operated or wholly supported by the state or the federal government.

12 Sec. 43.17.050. VOLUNTEER FIRE DEPARTMENTS OUTSIDE MUNICIPALITIES.
13 The state shall pay to a volunteer fire department registered with the
14 state fire marshal and serving an area not in an organized borough or a
15 city a sum for protection purposes equal to \$7.50 per capita for the
16 population served by the department, as determined by the state fire
17 marshal using the latest figures of the United States Bureau of the
18 Census or other reliable data. Grants shall be made on the same basis
19 to facilitate the organization of volunteer fire departments in an area
20 not in an organized borough or a city, upon application of the proposed
21 fire protection group to the department and approval of applications
22 according to standards of organization and service prescribed by regu-
23 lations promulgated by the department.

24 Sec. 43.17.060. AREA COST-OF-LIVING DIFFERENTIAL. (a) State
25 payments to a municipality or to a hospital or volunteer fire department
26 located outside a municipality under this chapter shall reflect area
27 cost-of-living differential. Amounts distributed shall be based upon
28 the sum of the grants due each municipality or each hospital or volun-
29 teer fire department located outside a municipality multiplied by the

1 appropriate area cost-of-living differential. The area cost-of-living
2 differential for each municipality or each hospital or volunteer fire
3 department located outside a municipality shall be determined annually
4 by election district under the provisions of AS 39.27.030; however, the
5 area cost-of-living differential to be applied shall not result in an
6 amount to be distributed less than the base allocation.

7 (b) The election districts used in (a) of this section are those
8 designated by the proclamation of reapportionment and redistricting of
9 December 7, 1961, and retained for the house of representatives by
10 proclamation of the governor September 3, 1965.

11 Sec. 43.17.070. FINANCIAL REPORTS. No final payment may be
12 distributed to a municipality under this chapter unless the municipality
13 has first submitted a financial report to the department for each of the
14 two fiscal years immediately preceding the fiscal year in which funds
15 are to be distributed and a budget for the municipality's fiscal year in
16 which funds are to be distributed. The department may, by regulation,
17 prescribe procedures and filing dates for submitting financial reports
18 and for obtaining all information required to determine the munici-
19 pality's tax effort.

20 Sec. 43.17.080. POPULATION DETERMINATION. For purposes of this
21 chapter, population shall be determined by the latest figures of the
22 United States Bureau of the Census, Department of Labor estimates or
23 other population data which, in the judgment of the department, is
24 reliable. However, a municipality may not receive state shared revenue
25 based on the population residing on that portion of a military reser-
26 vation annexed to a city or borough after January 1, 1973, except as
27 provided in this section. If a military reservation is located within a
28 city or borough, the city or borough is limited in its entitlement to
29 state shared revenue, based on the population residing on the reserva-

1 tion, as follows: 50 per cent of the amount paid per capita for police
2 protection under this chapter; 25 per cent of the amount paid per capita
3 for parks and recreation under this chapter; 50 per cent of the amount
4 paid per capita for mass transit under this chapter; 50 per cent of the
5 amount paid per capita for water pollution under this chapter; and 50
6 per cent of the amount paid per capita for air pollution under this
7 chapter.

8 Sec. 43.17.090. ADDITIONAL LIMIT. In addition to the limitations
9 on expenditure of funds contained in sec. 40 of this chapter:

10 (1) if a borough exercises the powers in sec. 30(a)(1) of
11 this chapter in the borough area outside cities only, or in a service
12 area only, the grants authorized under this section shall be based on
13 the population of the borough area outside cities or the service area
14 respectively;

15 (2) if a city within an organized borough provides police
16 protection services, the borough may not qualify for aid under sec.
17 30(a)(1)(A) of this chapter unless

18 (A) police protection services are provided in the
19 borough area outside cities, or if limited to a service area, in
20 the service area, through borough contract with a city or with the
21 state or

22 (B) the borough assumes and exercises power to provide
23 police protection services on an areawide basis in the manner
24 provided by law.

25 Sec. 43.17.100. ROAD MAINTENANCE. During each fiscal year the
26 state shall pay to a city or organized borough of any class which has
27 power to provide for road maintenance and exercises the power a sum
28 equal to \$1,500 a mile for each mile of road, street or highway main-
29 tained by the local government, excluding the official state highway

1 system, roads, streets, or highways not dedicated to public use, any
2 roads, streets or highways maintained under the local service road pro-
3 gram (AS 19.30.111 - 19.30.251), and alleyways, in accordance with regu-
4 lations adopted by the Department of Highways. No payments may be made
5 for maintenance of roads not used by automotive equipment. Frozen
6 waterways and connections from inhabited areas to the waterways which
7 may be safely used for public transportation by automotive equipment and
8 are so used during a portion of a year are eligible for payments of \$900
9 per mile if the waterways and connections are maintained during the
0 period of use by a municipality or combination of municipalities. The
1 Department of Community and Regional Affairs, after consultation with
2 the Department of Highways, shall determine which waterways and connec-
3 tions qualify and, where the waterways or connections lie outside the
4 corporate limits of a municipality, which municipality is eligible for
5 the shared revenue unless the municipalities involved have agreed in
6 writing to a particular distribution.

7 Sec. 43.17.110. REGULATIONS. The department shall adopt regula-
8 tions necessary to carry out the purposes of this chapter. The regula-
9 tions shall include minimum standards of service required to qualify a
0 municipality for service unit credit for each service and provisions for
1 a performance report adequate to demonstrate to the department that each
2 service for which credit was allowed was actually performed by the
3 municipality at least at the prescribed minimum level.

4 Sec. 43.17.120. EXPENDITURE OF FUNDS. Funds received by a munici-
5 pality under this chapter may be expended for any public purpose for
6 which the municipality has power to expend funds except as provided in
7 sec. 40 of this chapter.

8 Sec. 43.17.130. UNIFICATION, MERGER OR CONSOLIDATION OF MUNICI-
9 PALITIES. If a borough and the cities within the borough merge,

1 consolidate or unify in accordance with AS 29.68, the amount of revenue
2 sharing to which the successor municipality is entitled shall be com-
3 puted for the first year and each year thereafter as if the merger,
4 consolidation or unification had not occurred, and the successor muni-
5 cipality shall receive not less than the amount so computed.

6 Sec. 43.17.140. DEFINITIONS. In this chapter

7 (1) "department" means the Department of Community and
8 Regional Affairs;

9 (2) "municipality" for revenue sharing purposes means a city,
10 borough or unified municipality incorporated under the laws of the State
11 of Alaska except a second class city incorporated after the effective
12 date of this Act and lying within an organized borough.

13 * Sec. 2. AS 43.18.010 - 43.18.045 are repealed.

14 * Sec. 3. Other provisions of this Act notwithstanding, a municipality
15 which would receive less money under the provisions of this Act than it was
16 entitled to receive in fiscal year 1976 under the provisions of AS 43.18
17 repealed by this Act shall continue to receive an amount equal to that
18 authorized for fiscal year 1976 under the former provisions of AS 43.18, in
19 accordance with those provisions.

20 * Sec. 4. AS 43.70.010 is repealed.

21 * Sec. 5. AS 43.70.030(a) is amended to read:

22 (a) The license fee for each business is \$25 [PLUS A SUM EQUAL
23 TO ONE-HALF OF ONE PER CENT OF THE GROSS RECEIPTS IN EXCESS OF \$20,000
24 FROM THE BUSINESS DURING THE YEAR FOR WHICH THE LICENSE IS ISSUED,
25 EXCEPT THAT ALL GROSS VOLUME IN EXCESS OF \$100,000 A YEAR IS TAXED AT
26 THE RATE OF ONE-QUARTER OF ONE PER CENT. THE ANNUAL LICENSE FEE PAID BY
27 A PROFESSIONAL PERSON TO HIS PROFESSIONAL BOARD SHALL BE CREDITED
28 AGAINST THE INITIAL FEE REQUIRED UNDER THIS CHAPTER].

29 * Sec. 6. AS 43.70.030(c) is amended to read:

1 (c) The license for the privilege of taking orders through use of
2 catalogs and by mail order offices in the state is the same as set out
3 in this chapter for business generally [AND GROSS VOLUME OF BUSINESS OF
4 THOSE OFFICES INCLUDES ALL ORDERS TAKEN AT THEM WHETHER DELIVERY OF THE
5 MERCHANDISE IS MADE THROUGH THE OFFICES OR NOT].

6 * Sec. 7. AS 43.70.030(d) is amended to read:

7 (d) The initial fee of \$25 applies to all of the provisions of
8 this section, and shall accompany the application. The balance under
9 sec. 30(b) of this chapter is due and payable on December 31st of each
10 year and shall be paid before the first day of March following, except
11 that the department may extend the time until the 30th of the following
12 April upon application showing that the extension is necessary to enable
13 the applicant to ascertain the amount of license money due. To enable
14 accurate determination of the balance of the tax due at the end of each
15 year, each person to whom this chapter applies shall keep records, give
16 statements under oath, and make returns which the department requires.
17 Returns are made under penalty of perjury.

18 * Sec. 8. AS 43.70.040 is amended to read:

19 Sec. 43.70.040. REVIEW AND DETERMINATION OF LICENSE TAX. As soon
20 as practicable after the final payment of the tax under sec. 30(b) of
21 this chapter, the department shall examine the return and determine the
22 correct amount of the tax and, if an error is found, shall notify the
23 taxpayer of the error and examine the taxpayer's records as authorized
24 in AS 43.05.040, and take other proper steps to determine the amount
25 due.

26 * Sec. 9. AS 43.70.110(2) is repealed.

27 * Sec. 10. AS 43.17 is amended by adding a new section to read:

28 Sec. 43.17.140. ADDITIONAL GRANTS TO REPLACE LOST REVENUE. In
29 addition to all other revenue sharing with municipalities, a municipi-

1 pality is entitled to and shall receive each year an amount equal to the
2 amount of money it was entitled to receive under AS 43.70.080 for the
3 year 1978.

4 * Sec. 11. Sections 1, 2, 3 and 4 of this Act take effect July 1, 1977.
5 Sections 5, 6, 7, 8, 9, and 10 of this Act take effect January 1, 1980.
6



Alaska State Legislature

HOUSE COMMUNITY and REGIONAL AFFAIRS COMMITTEE

w/Comm copy

Lisa Rudd, Chair

Pouch V, State Capitol
Juneau, Alaska 99811
(907) 465-3870

February 15, 1977

In passing HB 70 out of the Community and Regional Affairs Committee it is the intent of the committee that the revenue sharing program be funded at 100% of municipal entitlements under the bill for FY 1978.

Lisa Rudd

Lisa Rudd
Chair, Community &
Regional Affairs Committee

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. House Bill No. 70 (1 of 4 parts)
 Title Municipal Revenue Sharing and the Alaska Business License Act
 Requested by House Finance Date 2/9/77

II. FISCAL DETAIL
 Agency Affected Community and Regional Affairs
 Program Category Affected Local Government Assistance
 Budget Request Unit(s) Affected Municipal Services Revenue Sharing Program

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		8,579.8				
TOTAL		8,579.8				

FUNDING (Thousands of Dollars)

GENERAL FUND		8,579.8				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Based on the following assumptions, the total cost required to fund the grant portion of House Bill No. 70 is estimated to be \$26,154.4.

1. All eligible volunteer fire departments and municipalities will properly apply for funds.
2. No funds are budgeted for assumption of power to exercise additional services provided for under the basic grants section.
3. No fiscal analysis of secs. 5 through 11 relating Alaska Business License Act since effective date is January 1, 1980 - Fiscal Note for these sections should be provided by the Department of Revenue.

IV. DATE 2/9/77 PREPARED BY *W. M. Hutchins*
 AGENCY Department of Community and Regional Affairs
 PHONE 465-4707
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 70 (2 of 4 parts) Act Relating to
 Title Municipal Revenue Sharing & Alaska Business License Act
 Requested by House Community & Regional Affairs Comm. Date January 20, 1977

II. FISCAL DETAIL
 Agency Affected Revenue
 Program Category Affected General Government
 Budget Request Unit(s) Affected Administration & Support

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

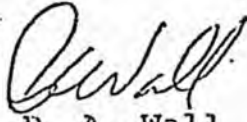
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

No additional cost is associated with this Act.

IV. DATE January 30, 1977 PREPARED BY  P. A. Wall
 AGENCY Revenue
 PHONE 465-2313
 Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 70 (3 of 4 parts) Act Relating to
 Title Municipal Revenue Sharing and the Alaska Business License Act
 Requested by House Community & Regional Affairs Comm. Date January 20, 1977

II. FISCAL DETAIL
 Agency Affected _____ Revenue
 Program Category Affected Community Development
 Budget Request Unit(s) Affected Shared Taxes

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	10,000.0	8,500.0	8,200.0	8,500.0	8,500.0	8,500.0
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND	10,000.0	8,500.0	8,200.0	8,500.0	8,500.0	8,500.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
 * DONE IN (H) C+RA COMMITTEE
 The effective date of July 1, 1977 for Section 4 should be changed to January 1, 1980 as Section 4 relates to Sections 5-10.

If the effective date of January 1, 1980 is realized, Gross Receipts revenues will not continue after 12/31/79. The continued revenue sharing provision of this act will require an additional authorization of \$4,250,000 from the General Fund for FY 80 and \$8,500,000 each FY thereafter. The Tax on Banks (\$1,800,000 in 1975) will continue to be shared under the Act.

\$9,000,000 of Annual Gross Receipts income to the General Fund (income not shared) will be eliminated.

IV. DATE January 30, 1977 PREPARED BY P. A. Wall
 AGENCY Revenue
 PHONE 465-2313
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 70 (4 of 4 parts) Act Relating to Municipal
Title Revenue Sharing and the Alaska Business License Act.
Requested by House Community & Regional Affairs Committee Date January 20, 1977

II. FISCAL DETAIL

Agency Affected Revenue
Program Category Affected General Government
Budget Request Unit(s) Affected Audit

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

* Done id (H) C+RA Committee
The effective date of July 1, 1977 for Section 4 should be changed to January 1, 1980 as Section 4 relates to Sections 5-10. The Statute reference on page 10, lines 27 & 28 should be AS 43.18.090. Recommend that on page 10, line 9, after the word "payable" that the remainder of the sentence be deleted and the following inserted, "at the same time and under the same conditions as the federal tax."

A cost decrease will occur when the total Gross Receipts tax impact ends. This will not occur for at least a year after the tax is abolished as final returns must be received, audited and shared. Decrease will consist of 1 position, forms and postage costs.

IV. DATE January 30, 1977 PREPARED BY P. A. Wall
AGENCY Revenue
PHONE 465-2313
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

ALASKA STATE LEGISLATURE

TENTH Legislature FIRST Session

HOUSE BILL NO. 70

By THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

"An Act relating to municipal revenue sharing, and the Alaska Business License Act; and providing for an effective date."

Ak. Bus. Lic. Act- rev. sharing

Introduced in the House 1-19-77, 1977

HISTORY IN THE HOUSE

19 77		Read first time and referred to Committee on CSRA and Finance										
Jan. 19		Reported back with recommendation that										
		Read second time and										
		Read third time and										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reconsideration										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by Speaker										
		Sent to Senate										
CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19		Read first time and referred to Committee on										
		Reported back with recommendation that										
		Read second time and										
		Read third time and										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reconsideration										
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused
PASS	Effective Date											
Yeas	Yeas											
Nays	Nays											
Absent	Absent											
Excused	Excused											
		Reported correctly engrossed										
		Signed by President										
		Returned to House										
SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19		Received from Senate
		Concurred in Senate amendment thus adopting:
		Failed to concur in Senate amendment; asked Sen. to recede
		Senate receded from amendment
		Senate failed to recede from amendment
		FCC appointed by House
		FCC appointed by Senate
		FCC adopted
		To enrolling
		Reported correctly enrolled
		Sent to Governor
	 by Governor
		Filed with Lt. Governor
		Chapter No.

Master File only

April 18, 1977

MEMO

To: Steve Cowper, Chairman
House Finance Committee

From: Terry Gardiner *T.G.*

Re: HB 70 Municipal revenue sharing

It has been brought to my attention by Bill Verwolf, Borough Manager of Ketchikan Gateway Borough, that there is some problem with the definition of "mass transit" in HB 70. It is our feeling that the ferry system should be included under the definition of mass transit. This is for the municipal run ferry system that provides the connecting link from the Ketchikan airport to Ketchikan. If HB 70 comes before the Finance Committee, could you please review this definition to make sure it includes the ferry system.

c.c. Oral Freeman

Introduced: 1/19/77
Referred: Community & Regional
Affairs and Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 HOUSE BILL NO. 70

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal revenue sharing, and the
7 Alaska Business License Act; and providing for an
8 effective date."

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

10 * Section 1. AS 43 is amended by adding a new chapter to read:

11 CHAPTER 17. MUNICIPAL REVENUE SHARING.

12 Sec. 43.17.010. CONSTRUCTION AND IMPLEMENTATION OF CHAPTER. (a)

13 This chapter may not be construed so as to create a debt of the state.

14 (b) The special municipal services account is established. Funds
15 to carry out the provisions of this chapter may be appropriated annually
16 by the legislature to the account. If amounts in the account are
17 insufficient for the purpose of each local government's or other re-
18 cipient's share authorized under this chapter, such funds as are avail-
19 able shall be distributed pro rata among eligible local governments
20 and other recipients.

21 (c) Money in the special municipal services account which, at the
22 end of the fiscal year for which the money is appropriated, exceeds the
23 amount required for the allocations authorized in this chapter reverts
24 to the general fund.

25 Sec. 43.17.020. MINIMUM GRANTS TO MUNICIPALITIES. (a) A munici-
26 pality proposing to provide administrative services or a service pro-
27 vided for in sec. 30(a)(1) of this chapter may, in lieu of obtaining
28 revenue sharing money as provided in this chapter, obtain instead a
29 minimum grant of \$25,000.

1 (b) The department shall issue regulations regarding procedures
2 and time limits for making an election under this section.

3 Sec. 43.17.030. BASIC GRANTS TO MUNICIPALITIES. (a) If a munici-
4 pality elects not to receive the grant provided for under sec. 20 of
5 this chapter, the amount of revenue sharing for which it is eligible
6 shall be calculated: as a result of B X P where

7 (1) B is the base revenue sharing amount of \$1 times the
8 service units for each service performed by the municipality established
9 as follows:

10 (A) police protection	12 units
11 (B) fire protection	7.5 units
12 (C) water pollution control	2 units
13 (D) land use planning	2 units
14 (E) parks and recreation	5 units
15 (F) small boat harbor or port	5 units
16 (G) mass transit	5 units
17 (H) airport	5 units
18 (I) solid waste disposal	2 units
19 (J) ambulance	2 units
20 (K) air pollution	2 units

21 (2) P is the population of the municipality rounded up to the
22 nearest 100.

23 (b) If a municipality provides one or more of the services in
24 (a)(1) of this section under contract to a defined area outside the
25 boundaries of the municipality, the revenue sharing amc for those
26 services shall be increased by the service units for tha rvice or
27 services times the population of the area served rounded up to the
28 nearest 100.

29 (c) If a municipality contains areas having differential rates of

1 taxation, the entitlement shall be calculated for areawide services and
2 for each area separately and totaled to reach the entitlement of the
3 municipality. Revenue sharing money for which the entitlement is based
4 upon areawide services may be used for areawide purposes only, and
5 revenue sharing money for which the entitlement is based upon service
6 area services may be used for that service area only.

7 Sec. 43.17.040. HEALTH FACILITIES AND HOSPITALS. (a) During each
8 fiscal year the state shall make payments as follows:

9 (1) \$2 per capita to a municipality which has the power to
10 provide health facilities and services and in which a hospital is
11 located;

12 (2) in addition to the payment made under (1) of this sub-
13 section

14 (A) the state shall make payments to a municipality
15 which has the power to provide hospital facilities and services
16 and which exercises the power on the basis of \$1,000 per bed for
17 each bed actually used for patient care limited to the number of
18 beds provided for in the construction design of the hospital, or
19 \$75,000 a hospital for those hospitals with 10 or more beds, or
20 \$25,000 a hospital for those hospitals with less than 10 beds, as
21 the municipality may elect; funds received under this subparagraph
22 may be used only for hospitals and shall be apportioned among
23 qualifying hospitals as the municipality determines;

24 (B) the state shall make payments on the basis set out
25 in (A) of this paragraph to a municipality for nonprofit hospitals
26 not operated by a municipality if the municipality first certifies
27 to the department that the hospital is in compliance with all
28 standards for hospitals which have been adopted by the municipality
29 in the absence of this certification the funds which would have

1 gone to the hospital lapse into the state general fund; payments
2 to the municipality shall be transferred to the hospital in accord
3 with the basis by which the entitlement was generated by the
4 hospital and shall be applied to the annual cost of operation and
5 maintenance of the hospital or for the provision of health care
6 service at the hospital as the directors of the hospital determine;

7 (C) a hospital may not receive payment under both (A)
8 and (B) of this paragraph;

9 (3) \$1,000 per bed to an organized borough or city outside
10 an organized borough in which a health facility is operated for each
11 bed actually used for patient care, limited to the number of beds pro-
12 vided for in the construction design of the health facility, or \$4,000
13 per health facility as the local government may determine;

14 (4) funds received by a municipality under (1) or (3) of
15 this subsection shall be used for expenses of health services or opera-
16 tion and maintenance of facilities as the municipality determines.

17 (b) If construction of a hospital or health facility began before
18 January 1, 1976, and state matching aid for construction approved under
19 AS 18 for payment to a municipality or other facility sponsor consti-
20 tutes less than 25 per cent of the total project cost, the state shall
21 pay to the municipality or other facility sponsor each fiscal year a sum
22 equal to \$2,500 a bed for the maximum number of beds provided for in
23 the construction design of the facility. State aid provided for in this
24 subsection shall continue until the municipality or other facility
25 sponsor has received an amount which, combined with state matching money
26 for construction of the facility approved under AS 18, equals 25 per
27 cent of the total project cost. No funds received for construction
28 shall be used for any other purpose.

29 (c) In this section

1 (1) "hospital" means a licensed hospital determined by the
2 Department of Health and Social Services to be a general hospital; the
3 term excludes facilities operated or wholly supported by the state or
4 the federal government;

5 (2) "health facility" means public health centers, maternity
6 homes and community mental health centers, facilities for the mentally
7 or physically handicapped, nursing homes and convalescent centers which
8 are licensed, when required, by the state under AS 18.20.010 - 18.20.130
9 and are owned or operated or both by a local government or by a non-
10 profit corporation or other nonprofit sponsor; the term excludes facili-
11 ties operated or wholly supported by the state or the federal government.

12 Sec. 43.17.050. VOLUNTEER FIRE DEPARTMENTS OUTSIDE MUNICIPALITIES.
13 The state shall pay to a volunteer fire department registered with the
14 state fire marshal and serving an area not in an organized borough or a
15 city a sum for protection purposes equal to \$7.50 per capita for the
16 population served by the department, as determined by the state fire
17 marshal using the latest figures of the United States Bureau of the
18 Census or other reliable data. Grants shall be made on the same basis
19 to facilitate the organization of volunteer fire departments in an area
20 not in an organized borough or a city, upon application of the proposed
21 fire protection group to the department and approval of applications
22 according to standards of organization and service prescribed by regu-
23 lations promulgated by the department.

24 Sec. 43.17.060. AREA COST-OF-LIVING DIFFERENTIAL. (a) State
25 payments to a municipality or to a hospital or volunteer fire department
26 located outside a municipality under this chapter shall reflect area
27 cost-of-living differential. Amounts distributed shall be based upon
28 the sum of the grants due each municipality or each hospital or volun-
29 teer fire department located outside a municipality multiplied by the

1 appropriate area cost-of-living differential. The area cost-of-living
2 differential for each municipality or each hospital or volunteer fire
3 department located outside a municipality shall be determined annually
4 by election district under the provisions of AS 39.27.030; however, the
5 area cost-of-living differential to be applied shall not result in an
6 amount to be distributed less than the base allocation.

7 (b) The election districts used in (a) of this section are those
8 designated by the proclamation of reapportionment and redistricting of
9 December 7, 1961, and retained for the house of representatives by
10 proclamation of the governor September 3, 1965.

11 Sec. 43.17.070. FINANCIAL REPORTS. No final payment may be
12 distributed to a municipality under this chapter unless the municipality
13 has first submitted a financial report to the department for each of the
14 two fiscal years immediately preceding the fiscal year in which funds
15 are to be distributed and a budget for the municipality's fiscal year in
16 which funds are to be distributed. The department may, by regulation,
17 prescribe procedures and filing dates for submitting financial reports
18 and for obtaining all information required to determine the munici-
19 pality's tax effort.

20 Sec. 43.17.080. POPULATION DETERMINATION. For purposes of this
21 chapter, population shall be determined by the latest figures of the
22 United States Bureau of the Census, Department of Labor estimates or
23 other population data which, in the judgment of the department, is
24 reliable. However, a municipality may not receive state shared revenue
25 based on the population residing on that portion of a military reser-
26 vation annexed to a city or borough after January 1, 1973, except as
27 provided in this section. If a military reservation is located within a
28 city or borough, the city or borough is limited in its entitlement to
29 state shared revenue, based on the population residing on the reserva-

1 tion, as follows: 50 per cent of the amount paid per capita for police
2 protection under this chapter; 25 per cent of the amount paid per capita
3 for parks and recreation under this chapter; 50 per cent of the amount
4 paid per capita for mass transit under this chapter; 50 per cent of the
5 amount paid per capita for water pollution under this chapter; and 50
6 per cent of the amount paid per capita for air pollution under this
7 chapter.

8 Sec. 43.17.090. ADDITIONAL LIMIT. In addition to the limitations
9 on expenditure of funds contained in sec. 40 of this chapter:

10 (1) if a borough exercises the powers in sec. 30(a)(1) of
11 this chapter in the borough area outside cities only, or in a service
12 area only, the grants authorized under this section shall be based on
13 the population of the borough area outside cities or the service area
14 respectively;

15 (2) if a city within an organized borough provides police
16 protection services, the borough may not qualify for aid under sec.
17 30(a)(1)(A) of this chapter unless

18 (A) police protection services are provided in the
19 borough area outside cities, or if limited to a service area, in
20 the service area, through borough contract with a city or with the
21 state or

22 (B) the borough assumes and exercises power to provide
23 police protection services on an areawide basis in the manner
24 provided by law.

25 Sec. 43.17.100. ROAD MAINTENANCE. During each fiscal year the
26 state shall pay to a city or organized borough of any class which has
27 power to provide for road maintenance and exercises the power a sum
28 equal to \$1,500 a mile for each mile of road, street or highway main-
29 tained by the local government, excluding the official state highway

1 system, roads, streets, or highways not dedicated to public use, any
2 roads, streets or highways maintained under the local service road pro-
3 gram (AS 19.30.111 - 19.30.251), and alleyways, in accordance with regu-
4 lations adopted by the Department of Highways. No payments may be made
5 for maintenance of roads not used by automotive equipment. Frozen
6 waterways and connections from inhabited areas to the waterways which
7 may be safely used for public transportation by automotive equipment and
8 are so used during a portion of a year are eligible for payments of \$900
9 per mile if the waterways and connections are maintained during the
10 period of use by a municipality or combination of municipalities. The
11 Department of Community and Regional Affairs, after consultation with
12 the Department of Highways, shall determine which waterways and connec-
13 tions qualify and, where the waterways or connections lie outside the
14 corporate limits of a municipality, which municipality is eligible for
15 the shared revenue unless the municipalities involved have agreed in
16 writing to a particular distribution.

17 Sec. 43.17.110. REGULATIONS. The department shall adopt regula-
18 tions necessary to carry out the purposes of this chapter. The regula-
19 tions shall include minimum standards of service required to qualify a
20 municipality for service unit credit for each service and provisions for
21 a performance report adequate to demonstrate to the department that each
22 service for which credit was allowed was actually performed by the
23 municipality at least at the prescribed minimum level.

24 Sec. 43.17.120. EXPENDITURE OF FUNDS. Funds received by a munici-
25 pality under this chapter may be expended for any public purpose for
26 which the municipality has power to expend funds except as provided in
27 sec. 40 of this chapter.

28 Sec. 43.17.130. UNIFICATION, MERGER OR CONSOLIDATION OF MUNICI-
29 PALITIES. If a borough and the cities within the borough merge,

1 consolidate or unify in accordance with AS 29.68, the amount of revenue
2 sharing to which the successor municipality is entitled shall be com-
3 puted for the first year and each year thereafter as if the merger,
4 consolidation or unification had not occurred, and the successor muni-
5 cipality shall receive not less than the amount so computed.

6 Sec. 43.17.140. DEFINITIONS. In this chapter

7 (1) "department" means the Department of Community and
8 Regional Affairs,

9 (2) "municipality" for revenue sharing purposes means a city,
10 borough or unified municipality incorporated under the laws of the State
11 of Alaska except a second class city incorporated after the effective
12 date of this Act and lying within an organized borough.

13 * Sec. 2. AS 43.18.010 - 43.18.045 are repealed.

14 * Sec. 3. Other provisions of this Act notwithstanding, a municipality
15 which would receive less money under the provisions of this Act than it was
16 entitled to receive in fiscal year 1976 under the provisions of AS 43.18
17 repealed by this Act shall continue to receive an amount equal to that
18 authorized for fiscal year 1976 under the former provisions of AS 43.18, in
19 accordance with those provisions.

20 * Sec. 4. AS 43.70.010 is repealed.

21 * Sec. 5. AS 43.70.030(a) is amended to read:

22 (a) The license fee for each business is \$25 [PLUS A SUM EQUAL
23 TO ONE-HALF OF ONE PER CENT OF THE GROSS RECEIPTS IN EXCESS OF \$20,000
24 FROM THE BUSINESS DURING THE YEAR FOR WHICH THE LICENSE IS ISSUED,
25 EXCEPT THAT ALL GROSS VOLUME IN EXCESS OF \$100,000 A YEAR IS TAXED AT
26 THE RATE OF ONE-QUARTER OF ONE PER CENT. THE ANNUAL LICENSE FEE PAID BY
27 A PROFESSIONAL PERSON TO HIS PROFESSIONAL BOARD SHALL BE CREDITED
28 AGAINST THE INITIAL FEE REQUIRED UNDER THIS CHAPTER].

29 * Sec. 6. AS 43.70.030(c) is amended to read:

1 (c) The license for the privilege of taking orders through use of
2 catalogs and by mail order offices in the state is the same as set out
3 in this chapter for business generally [AND GROSS VOLUME OF BUSINESS OF
4 THOSE OFFICES INCLUDES ALL ORDERS TAKEN AT THEM WHETHER DELIVERY OF THE
5 MERCHANDISE IS MADE THROUGH THE OFFICES OR NOT].

6 * Sec. 7. AS 43.70.030(d) is amended to read:

7 (d) The initial fee of \$25 applies to all of the provisions of
8 this section, and shall accompany the application. The balance under
9 sec. 30(b) of this chapter is due and payable on December 31st of each
10 year and shall be paid before the first day of March following, except
11 that the department may extend the time until the 30th of the following
12 April upon application showing that the extension is necessary to enable
13 the applicant to ascertain the amount of license money due. To enable
14 accurate determination of the balance of the tax due at the end of each
15 year, each person to whom this chapter applies shall keep records, give
16 statements under oath, and make returns which the department requires.
17 Returns are made under penalty of perjury.

18 * Sec. 8. AS 43.70.040 is amended to read:

19 Sec. 43.70.040. REVIEW AND DETERMINATION OF LICENSE TAX. As soon
20 as practicable after the final payment of the tax under sec. 30(b) of
21 this chapter, the department shall examine the return and determine the
22 correct amount of the tax and, if an error is found, shall notify the
23 taxpayer of the error and examine the taxpayer's records as authorized
24 in AS 43.05.040, and take other proper steps to determine the amount
25 due.

26 * Sec. 9. AS 43.70.110(2) is repealed.

27 * Sec. 10. AS 43.17 is amended by adding a new section to read:

28 Sec. 43.17.140. ADDITIONAL GRANTS TO REPLACE LOST REVENUE. In
29 addition to all other revenue sharing with municipalities, a munici-

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

pality is entitled to and shall receive each year an amount equal to the amount of money it was entitled to receive under AS 43.70.080 for the year 1978.

* Sec. 11. Sections 1, 2, 3 and 4 of this Act take effect July 1, 1977. Sections 5, 6, 7, 8, 9, and 10 of this Act take effect January 1, 1980.

#

Original sponsor: Community and Regional
Affairs Committee

Offered: 2/16/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 70

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to municipal revenue sharing, and the
7 Alaska Business License Act; and providing for an
8 effective date."

9

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

10

* Section 1. AS 43 is amended by adding a new chapter to read:

11

CHAPTER 17. MUNICIPAL REVENUE SHARING.

12

Sec. 43.17.010. CONSTRUCTION AND IMPLEMENTATION OF CHAPTER. (a)

13

This chapter may not be construed so as to create a debt of the state.

14

(b) The special municipal services account is established. The

15

legislature may annually appropriate funds to the account to carry out

16

the provisions of this chapter. If there are not enough funds in the

17

account to provide for each local government's or other recipient's

18

share authorized under this chapter, the funds which are available shall

19

be distributed in proportion among eligible local governments and other

20

recipients.

21

(c) If any money remains in the special municipal services account

22

at the end of the fiscal year for which the money is appropriated and

23

this remaining money is more than the amount required for the alloca-

24

tions authorized in this chapter, this money reverts to the general

25

fund.

26

Sec. 43.17.020. MINIMUM GRANTS TO MUNICIPALITIES. (a) A municipi-

27

ality proposing to provide administrative services or a service pro-

28

vided for in sec. 30(a)(1) of this chapter may, in lieu of obtaining

29

revenue sharing money as provided in this chapter, obtain instead a

1 minimum grant of \$25,000.

2 (b) The department shall issue regulations regarding procedures
3 and time limits for making an election under this section.

4 Sec. 43.1/.030. BASIC GRANTS TO MUNICIPALITIES. (a) If a munici-
5 pality elects not to receive the grant provided for under sec. 20 of
6 this chapter, the amount of revenue sharing for which it is eligible
7 shall be $B \times P$ where

8 (1) "B" is the base revenue sharing amount of \$1 times the
9 service units for each service performed by the municipality established
10 as follows:

11	(A) police protection	12 units
12	(B) fire protection	7.5 units
13	(C) water pollution control	2 units
14	(D) land use planning	2 units
15	(E) parks and recreation	5 units
16	(F) small boat harbor or port	5 units
17	(G) mass transit	5 units
18	(H) airport	5 units
19	(I) solid waste disposal	2 units
20	(J) ambulance	2 units
21	(K) air pollution	2 units

22 (2) "P" is the population of the municipality rounded up to
23 the nearest 100.

24 (b) If a municipality provides one or more of the services in
25 (a)(1) of this section under contract to a defined area outside the
26 boundaries of the municipality, the revenue sharing amount for those
27 services shall be increased by the service units for each service times
28 the population of the area served rounded up to the nearest 100.

29 (c) If a municipality contains areas having differential rates of

1 taxation, the entitlement shall be calculated for areawide services and
2 for each area separately and totaled to reach the entitlement of the
3 municipality. Revenue sharing money for which the entitlement is based
4 upon areawide services may be used for areawide purposes only. Revenue
5 sharing money for which the entitlement is based upon service area
6 services may be used for that service area only.

7 Sec. 43.17.040. HEALTH FACILITIES AND HOSPITALS. (a) During each
8 fiscal year the state shall make payments as follows:

9 (1) \$2 per capita to a municipality which has the power to
10 provide health facilities and services and in which a hospital is
11 located;

12 (2) in addition to the payment made under (1) of this sub-
13 section

14 (A) the state shall make payments to a municipality
15 which has the power to provide hospital facilities and services and
16 which exercises the power on the basis of \$1,000 per bed for each
17 bed actually used for patient care limited to the number of beds
18 provided for in the construction design of the hospital, or \$75,000
19 a hospital for those hospitals with 10 or more beds, or \$25,000 a
20 hospital for those hospitals with less than 10 beds, as the muni-
21 cipality may elect; funds received under this subparagraph may be
22 used only for hospitals and shall be apportioned among qualifying
23 hospitals as the municipality determines;

24 (B) the state shall make payments on the basis set out
25 in (A) of this paragraph to a municipality for nonprofit hospitals
26 not operated by a municipality if the municipality first certifies
27 to the department that the hospital is in compliance with all
28 standards for hospitals which have been adopted by the munici-
29 pality; in the absence of this certification the funds which would

1 have gone to the hospital lapse into the state general fund; pay-
2 ments to the municipality shall be transferred to the hospital in
3 accord with the basis by which the entitlement was generated by the
4 hospital and shall be applied to the annual cost of operation and
5 maintenance of the hospital or for the provision of health care
6 service at the hospital as the directors of the hospital determine;

7 (C) a hospital may not receive payment under both (A)
8 and (B) of this paragraph;

9 (3) \$1,000 per bed to an organized borough or city outside an
10 organized borough in which a health facility is operated for each bed
11 actually used for patient care, limited to the number of beds provided
12 for in the construction design of the health facility, or \$4,000 for
13 each health facility as the local government may determine;

14 (4) funds received by a municipality under (1) or (3) of this
15 subsection shall be used for expenses of health services or operation
16 and maintenance of facilities as the municipality determines.

17 (b) If construction of a hospital or health facility began before
18 January 1, 1976, and state matching aid for construction approved under
19 AS 18 for payment to a municipality or other facility sponsor consti-
20 tutes less than 25 per cent of the total project cost, the state shall
21 pay to the municipality or other facility sponsor each fiscal year a sum
22 equal to \$2,500 a bed for the maximum number of beds provided for in the
23 construction design of the facility. State aid provided for in this
24 subsection shall continue until the municipality or other facility
25 sponsor has received an amount which, combined with state matching money
26 for construction of the facility approved under AS 18, equals 25 per
27 cent of the total project cost. No funds received for construction
28 shall be used for any other purpose.

29 (c) In this section

1 (1) "hospital" means a licensed hospital determined by the
2 Department of Health and Social Services to be a general hospital; the
3 term excludes facilities operated or wholly supported by the state or
4 the federal government.

5 (2) "health facility" means public health centers, maternity
6 homes and community mental health centers, facilities for the mentally
7 or physically handicapped, nursing homes and convalescent centers which
8 are licensed, when required, by the state under AS 18.20.010 - 18.20.130
9 and are owned or operated or both by a local government or by a non-
10 profit corporation or other nonprofit sponsor; the term excludes facili-
11 ties operated or wholly supported by the state or the federal government.

12 Sec. 43.17.050. VOLUNTEER FIRE DEPARTMENTS OUTSIDE MUNICIPALITIES.
13 The state shall pay to a volunteer fire department registered with the
14 state fire marshal and serving an area not in an organized borough or a
15 city a sum for protection purposes equal to \$7.50 per capita for the
16 population served by the department, as determined by the state fire
17 marshal using the latest figures of the United States Bureau of the
18 Census or other reliable data. Grants shall be made on the same basis
19 to facilitate the organization of volunteer fire departments in an area
20 not in an organized borough or a city. Payment shall be made upon
21 application by the proposed fire protection group to the department and
22 approval of the application according to standards of organization and
23 service prescribed by regulations promulgated by the department.

24 Sec. 43.17.060. AREA COST-OF-LIVING DIFFERENTIAL. (a) State
25 payments under this chapter shall reflect area cost-of-living differ-
26 ential. Amounts distributed shall be based upon the sum of the grants
27 due multiplied by the appropriate area cost-of-living differential. The
28 area cost-of-living differential shall be determined annually by elec-
29 tion district under the provisions of AS 39.27.030; however, the area

1 cost-of-living differential to be applied shall not result in an amount
2 to be distributed less than the base allocation.

3 (b) The election districts used in (a) of this section are those
4 designated by the proclamation of reapportionment and redistricting of
5 December 7, 1961, and retained for the house of representatives by
6 proclamation of the governor September 3, 1965.

7 Sec. 43.17.070. FINANCIAL REPORTS. No final payment may be
8 distributed to a municipality under this chapter unless that munici-
9 pality first submits to the department (1) a financial report for each
10 of the two fiscal years immediately preceding the fiscal year in which
11 funds are to be distributed; and (2) a budget for the municipality's
12 fiscal year in which funds are to be distributed. The department may,
13 by regulation, prescribe procedures and filing dates for submitting
14 financial reports and for obtaining all information required to deter-
15 mine the municipality's tax effort.

16 Sec. 43.17.080. POPULATION DETERMINATION. For purposes of this
17 chapter, population shall be determined by the latest figures of the
18 United States Bureau of the Census, Department of Labor estimates or
19 other population data which, in the judgment of the department, is
20 reliable. However, a municipality may not receive state shared revenue
21 based on the population residing on that portion of a military reser-
22 vation annexed to a city or borough after January 1, 1973, except as
23 provided in this section. If a military reservation is located within a
24 city or borough, the city or borough is limited in its entitlement to
25 state shared revenue under this chapter, based on the population re-
26 siding on the reservation, as follows: 50 per cent of the amount paid
27 per capita for police protection; 25 per cent of the amount paid per
28 capita for parks and recreation; 50 per cent of the amount paid per
29 capita for mass transit; 50 per cent of the amount paid per capita for

1 water pollution; and 50 per cent of the amount paid per capita for air
2 pollution.

3 Sec. 43.17.090. ADDITIONAL LIMIT. In addition to the limitations
4 on expenditure of funds contained in sec. 40 of this chapter:

5 (1) if a borough exercises the powers in sec. 30(a)(1) of
6 this chapter in the borough area outside cities only, or in a service
7 area only, the grants authorized under this section shall be based on
8 the population of the borough area outside cities or the service area
9 respectively;

10 (2) if a city within an organized borough provides police
11 protection services, the borough may not qualify for aid under sec.
12 30(a)(1)(A) of this chapter unless

13 (A) police protection services are provided in the
14 borough area outside cities, or if limited to a service area, in
15 the service area, through borough contract with a city or with the
16 state or

17 (B) the borough assumes and exercises power to provide
18 police protection services on an areawide basis in the manner
19 provided by law.

20 Sec. 43.17.100. ROAD MAINTENANCE. (a) During each fiscal year the
21 state shall pay to a city or organized borough which has and exercises
22 power to provide road maintenance \$1500 a mile for each mile of road,
23 street, or highway maintained by that local government. No payment may
24 be made for

25 (1) the official state highway system;

26 (2) roads, streets, or highways not dedicated to a public
27 use;

28 (3) roads, streets or highways maintained under the local
29 services road program;

1 (4) alleyways; or

2 (5) maintenance of roads not used by automotive equipment.

3 (b) Frozen waterways and connections from inhabited areas to the
4 waterways which may be safely used for public transportation by auto-
5 motive equipment and are so used during a portion of a year are eligible
6 for payments of \$900 per mile if the waterways and connections are
7 maintained during the period of use by a municipality or combination of
8 municipalities. The Department of Community and Regional Affairs, after
9 consultation with the Department of Highways, shall determine which
10 waterways and connections qualify and, where the waterways or connec-
11 tions lie outside the corporate limits of a municipality, which munici-
12 pality is eligible for the shared revenue unless the municipalities
13 involved have agreed in writing to a particular distribution.

14 Sec. 43.17.110. REGULATIONS. The department shall adopt regula-
15 tions necessary to carry out the purposes of this chapter. The regula-
16 tions shall include

17 (1) minimum standards of service required to qualify a muni-
18 cipality for service unit credit for each service; and

19 (2) provisions for a performance report adequate to demon-
20 strate to the department that each service for which credit was allowed
21 was actually performed by the municipality at least at the prescribed
22 minimum level.

23 Sec. 43.17.120. EXPENDITURE OF FUNDS. Funds received by a munici-
24 pality under this chapter may be expended for any public purpose for
25 which the municipality has power to expend funds except as provided in
26 sec. 40 of this chapter.

27 Sec. 43.17.130. UNIFICATION, MERGER OR CONSOLIDATION OF MUNICI-
28 PALITIES. If a borough and the cities within the borough merge, con-
29 solidate or unify in accordance with AS 29.68, the amount of revenue

1 sharing to which the successor municipality is entitled shall be com-
2 puted for the first year and each year thereafter as if the merger,
3 consolidation or unification had not occurred, and the successor muni-
4 cipality shall receive not less than the amount so computed.

5 Sec. 43.17.160. DEFINITIONS. In this chapter

6 (1) "department" means the Department of Community and
7 Regional Affairs;

8 (2) "municipality" for revenue sharing purposes means a city,
9 borough or unified municipality incorporated under the laws of the State
10 of Alaska except a second class city incorporated after the effective
11 date of this Act and lying within an organized borough.

12 * Sec. 2. AS 43.18.010 - 43.18.045 are repealed.

13 * Sec. 3. Other provisions of this Act notwithstanding, a municipality
14 which would receive less money under the provisions of this Act than it was
15 entitled to receive in fiscal year 1977 under the provisions of AS 43.18
16 repealed by this Act shall continue to receive an amount equal to that
17 authorized for fiscal year 1977 under the former provisions of AS 43.18, in
18 accordance with those provisions.

19 * Sec. 4. AS 43.70.010 is repealed.

20 * Sec. 5. AS 43.70.030(a) is amended to read:

21 (a) The license fee for each business is \$25 [PLUS A SUM EQUAL TO
22 ONE-HALF OF ONE PER CENT OF THE GROSS RECEIPTS IN EXCESS OF \$20,000 FROM
23 THE BUSINESS DURING THE YEAR FOR WHICH THE LICENSE IS ISSUED, EXCEPT
24 THAT AL' GROSS VOLUME IN EXCESS OF \$100,000 A YEAR IS TAXED AT THE RATE
25 OF ONE-QUARTER OF ONE PER CENT. THE ANNUAL LICENSE FEE PAID BY A PRO-
26 FESSONAL PERSON TO HIS PROFESSIONAL BOARD SHALL BE CREDITED AGAINST THE
27 INITIAL FEE REQUIRED UNDER THIS CHAPTER].

28 * Sec. 6. AS 43.70.030(c) is amended to read:

29 (c) The license for the privilege of taking orders through use of

1 catalogs and by mail order offices in the state is the same as set out
2 in this chapter for business generally [AND GROSS VOLUME OF BUSINESS OF
3 THOSE OFFICES INCLUDES ALL ORDERS TAKEN AT THEM WHETHER DELIVERY OF THE
4 MERCHANDISE IS MADE THROUGH THE OFFICES OR NOT].

5 * Sec. 7. AS 43.70.030(d) is amended to read:

6 (d) The initial fee of \$25 applies to all of the provisions of
7 this section, and shall accompany the application. The balance under
8 sec. 30(b) of this chapter is due and payable on December 31st of each
9 year and shall be paid before the first day of March following, except
10 that the department may extend the time until the 30th of the following
11 April upon application showing that the extension is necessary to enable
12 the applicant to ascertain the amount of license money due. To enable
13 accurate determination of the balance of the tax due at the end of each
14 year, each person to whom this chapter applies shall keep records, give
15 statements under oath, and make returns which the department requires.
16 Returns are made under penalty of perjury.

17 * Sec. 8. AS 43.70.040 is amended to read:

18 Sec. 43.70.040. REVIEW AND DETERMINATION OF LICENSE TAX. As soon
19 as practicable after the final payment of the tax under sec. 30(b) of
20 this chapter, the department shall examine the return and determine the
21 correct amount of the tax and, if an error is found, shall notify the
22 taxpayer of the error and examine the taxpayer's records as authorized
23 in AS 43.05.040, and take other proper steps to determine the amount
24 due.

25 * Sec. 9. AS 43.70.110(2) is repealed.

26 * Sec. 10. AS 43 is amended by adding a new section to read:

27 CHAPTER 17. MUNICIPAL REVENUE SHARING.

28 Sec. 43.17.150. ADDITIONAL GRANTS TO REPLACE LOST REVENUE. In
29 addition to all other revenue sharing with municipalities, a munici-

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

pality is entitled to and shall receive each year an amount equal to the amount of money it was entitled to receive under AS 43.70.080 for the year 1978.

* Sec. 11. Sections 1, 2 and 3 of this Act take effect July 1, 1977. Sections 4, 5, 6, 7, 8, 9, and 10 of this Act take effect January 1, 1980.

#



Alaska State Legislature

HOUSE COMMUNITY and REGIONAL AFFAIRS COMMITTEE

w/Comm. copy

Lisa Rudd, Chair

Pouch V, State Capitol
Juneau, Alaska 99811
(907) 465-3870

February 15, 1977

In passing HB 70 out of the Community and Regional Affairs Committee it is the intent of the committee that the revenue sharing program be funded at 100% of municipal entitlements under the bill for FY 1978.

Lisa Rudd

Lisa Rudd
Chair, Community &
Regional Affairs Committee

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 70 (1 of 4 parts)
Title Municipal Revenue Sharing and the Alaska Business License Act
Requested by House Finance Date 2/9/77

II. FISCAL DETAIL

Agency Affected Community and Regional Affairs
Program Category Affected Local Government Assistance
Budget Request Unit(s) Affected Municipal Services Revenue Sharing Program

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		8,579.8				
TOTAL		8,579.8				

FUNDING (Thousands of Dollars)

GENERAL FUND		8,579.8				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Based on the following assumptions, the total cost required to fund the grant portion of House Bill No. 70 is estimated to be \$26,154.4.

1. All eligible volunteer fire departments and municipalities will properly apply for funds.
2. No funds are budgeted for assumption of power to exercise additional services provided for under the basic grants section.
3. No fiscal analysis of secs. 5 through 11 relating Alaska Business License Act since effective date is January 1, 1980 - Fiscal Note for these sections should be provided by the Department of Revenue.

IV. DATE 2/9/77

PREPARED BY *W. M. Hutchins*
AGENCY Department of Community and Regional Affairs
PHONE 465-4707

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 70 (2 of 4 parts) Act Relating to
 Title Municipal Revenue Sharing & Alaska Business License Act
 Requested by House Community & Regional Affairs Comm. Date January 20, 1977

II. FISCAL DETAIL
 Agency Affected Revenue
 Program Category Affected General Government
 Budget Request Unit(s) Affected Administration & Support

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

No additional cost is associated with this Act.

IV. DATE January 30, 1977 PREPARED BY P. A. Wall
 AGENCY Revenue
 PHONE 465-2313
 Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 70 (3 of 4 parts) Act Relating to
 Title Municipal Revenue Sharing and the Alaska Business License Tax
 Requested by House Community & Regional Affairs Comm. Date January 20, 1977

II. FISCAL DETAIL
 Agency Affected _____ Revenue _____
 Program Category Affected Community Development
 Budget Request Unit(s) Affected Shared Taxes

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	10,000.0	8,500.0	8,200.0	8,500.0	8,500.0	8,500.0
TOTAL						

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND	10,000.0	8,500.0	8,200.0	8,500.0	8,500.0	8,500.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS


	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

* DONE IN (H) C+KA Committee
 The effective date of July 1, 1977 for Section 4 should be changed to January 1, 1980 as Section 4 relates to Sections 5-10.

If the effective date of January 1, 1980 is realized, Gross Receipts revenue will not continue after 12/31/79. The continued revenue sharing provision of this act will require an additional authorization of \$4,250,000 from the General Fund for FY 80 and \$8,500,000 each FY thereafter. The Tax on Banks (\$1,800,000 in 1975) will continue to be shared under the Act.

\$9,000,000 of Annual Gross Receipts income to the General Fund (income not shared) will be eliminated.

IV. DATE January 30, 1977 PREPARED BY 
 AGENCY Revenue
 PHONE 465-2313
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 70 (4 of 4 parts) Act Relating to Municipal
Title Revenue Sharing and the Alaska Business License Act.
Requested by House Community & Regional Affairs Committee Date January 20, 1977

II. FISCAL DETAIL

Agency Affected _____ Revenue
Program Category Affected _____ General Government
Budget Request Unit(s) Affected Audit

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

Done by (H) C+RA Committee

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

* The effective date of July 1, 1977 for Section 4 should be changed to January 1, 1980 as Section 4 relates to Sections 5-10. The Statute referenced on page 10, lines 27 & 28 should be AS 43.18.090. Recommend that on page 10 line 9, after the word "payable" that the remainder of the sentence be deleted and the following inserted, "at the same time and under the same conditions as the federal tax."

A cost decrease will occur when the total Gross Receipts tax impact ends. It will not occur for at least a year after the tax is abolished as final returns must be received, audited and shared. Decrease will consist of 1 position, forms and postage costs.

IV. DATE January 30, 1977 PREPARED BY P. A. Wall

AGENCY Revenue
PHONE 465-2313

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (if Not Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS House Bill No. 70
 Title Municipal Revenue Sharing and the Alaska Business License Act
 Requested by House Finance Date 4-14-78

II. FISCAL DETAIL

Agency Affected Community & Regional Affairs (and Department of Revenue)
 Program Category Affected Local Government Assistance
 Budget Request Unit(s) Affected Municipal Services Revenue Sharing Program

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.			4,748.3			
TOTAL			4,748.3			

FUNDING (Thousands of Dollars)

GENERAL FUND			4,748.3			
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Based on the following assumptions, the total cost required to fund the grant portion of House Bill No. 70 is estimated to be \$25,179.7 for FY 79.

1. All eligible volunteer fire departments and municipalities will properly apply for funds.
2. LAA print-out for CSHB 70 (Revenue Sharing portion) showing FY 78 cost at \$24,446.3 is accurate and FY 79 expenditure projects a 3% increase in funding over FY 78 cost.
3. No funds are budgeted for assumption of power to exercise additional services provided for under the basic grants section.
4. No fiscal analysis of secs. 5 through 11 relating Alaska Business License Act since effective date is January 1, 1980 - Fiscal Note for these sections should be provided by the Department of Revenue.

IV. DATE 4-14-78 PREPARED BY *Robert M. Smith*
 AGENCY Department of Community and Regional Affairs
 PHONE 465-4707
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

CSHB 70

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 70 Act Relating to _____
 Title Municipal Revenue Sharing and the Alaska Business License Act
 Requested by House Community & Regional Affairs Comm. Date January 20, 1977

II. FISCAL DETAIL

Agency Affected _____ Revenue _____
 Program Category Affected _____ Community Development _____
 Budget Request Unit(s) Affected _____ Shared Taxes _____

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	10,000.0	8,500.0	8,200.0	8,500.0	8,500.0	8,500.0
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND	10,000.0	8,500.0	8,200.0	8,500.0	8,500.0	8,500.0
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

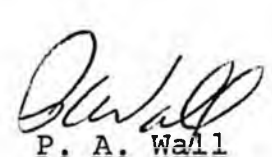
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The effective date of July 1, 1977 for Section 4 should be changed to January 1, 1980 as Section 4 relates to Sections 5-10.

If the effective date of January 1, 1980 is realized, Gross Receipts revenues will not continue after 12/31/79. The continued revenue sharing provision of this act will require an additional authorization of \$4,250,000 from the General Fund for FY 80 and \$8,500,000 each FY thereafter. The Tax on Banks (\$1,800,000 in 1975) will continue to be shared under the Act.

\$9,000,000 of Annual Gross Receipts income to the General Fund (income not shared) will be eliminated.

IV. DATE January 30, 1977 PREPARED BY 
 AGENCY Revenue
 PHONE 465-2313
 Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 70 Act Relating to
 Title Municipal Revenue Sharing & Alaska Business License Act
 Requested by House Community & Regional Affairs Comm. Date January 20, 1977

II. FISCAL DETAIL
 Agency Affected _____ Revenue _____
 Program Category Affected _____ General Government _____
 Budget Request Unit(s) Affected _____ Administration & Support _____

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

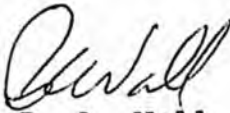
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

No additional cost is associated with this Act.

IV. DATE January 30, 1977 PREPARED BY  P. A. Wall
 AGENCY Revenue
 PHONE 465-2313
 Original: Legislative Finance
 cc: Budget and Management
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 70 Act Relating to Municipal
Title Revenue Sharing and the Alaska Business License Act.
Requested by House Community & Regional Affairs Committee Date January 20, 1977

II. FISCAL DETAIL

Agency Affected Revenue
Program Category Affected General Government
Budget Request Unit(s) Affected Audit

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

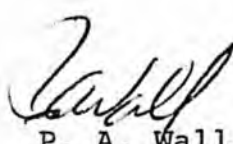
POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

The effective date of July 1, 1977 for Section 4 should be changed to January 1, 1980 as Section 4 relates to Sections 5-10. The Statute reference on page 10, lines 27 & 28 should be AS 43.18.090. Recommend that on page 10, line 9, after the word "payable" that the remainder of the sentence be deleted and the following inserted, "at the same time and under the same conditions as the federal tax."

A cost decrease will occur when the total Gross Receipts tax impact ends. This will not occur for at least a year after the tax is abolished as final returns must be received, audited and shared. Decrease will consist of 1 position, forms and postage costs.

IV. DATE January 30, 1977 PREPARED BY  P. A. Wall
AGENCY Revenue
PHONE 465-2313
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/8/90
Date

COMMITTEE REPORT

SENATE

4/22/77

May 27, 1977 Date

Mr. President:

The Committee on FINANCE has had CS# 72 creation of historical districts under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for C and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) Indefinite Period - 1 year

MEMBERS SIGNING THE MAJORITY REPORT:

<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>[Signature]</u>	<u>[Signature]</u>

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____

_____ recommends: _____

_____ recommends: _____

[Signature]
Chairman

A M E N D M E N T

Offered in the SENATE

By Senate Finance

To: _____ SENATE BILL NO. _____

CS HOUSE BILL NO. 72

AMENDMENT: Page 1 Line 16

After the word may, add "by ordinance".

AMENDMENT

OFFERED IN THE SENATE:

By: Ferguson

To: _____ SENATE BILL No. _____

HOUSE BILL No. 72

PAGE: 1

LINE: 7

after "municipalities" ~~and~~ Amend
Title "and to the Tourism revolving
Fund"

Page 5 Line 21

Section 5 AS 45.90.030 (a) is
Amended to read:

(a) state participation in a
loan to a business may not be
more than \$3,000,000 [1,000,000],

Sec. 6. Sec. 5 takes effect
immediately in accordance with
01.10.070 (c)

Municipality
of
Anchorage



POUCH 6 650
ANCHORAGE, ALASKA 99502
(907) 274-2525

GEORGE M. SULLIVAN,
MAYOR

March 7, 1977

PLANNING DEPARTMENT

Senator John C. Sackett
M/S 3100, Pouch V
Juneau, Alaska 99811

*Baker has this house a
question ref. - if so -
index.*

Dear Senator,

The Historical Landmarks Preservation Commission, created in November 1975, was asked to assist the Municipality in the identification of buildings, sites, objects and structures associated with the history and pre-history of Anchorage. Our Commission concurs wholeheartedly with House Bill #72 and urges its adoption.

House Bill #72 is a most purposeful piece of legislation. First, it recognizes that there are historic districts within Alaska's cities and that such districts are extraordinary in sense of the historic fabric of a community. Second, it provides financial incentives through the Revolving Fund Loan concept which would be of great assistance to Anchorage and other communities across the State. The definition of a historical district as conceived in House Bill Number 72 (i.e., structures of "the early territorial period before 1920") would definitely encompass areas of the Municipality of Anchorage, including sections within and outside the townsite of which dates from 1915.

(In addition, we also ask your support for Senate Bill #10 which will provide funding for the purpose of cataloging the photograph collection and developing a guide on location and providing access to Alaska photographs.)

As these bills come before you for action, please give them your most serious consideration.

Sincerely,

Katharine C. Crittenden

Katharine C. Crittenden, Chairwoman
Historical Landmarks Preservation Commission

KCC/mw

cc: George M. Sullivan, Mayor
Michael Carberry
Mr. Russ Cahill



In SFC 4-22-77

Original sponsor: Miller, Cotten,
Duncan, et al

Offered: 2/24/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 72

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the creation of historical dis-
7 tricts within municipalities."

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

9 * Section 1. INTENT. It is the intent of the legislature to foster an
10 awareness of the need to preserve our historic past; to protect those visible
11 aspects of our invaluable heritage so that present and future generations may
12 continue to be enriched by the originality and strength of Alaska's architec-
13 tural and cultural beginnings.

14 * Sec. 2. AS 29.48 is amended by adding new sections to read:

15 Sec. 29.48.108. CREATION OF HISTORICAL DISTRICT COMMISSIONS. The
16 governing body of a general law or home rule municipality may establish
17 a historical district commission or designate the planning and zoning
18 commission or itself to serve as the historical district commission.

19 Sec. 29.48.110. ESTABLISHMENT OF HISTORICAL DISTRICTS. (a) In
20 addition to existing municipal authority providing for the preservation,
21 protection, and maintenance of historic sites, the local historical
22 district commission established under sec. 108 of this chapter, in
23 consultation with the Historic Sites Advisory Committee within the
24 Department of Natural Resources, may establish a historical district
25 within the boundaries of the municipality.

26 (b) A historical district shall be a reasonably compact area of
27 historical significance in which two or more structures important in
28 state or national history, and related by physical proximity or histori-
29 cal association, are located. For purposes of this section, "structures

1 important in state or national history" means properties recommended by
2 historical district commissions, which are listed in the National Regis-
3 ter of Historic Places or are characteristic of the Russian-American
4 period before October 18, 1867, the early territorial period before
5 1930, or early Native heritage, reflecting the indigenous characteristics
6 of Native culture in Alaska. Upon recommendation of the governing body
7 of a general law or home rule municipality and the Historic Sites
8 Advisory Committee, the Department of Natural Resources may by regula-
9 tion formulate additional criteria for the establishment of historical
10 districts not inconsistent with this subsection.

11 (c) The establishment of a historical district under this section
12 shall be consistent with any applicable comprehensive plan for the
13 municipality.

14 * Sec. 3. AS 45 is amended by adding a new chapter to read:

15 CHAPTER 98. HISTORICAL DISTRICT REVOLVING LOAN FUND.

16 Sec. 45.98.010. CREATION OF HISTORICAL DISTRICT REVOLVING LOAN
17 FUND. There is created in the Department of Commerce and Economic
18 Development a historical district revolving loan fund.

19 Sec. 45.98.020. HISTORICAL DISTRICT LOANS. Upon endorsement and
20 plan approval by a local historical district commission established
21 under AS 29.48.108 and the recommendation of a majority of the members
22 of the Historic Sites Advisory Committee, the Department of Commerce and
23 Economic Development may make loans to a person, firm, business or
24 municipality subject to applicable laws for the restoration, improvement,
25 rehabilitation, or maintenance of a structure which is

26 (1) within the boundaries of a historical district estab-
27 lished under AS 29.48.110;

28 (2) identified as important in state or national history as
29 provided for in AS 29.48.110(b); and

1 (3) another building or structure within a historical district
2 and suitable for superficial modification so that it can conform to the
3 period or motif of the surrounding buildings or structures that are the
4 reason for the area's designation as a historical district.

5 Sec. 45.98.030. POWERS AND DUTIES OF THE DEPARTMENT. For purposes
6 of administering this chapter, the Department of Commerce and Economic
7 Development may

8 (1) prescribe the form and procedure for submitting loan
9 applications under this chapter;

10 (2) designate agents and delegate powers to them as is
11 necessary;

12 (3) in consultation with the Historic Sites Advisory Commit-
13 tee, adopt regulations necessary to carry out its functions, including
14 regulations for the process of plan approval by the committee;

15 (4) establish amortization plans for the repayment of loans
16 not to exceed 30 years.

17 Sec. 45.98.040. LIMITATIONS ON LOANS. Loans made under this chap-
18 ter are subject to the following limitations:

19 (1) state participation in all loans in the aggregate, for any
20 one historical district qualifying under this chapter may not exceed
21 \$1,500,000;

22 (2) state participation in a loan for the restoration, im-
23 provement, rehabilitation or maintenance of any one building or struc-
24 ture qualifying under this chapter may not exceed \$100,000;

25 (3) the loan shall be secured by acceptable collateral and
26 may not exceed 85 per cent of the appraised value of the collateral
27 offered as security;

28 (4) the rate of interest may not exceed six and one-half per
29 cent a year on the unpaid balance of the state's share of the loan;

1 (5) a participating financial institution shall administer
2 and service the loan for a reasonable fee not exceeding one-quarter of
3 one per cent;

4 (6) the state has a lien on the property accepted as colla-
5 teral to the extent of its portion of the loan; when the lien or notice
6 of the lien is properly recorded it is superior to all other liens
7 except those for taxes and special assessments; a lien of the participa-
8 ting financial institution, to the extent of its portion of the loan
9 after it is properly recorded, is superior to all other liens except
10 liens for taxes, special assessments, and the lien of the state.

11 Sec. 45.98.050. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a) The
12 commissioner of commerce and economic development or his designee may
13 sell or transfer at par value or at a premium or discount to any bank or
14 other private purchaser for cash or other consideration the mortgages
15 and notes held by the Department of Commerce and Economic Development as
16 security for loans made under this chapter.

17 (b) The commissioner of commerce and economic development or his
18 designee may sell or transfer at par value to the Department of Revenue,
19 the mortgages and notes held by the Department of Commerce and Economic
20 Development as security for loans made under this chapter. The Depart-
21 ment of Revenue may purchase the mortgages and notes offered.

22 Sec. 45.98.060. PENALTY PROVISION. After a project for which a
23 loan is granted is commenced, if the Department of Commerce and Economic
24 Development or a local historical district commission, in consultation
25 with the Historic Sites Advisory Committee, determines that the project
26 is inconsistent with the guidelines or stipulations for construction, or
27 otherwise fails to conform to the requirements of the loan, the interest
28 rate on the state's share of the loan shall be increased to the highest
29 rate of interest allowed at that time as provided in AS 45.45.010. In

1 addition, a penalty in the amount of two per cent of the balance of the
2 loan shall be assessed by the Department of Commerce and Economic
3 Development.

4 Sec. 45.98.070. SHORT TITLE. This chapter may be cited as the
5 Historical District Loan Act.

6 * Sec. 4. AS 41.35.180 is amended by adding a new paragraph to read:

7 (5) consult with local historical district commissioner re-
8 garding the establishment of historical districts under AS 29.48.108 -
9 29.48.110 and the approval of project alterations under AS 45.98.040;
10 recommend, if appropriate, the formulation of additional criteria for
11 the designation of historical districts under AS 29.48.110(b); approve
12 plans for and evaluate the suitability of specific structures for
13 purposes of loan eligibility and continuance under the historical
14 district revolving loan fund (AS 45.98); and consult with the Department
15 of Commerce and Economic Development relative to the adoption of regu-
16 lations for historical district loans under AS 45.98.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST H.B. 72
 Bill/Resolution No. _____
 Title Historical Districts
 Requested by Mike Miller Date 2/24/77

II. FISCAL DETAIL
 Agency Affected Division of Parks
 Program Category Affected Natural Resources Management and Environmental Conservation
 Budget Request Unit(s) Affected Statewide Programs (Parks and Recreation)

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		-0-				
200 TRAVEL		1.8 additional per year				
300 CONTRACTUAL		-0-				
400 COMMODITIES		-0-				
500 EQUIPMENT		-0-				
600 LAND & STRUCTURES		-0-				
700 GRANTS, CLAIMS, ETC.		-0-				
TOTAL		1.8				

FUNDING (Thousands of Dollars)

GENERAL FUND		1.8				
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Travel expenses for additional work by State Historic Sites Advisory Committee. One additional meeting per year.

IV. DATE 2/24/77 PREPARED BY Russell W. Cahill
 AGENCY Division of Parks
 PHONE 274-4676
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

AMENDMENT #1

OFFERED IN THE SENATE:

Senate Community and
By; Regional Affairs Committee

To: _____ SENATE BILL No. _____

CS HOUSE BILL No. 72

PAGE: 1

LINE: 16

After the word may, add "by ordinance".

Municipality of Anchorage



POUCH 6-650
ANCHORAGE, ALASKA 99502
(907) 274-2525

GEORGE M. SULLIVAN,
MAYOR

March 7, 1977

PLANNING DEPARTMENT

Senator John C. Sackett
M/S 3100, Pouch V
Juneau, Alaska 99811

*Barker does this have a
quinn ref. - if so -
index.*

Dear Senator,

The Historical Landmarks Preservation Commission, created in November 1975, was asked to assist the Municipality in the identification of buildings, sites, objects and structures associated with the history and pre-history of Anchorage. Our Commission concurs wholeheartedly with House Bill #72 and urges its adoption.

House Bill #72 is a most purposeful piece of legislation. First, it recognizes that there are historic districts within Alaska's cities and that such districts are extraordinary in sense of the historic fabric of a community. Second, it provides financial incentives through the Revolving Fund Loan concept which would be of great assistance to Anchorage and other communities across the State. The definition of a historical district as conceived in House Bill Number 72 (i.e., structures of "the early territorial period before 1920") would definitely encompass areas of the Municipality of Anchorage, including sections within and outside the townsite of which dates from 1915.

(In addition, we also ask your support for Senate Bill #10 which will provide funding for the purpose of cataloging the photograph collection and developing a guide on location and providing access to Alaska photographs.)

As these bills come before you for action, please give them your most serious consideration.

Sincerely,

Katharine C. Crittenden

Katharine C. Crittenden, Chairwoman
Historical Landmarks Preservation Commission

KCC/mw

cc: George M. Sullivan, Mayor
Michael Carberry
Mr. Russ Cahill





RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/8/90
Date

MEMORANDUM

State of Alaska

TO: Representative Jim Duncan
House Finance Committee

DEPT. _____
DIV. _____
SEC. _____

DATE : April 7, 1977

FROM: Jay Hogan, Director
Legislative Finance

SUBJECT: HB 72 and HB 125

Currently HB 72 relating to historical districts within municipalities and HB 125 relating to the Alaska Administration Internship Program are carried on our fiscal impact listing at "0".

HB 72 is carried at "0" because we find no fiscal note with the bill.
HB 125 is carried w/ "0" because it's accompanied by an appropriation in HB 126.

COMMITTEE REPORT

HOUSE

2/24/77

March 21 1977 Date

Mr. Speaker:

The Committee on FINANCE has had HB 72

under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for HB 72 and that CS for HB 72 do pass

(and) recommends it be referred to the _____ committee

reports it back without recommendation

AND attaches a report of its intent

(other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

Freeman

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

Wheat - No. 10 recommends: Supporting

Harmon in 1977 recommends: _____

J.P. recommends: _____

Freeman
Chairman

Original sponsor: Miller, Cotten,
Duncan, et al

Offered: 2/24/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 72

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the creation of historical dis-
7 tricts within municipalities."

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

9 * Section 1. INTENT. It is the intent of the legislature to foster an
10 awareness of the need to preserve our historic past; to protect those visible
11 aspects of our invaluable heritage so that present and future generations may
12 continue to be enriched by the originality and strength of Alaska's architec-
13 tural and cultural beginnings.

14 * Sec. 2. AS 29.48 is amended by adding new sections to read:

15 Sec. 29.48.108. CREATION OF HISTORICAL DISTRICT COMMISSIONS. The
16 governing body of a general law or home rule municipality may establish
17 a historical district commission or designate the planning and zoning
18 commission or itself to serve as the historical district commission.

19 Sec. 29.48.110. ESTABLISHMENT OF HISTORICAL DISTRICTS. (a) In
20 addition to existing municipal authority providing for the preservation,
21 protection, and maintenance of historic sites, the local historical
22 district commission established under sec. 108 of this chapter, in
23 consultation with the Historic Sites Advisory Committee within the
24 Department of Natural Resources, may establish a historical district
25 within the boundaries of the municipality.

26 (b) A historical district shall be a reasonably compact area of
27 historical significance in which two or more structures important in
28 state or national history, and related by physical proximity or histori-
29 cal association, are located. For purposes of this section, "structures

1 important in state or national history" means properties recommended by
2 historical district commissions, which are listed in the National Regis-
3 ter of Historic Places or are characteristic of the Russian-American
4 period before October 18, 1867, the early territorial period before
5 1930, or early Native heritage, reflecting the indigenous characteristics
6 of Native culture in Alaska. Upon recommendation of the governing body
7 of a general law or home rule municipality and the Historic Sites
8 Advisory Committee, the Department of Natural Resources may by regula-
9 tion formulate additional criteria for the establishment of historical
10 districts not inconsistent with this subsection.

11 (c) The establishment of a historical district under this section
12 shall be consistent with any applicable comprehensive plan for the
13 municipality.

14 * Sec. 3. AS 45 is amended by adding a new chapter to read:

15 CHAPTER 98. HISTORICAL DISTRICT REVOLVING LOAN FUND.

16 Sec. 45.98.010. CREATION OF HISTORICAL DISTRICT REVOLVING LOAN
17 FUND. There is created in the Department of Commerce and Economic
18 Development a historical district revolving loan fund.

19 Sec. 45.98.020. HISTORICAL DISTRICT LOANS. Upon endorsement and
20 plan approval by a local historical district commission established
21 under AS 29.48.108 and the recommendation of a majority of the members
22 of the Historic Sites Advisory Committee, the Department of Commerce and
23 Economic Development may make loans to a person, firm, business or
24 municipality subject to applicable laws for the restoration, improvement,
25 rehabilitation, or maintenance of a structure which is

26 (1) within the boundaries of a historical district estab-
27 lished under AS 29.48.110;

28 (2) identified as important in state or national history as
29 provided for in AS 29.48.110(b); and

1 (3) another building or structure within a historical district
2 and suitable for superficial modification so that it can conform to the
3 period or motif of the surrounding buildings or structures that are the
4 reason for the area's designation as a historical district.

5 Sec. 45.98.030. POWERS AND DUTIES OF THE DEPARTMENT. For purposes
6 of administering this chapter, the Department of Commerce and Economic
7 Development may

8 (1) prescribe the form and procedure for submitting loan
9 applications under this chapter;

10 (2) designate agents and delegate powers to them as is
11 necessary;

12 (3) in consultation with the Historic Sites Advisory Commit-
13 tee, adopt regulations necessary to carry out its functions, including
14 regulations for the process of plan approval by the committee;

15 (4) establish amortization plans for the repayment of loans
16 not to exceed 30 years.

17 Sec. 45.98.040. LIMITATIONS ON LOANS. Loans made under this chap-
18 ter are subject to the following limitations:

19 (1) state participation in all loans in the aggregate, for any
20 one historical district qualifying under this chapter may not exceed
21 \$1,500,000;

22 (2) state participation in a loan for the restoration, im-
23 provement, rehabilitation or maintenance of any one building or struc-
24 ture qualifying under this chapter may not exceed \$100,000;

25 (3) the loan shall be secured by acceptable collateral and
26 may not exceed 85 per cent of the appraised value of the collateral
27 offered as security;

28 (4) the rate of interest may not exceed six and one-half per
29 cent a year on the unpaid balance of the state's share of the loan;

1 (5) a participating financial institution shall administer
2 and service the loan for a reasonable fee not exceeding one-quarter of
3 one per cent;

4 (6) the state has a lien on the property accepted as colla-
5 teral to the extent of its portion of the loan; when the lien or notice
6 of the lien is properly recorded it is superior to all other liens
7 except those for taxes and special assessments; a lien of the participa-
8 ting financial institution, to the extent of its portion of the loan
9 after it is properly recorded, is superior to all other liens except
10 liens for taxes, special assessments, and the lien of the state.

11 Sec. 45.98.050. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a) The
12 commissioner of commerce and economic development or his designee may
13 sell or transfer at par value or at a premium or discount to any bank or
14 other private purchaser for cash or other consideration the mortgages
15 and notes held by the Department of Commerce and Economic Development as
16 security for loans made under this chapter.

17 (b) The commissioner of commerce and economic development or his
18 designee may sell or transfer at par value to the Department of Revenue,
19 the mortgages and notes held by the Department of Commerce and Economic
20 Development as security for loans made under this chapter. The Depart-
21 ment of Revenue may purchase the mortgages and notes offered.

22 Sec. 45.98.060. PENALTY PROVISION. After a project for which a
23 loan is granted is commenced, if the Department of Commerce and Economic
24 Development or a local historical district commission, in consultation
25 with the Historic Sites Advisory Committee, determines that the project
26 is inconsistent with the guidelines or stipulations for construction, or
27 otherwise fails to conform to the requirements of the loan, the interest
28 rate on the state's share of the loan shall be increased to the highest
29 rate of interest allowed at that time as provided in AS 45.45.010. In

1 addition, a penalty in the amount of two per cent of the balance of the
2 loan shall be assessed by the Department of Commerce and Economic
3 Development.

4 Sec. 45.98.070. SHORT TITLE. This chapter may be cited as the
5 Historical District Loan Act.

6 * Sec. 4. AS 41.35.180 is amended by adding a new paragraph to read:

7 (5) consult with local historical district commissions re-
8 garding the establishment of historical districts under AS 29.48.108 -
9 29.48.110 and the approval of project alterations under AS 45.98.040;
10 recommend, if appropriate, the formulation of additional criteria for
11 the designation of historical districts under AS 29.48.110(b); approve
12 plans for and evaluate the suitability of specific structures for
13 purposes of loan eligibility and continuance under the historical
14 district revolving loan fund (AS 45.98); and consult with the Department
15 of Commerce and Economic Development relative to the adoption of regu-
16 lations for historical district loans under AS 45.98.

-HB 72 Historical Districts

ANCHORAGE, ALASKA
FEBRUARY 12, 1977

FINANCE COMMITTEE, HOUSE OF REPRESENTATIVES
STEVE COWPER, CHAIRMAN
JUNEAU, ALASKA.

* WE THE UNDERSIGNED, OPPOSE HB72. IT WOULD ALLOW ANY
PROPERTY TO BE INCLUDED WITHIN AN HISTORIC DISTRICT
ONLY BECAUSE OF ITS PROXIMITY TO STRUCTURES SELECTED
AS HISTORIC. THIS DESIGNATION COULD EVENTUALLY HAVE
AN ADVERSE EFFECT UPON DEVELOPMENT OF THE NON-HISTORIC
PROPERTY. NO APPOINTIVE BODIES SHOULD HAVE THE RIGHT
TO TAKE BINDING ACTION AFFECTING PRIVATE PROPERTY
WITHOUT STRICT ADHERENCE TO PROFESSIONALLY ACCEPTED
STANDARDS FOR ESTABLISHING HISTORIC SIGNIFICANCE.
POSSIBLY UNQUALIFIED PERSONS COULD, IN THEIR ZEAL,
ADVERSELY AFFECT THE RIGHTS OF OTHERS. WE URGE NO
ACTION BE TAKEN ON HB72.

*SEE ATTACHED LIST OF SIGNATURES.

126 - F. Street
Anchorage, Alaska
99501

(Ref. Nola Campbell - 277-4008 ←
Janet Goetz - 277-2072)
getz.

WE THE UNDERSIGNED give our permission to have our names appear on the attached telegraphic message to the Alaska State Legislature re House Bill No. 72.

	NAME	Date	NAME	Date
1.	Harland W. Davis	10 Feb 77	John S. Lewis	2/11/77
2.	L. Douglas Williams	2/10/77	J. Miller	2-11-77
3.	Wanda E. Tucker	2/10/77	Patricia W. Hildner	2/11/77
4.	John M. Stern, Jr.	2/11/77	W. H. Hildner	2-11-77
5.	Joseph H. Smith	2/11/77	Rodine S. Carpenter	
6.	W. M. Sullivan		Robert J. Hanson	
7.	Dennis O. Ryan	2-11-77	Paul J. Nangle	
8.	Leonard A. Nesbitt	2-11-77		
9.	Wesley G. Adams	2/11/77		
10.	James C. Goetz	2/11/77		
11.	Walter H. Campbell	2/11/77		
12.	Richard W. Adams	2/11/77		
13.	W. H. Hildner			
14.	W. H. Hildner			
15.	W. H. Hildner			
16.	Elizabeth J. Johnson	2/11/77		
17.	Walter H. Campbell			
18.	W. H. Hildner			
19.	W. H. Hildner			
20.	Franklin C. Landstrom	2/11/77		
21.	W. H. Hildner	2-11-77		
22.	W. H. Hildner	2/11/77		
23.	W. H. Hildner	2/11/77		
24.	W. H. Hildner	2/11/77		
25.	W. H. Hildner	2/11/77		

WE THE UNDERSIGNED give our permission to have our names appear on the attached telegraphic message to the Alaska State Legislature re House Bill No.72.

<u>NAME</u>	<u>Date</u>	<u>NAME</u>	<u>Date</u>
1. HARLAND W. DAVIS	10 FEB. '77	26. JOHN S. SWISS	
2. J. DOUGLAS WILLIAMS	11	27. MORRIS S. BOLINGER	
3. Alma E. Hicks		28. PATRICIA A. HIEBERT	
4. JOHN M. STERN JR.		29. A. G. HIEBERT	
5. ELAINE G. SWISS		30. RODERIC S. CARPENTER	
6. F.M. SWALLING		31. ROLPH S. HANSON	
7. DENNIS O'BRIEN		32. PAUL J. NANGLE	
8. RAYMOND A. NESBETT		33.	
9. JESS G. ADAMS		34.	
10. JANET C. GOETZ		35.	
11. NOLA H. CAMPBELL		36.	
12. RICHARD W. ADAMS		37.	
13. D. H. CUDDY		38.	
14. PATRICIA A. HOUSTON		39.	
15. CLYDE C. HOUSTON		40.	
16. ELIZABETH JOHNSON		41.	
17. MYRTLE STALNAKER		42.	
18. ALLEN L. JEWELL		43.	
19. GEORGIA M. BOLINGER		44.	
20. FRANKLIN C. LANDSTROM		45.	
21. JEAN M. DONATELLO		46.	
22. EVELYN E. MARTIN		47.	
23. JOHN . GOETZ		48.	
24. BETTY M. CARPENTER		49.	
25. ESTHER BYRNES		50.	

Original sponsor: Miller, Cotten,
Duncan, et al

Offered: 2/24/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 72

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the creation of historical dis-
7 tricts within municipalities."

8

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

9

* Section 1. INTENT. It is the intent of the legislature to foster an
10 awareness of the need to preserve our historic past; to protect those visible
11 aspects of our invaluable heritage so that present and future generations may
12 continue to be enriched by the originality and strength of Alaska's architec-
13 tural and cultural beginnings.

14

* Sec. 2. AS 29.48 is amended by adding new sections to read:

15

Sec. 29.48.108. CREATION OF HISTORICAL DISTRICT COMMISSIONS. The
16 governing body of a general law or home rule municipality may establish
17 a historical district commission or designate the planning and zoning
18 commission or itself to serve as the historical district commission.

19

Sec. 29.48.110. ESTABLISHMENT OF HISTORICAL DISTRICTS. (a) In
20 addition to existing municipal authority providing for the preservation,
21 protection, and maintenance of historic sites, the local historical
22 district commission established under sec. 108 of this chapter, in
23 consultation with the Historic Sites Advisory Committee within the
24 Department of Natural Resources, may establish a historical district
25 within the boundaries of the municipality.

26

(b) A historical district shall be a reasonably compact area of
27 historical significance in which two or more structures important in
28 state or national history, and related by physical proximity or histori-
29 cal association, are located. For purposes of this section, "structures

1 (3) another building or structure within a historical district
2 and suitable for superficial modification so that it can conform to the
3 period or motif of the surrounding buildings or structures that are the
4 reason for the area's designation as a historical district.

5 Sec. 45.98.030. POWERS AND DUTIES OF THE DEPARTMENT. For purposes
6 of administering this chapter, the Department of Commerce and Economic
7 Development may

8 (1) prescribe the form and procedure for submitting loan
9 applications under this chapter;

10 (2) designate agents and delegate powers to them as is
11 necessary;

12 (3) in consultation with the Historic Sites Advisory Commit-
13 tee, adopt regulations necessary to carry out its functions, including
14 regulations for the process of plan approval by the committee;

15 (4) establish amortization plans for the repayment of loans
16 not to exceed 30 years.

17 Sec. 45.98.040. LIMITATIONS ON LOANS. Loans made under this chap-
18 ter are subject to the following limitations:

19 (1) state participation in all loans in the aggregate, for any
20 one historical district qualifying under this chapter may not exceed
21 \$1,500,000;

22 (2) state participation in a loan for the restoration, im-
23 provement, rehabilitation or maintenance of any one building or struc-
24 ture qualifying under this chapter may not exceed \$100,000;

25 (3) the loan shall be secured by acceptable collateral and
26 may not exceed 85 per cent of the appraised value of the collateral
27 offered as security;

28 (4) the rate of interest may not exceed six and one-half per
29 cent a year on the unpaid balance of the state's share of the loan;

Original sponsor: Miller, Cotten,
Duncan, et al

Offered: 2/24/77
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 72

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the creation of historical dis-
7 tricts within municipalities."

8

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

9

* Section 1. INTENT. It is the intent of the legislature to foster an
10 awareness of the need to preserve our historic past; to protect those visible
11 aspects of our invaluable heritage so that present and future generations may
12 continue to be enriched by the originality and strength of Alaska's architec-
13 tural and cultural beginnings.

14

* Sec. 2. AS 29.48 is amended by adding new sections to read:

15

Sec. 29.48.108. CREATION OF HISTORICAL DISTRICT COMMISSIONS. The
16 governing body of a general law or home rule municipality may establish
17 a historical district commission or designate the planning and zoning
18 commission or itself to serve as the historical district commission.

19

Sec. 29.48.110. ESTABLISHMENT OF HISTORICAL DISTRICTS. (a) In
20 addition to existing municipal authority providing for the preservation,
21 protection, and maintenance of historic sites, the local historical
22 district commission established under sec. 108 of this chapter, in
23 consultation with the Historic Sites Advisory Committee within the
24 Department of Natural Resources, may establish a historical district
25 within the boundaries of the municipality.

26

(b) A historical district shall be a reasonably compact area of
27 historical significance in which two or more structures important in
28 state or national history, and related by physical proximity or histori-
29 cal association, are located. For purposes of this section, "structures

1 important in state or national history" means properties recommended by
2 historical district commissions, which are listed in the National Regis-
3 ter of Historic Places or are characteristic of the Russian-American
4 period before October 18, 1867, the early territorial period before
5 1930, or early Native heritage, reflecting the indigenous characteristics
6 of Native culture in Alaska. Upon recommendation of the governing body
7 of a general law or home rule municipality and the Historic Sites
8 Advisory Committee, the Department of Natural Resources may by regula-
9 tion formulate additional criteria for the establishment of historical
10 districts not inconsistent with this subsection.

11 (c) The establishment of a historical district under this section
12 shall be consistent with any applicable comprehensive plan for the
13 municipality.

14 * Sec. 3. AS 45 is amended by adding a new chapter to read:

15 CHAPTER 98. HISTORICAL DISTRICT REVOLVING LOAN FUND.

16 Sec. 45.98.010. CREATION OF HISTORICAL DISTRICT REVOLVING LOAN
17 FUND. There is created in the Department of Commerce and Economic
18 Development a historical district revolving loan fund.

19 Sec. 45.98.020. HISTORICAL DISTRICT LOANS. Upon endorsement and
20 plan approval by a local historical district commission established
21 under AS 29.48.108 and the recommendation of a majority of the members
22 of the Historic Sites Advisory Committee, the Department of Commerce and
23 Economic Development may make loans to a person, firm, business or
24 municipality subject to applicable laws for the restoration, improvement,
25 rehabilitation, or maintenance of a structure which is

26 (1) within the boundaries of a historical district estab-
27 lished under AS 29.48.110;

28 (2) identified as important in state or national history as
29 provided for in AS 29.48.110(b); and

1 (3) another building or structure within a historical district
2 and suitable for superficial modification so that it can conform to the
3 period or motif of the surrounding buildings or structures that are the
4 reason for the area's designation as a historical district.

5 Sec. 45.98.030. POWERS AND DUTIES OF THE DEPARTMENT. For purposes
6 of administering this chapter, the Department of Commerce and Economic
7 Development may

8 (1) prescribe the form and procedure for submitting loan
9 applications under this chapter;

10 (2) designate agents and delegate powers to them as is
11 necessary;

12 (3) in consultation with the Historic Sites Advisory Commit-
13 tee, adopt regulations necessary to carry out its functions, including
14 regulations for the process of plan approval by the committee;

15 (4) establish amortization plans for the repayment of loans
16 not to exceed 30 years.

17 Sec. 45.98.040. LIMITATIONS ON LOANS. Loans made under this chap-
18 ter are subject to the following limitations:

19 (1) state participation in all loans in the aggregate, for any
20 one historical district qualifying under this chapter may not exceed
21 \$1,500,000;

22 (2) state participation in a loan for the restoration, im-
23 provement, rehabilitation or maintenance of any one building or struc-
24 ture qualifying under this chapter may not exceed \$100,000;

25 (3) the loan shall be secured by acceptable collateral and
26 may not exceed 85 per cent of the appraised value of the collateral
27 offered as security;

28 (4) the rate of interest may not exceed six and one-half per
29 cent a year on the unpaid balance of the state's share of the loan;

1 (5) a participating financial institution shall administer
2 and service the loan for a reasonable fee not exceeding one-quarter of
3 one per cent;

4 (6) the state has a lien on the property accepted as colla-
5 teral to the extent of its portion of the loan; when the lien or notice
6 of the lien is properly recorded it is superior to all other liens
7 except those for taxes and special assessments; a lien of the participa-
8 ting financial institution, to the extent of its portion of the loan
9 after it is properly recorded, is superior to all other liens except
10 liens for taxes, special assessments, and the lien of the state.

11 Sec. 45.98.050. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a) The
12 commissioner of commerce and economic development or his designee may
13 sell or transfer at par value or at a premium or discount to any bank or
14 other private purchaser for cash or other consideration the mortgages
15 and notes held by the Department of Commerce and Economic Development as
16 security for loans made under this chapter.

17 (b) The commissioner of commerce and economic development or his
18 designee may sell or transfer at par value to the Department of Revenue,
19 the mortgages and notes held by the Department of Commerce and Economic
20 Development as security for loans made under this chapter. The Depart-
21 ment of Revenue may purchase the mortgages and notes offered.

22 Sec. 45.98.060. PENALTY PROVISION. After a project for which a
23 loan is granted is commenced, if the Department of Commerce and Economic
24 Development or a local historical district commission, in consultation
25 with the Historic Sites Advisory Committee, determines that the project
26 is inconsistent with the guidelines or stipulations for construction, or
27 otherwise fails to conform to the requirements of the loan, the interest
28 rate on the state's share of the loan shall be increased to the highest
29 rate of interest allowed at that time as provided in AS 45.45.010. In

1 addition, a penalty in the amount of two per cent of the balance of the
2 loan shall be assessed by the Department of Commerce and Economic
3 Development.

4 Sec. 45.98.070. SHORT TITLE. This chapter may be cited as the
5 Historical District Loan Act.

6 * Sec. 4. AS 41.35.180 is amended by adding a new paragraph to read:

7 (5) consult with local historical district commissions re-
8 garding the establishment of historical districts under AS 29.48.108 -
9 29.48.110 and the approval of project alterations under AS 45.93.040;
10 recommend, if appropriate, the formulation of additional criteria for
11 the designation of historical districts under AS 29.48.110(b); approve
12 plans for and evaluate the suitability of specific structures for
13 purposes of loan eligibility and continuance under the historical
14 district revolving loan fund (AS 45.98); and consult with the Department
15 of Commerce and Economic Development relative to the adoption of regu-
16 lations for historical district loans under AS 45.98.

Introduced: 1/19/77
Referred: Community & Regional
Affairs and Finance

BY MILLER, COTTEN, DUNCAN,
FREEMAN, GARDINER, MALONE,
PARR, RUDD, SMITH, SNIDER
AND SPECKING

1 IN THE HOUSE

2 HOUSE BILL NO. 72

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the creation of historical dis-
7 tricts within municipalities."

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

9 * Section 1. INTENT. It is the intent of the legislature to foster an
10 awareness of the need to preserve our historic past; to protect those visible
11 aspects of our invaluable heritage so that present and future generations may
12 continue to be enriched by the originality and strength of Alaska's architec-
13 tural and cultural beginnings.

14 * Sec. 2. AS 29.48 is amended by adding new sections to read:

15 Sec. 29.48.108. CREATION OF HISTORICAL DISTRICT COMMISSIONS. The
16 governing body of a general law or home rule municipality may establish
17 a historical district commission or designate the planning and zoning
18 commission or itself to serve as the historical district commission.

19 Sec. 29.48.110. ESTABLISHMENT OF HISTORICAL DISTRICTS. (a) In
20 addition to existing municipal authority providing for the preservation,
21 protection, and maintenance of historic sites, the local historical
22 district commission established under sec. 108 of this chapter, in
23 consultation with the Historic Sites Advisory Committee within the
24 Department of Natural Resources, may establish a historical district
25 within the boundaries of the municipality.

26 (b) A historical district shall be a reasonably compact area of
27 historical significance in which two or more structures important in
28 state or national history, and related by physical proximity or histori-
29 cal association, are located. For purposes of this section, "structures

1 important in state or national history" means properties recommended by
2 historical district commissions, which are listed in the National Regis-
3 ter of Historic Places or are characteristic of the Russian-American
4 period before October 18, 1867, the early territorial period before
5 1920, or early Native heritage, reflecting the indigenous characteristics
6 of Native culture in Alaska. Upon recommendation of the Historic Sites
7 Advisory Committee, the Department of Natural Resources may by regula-
8 tion formulate additional criteria for the designation of historical
9 districts not inconsistent with this subsection.

10 (c) The establishment of a historical district under this section
11 shall be consistent with any applicable comprehensive plan for the
12 municipality.

13 * Sec. 3. AS 45 is amended by adding a new chapter to read:

14 CHAPTER 98. HISTORICAL DISTRICT REVOLVING LOAN FUND.

15 Sec. 45.98.010. CREATION OF HISTORICAL DISTRICT REVOLVING LOAN
16 FUND. There is created in the Department of Commerce and Economic
17 Development a historical district revolving loan fund.

18 Sec. 45.98.020. HISTORICAL DISTRICT LOANS. Upon endorsement and
19 plan approval by a local historical district commission established
20 under AS 29.48.108 and the recommendation of a majority of the members
21 of the Historic Sites Advisory Committee, the Department of Commerce and
22 Economic Development may make loans to a person, firm or business for
23 the restoration, improvement, rehabilitation, or maintenance of a struc-
24 ture which is

25 (1) within the boundaries of a historical district estab-
26 lished under AS 29.48.110;

27 (2) identified as important in state or national history as
28 provided for in AS 29.48.110(b); and

29 (3) another building or structure within a historical district.

1 and suitable for superficial modification so that it can conform to the
2 period or motif of the surrounding buildings or structures that are the
3 reason for the area's designation as a historical district.

4 Sec. 45.98.030. POWERS AND DUTIES OF THE DEPARTMENT. For purposes
5 of administering this chapter, the Department of Commerce and Economic
6 Development may

7 (1) prescribe the form and procedure for submitting loan
8 applications under this chapter;

9 (2) designate agents and delegate powers to them as is
10 necessary;

11 (3) in consultation with the Historic Sites Advisory Commit-
12 tee, adopt regulations necessary to carry out its functions, including
13 regulations for plan approval by the committee;

14 (4) establish amortization plans for the repayment of loans
15 not to exceed 30 years;

16 (5) take an amount annually from the fund not to exceed an
17 amount equal to five per cent of the loans made in that year to pay for
18 the cost to the department of administering the fund and to reimburse
19 the Historic Sites Advisory Committee for its costs in cooperating with
20 the department.

21 Sec. 45.98.040. LIMITATIONS ON LOANS. Loans made under this chap-
22 ter are subject to the following limitations:

23 (1) state participation in a loan for any one historical dis-
24 trict qualifying under this chapter may not exceed \$1,500,000;

25 (2) state participation in a loan for the restoration, im-
26 provement, rehabilitation or maintenance of any one building or struc-
27 ture qualifying under this chapter may not exceed \$100,000;

28 (3) the loan shall be secured by acceptable collateral and
29 may not exceed 85 per cent of the appraised value of the collateral

1 offered as security;

2 (4) the rate of interest may not exceed five per cent a year
3 on the unpaid balance of the state's share of the loan;

4 (5) a loan of \$150,000 or more under this chapter for any one
5 structure must be participated in by a financial institution in an
6 amount which is not less than 20 per cent of the total amount of the
7 loan; a loan of less than \$150,000 for any one structure does not
8 require participation by a financial institution;

9 (6) the participating financial institution shall administer
10 and service the loan for a reasonable fee not exceeding one-half of one
11 per cent;

12 (7) the lien of the state is a first lien to the extent of
13 its portion of the total loan, and the participating institution shall
14 have a first lien to the extent of its portion of the total loan.

15 Sec. 45.98.050. SALE OR TRANSFER OF MORTGAGES AND NOTES. (a) The
16 commissioner of commerce and economic development or his designee may
17 sell or transfer at par value or at a premium or discount to any bank or
18 other private purchaser for cash or other consideration the mortgages
19 and notes held by the Department of Commerce and Economic Development as
20 security for loans made under this chapter.

21 (b) The commissioner of commerce and economic development or his
22 designee may sell or transfer at par value to the Department of Revenue,
23 the mortgages and notes held by the Department of Commerce and Economic
24 Development as security for loans made under this chapter. The Depart-
25 ment of Revenue shall purchase the mortgages and notes offered.

26 Sec. 45.98.060. PENALTY PROVISION. After a project for which a
27 loan is granted is commenced, if the Department of Commerce and Economic
28 Development or a local historical district commission, in consultation
29 with the Historic Sites Advisory Committee, determines that the project

1 is inconsistent with the guidelines or stipulations for construction, or
2 otherwise fails to conform to the requirements of the loan, the interest
3 rate on the state's share of the loan shall be increased to the highest
4 rate of interest allowed at that time as provided in AS 45.45.010. In
5 addition, a penalty in the amount of two per cent of the balance of the
6 loan shall be assessed by the Department of Commerce and Economic
7 Development.

8 Sec. 45.98.070. SHORT TITLE. This chapter may be cited as the
9 Historical District Loan Act.

10 * Sec. 4. AS 41.35.180 is amended by adding a new paragraph to read:

11 (5) consult with local historical district commissions re-
12 garding the establishment of historical districts under AS 29.48.108 -
13 29.48.110 and the approval of project alterations under AS 45.98.040;
14 recommend, if appropriate, the formulation of additional criteria for
15 the designation of historical districts under AS 29.48.110(b); approve
16 plans for and evaluate the suitability of specific structures for
17 purposes of loan eligibility and continuance under the historical
18 district revolving loan fund (AS 45.98); and consult with the Department
19 of Commerce and Economic Development relative to the adoption of regu-
20 lations for historical district loans under AS 45.98.

Steve Cowper



Senator John L. Rader

POUCH V
JUNEAU, ALASKA 99801
OR
P. O. BOX 2068
ANCHORAGE, ALASKA 99510

HB 72

February 16, 1977

Mr. P. J. Nagle
101 Christensen Drive
Anchorage, Alaska 99501

Dear Mr. Nagle:

While I assume you have already done so, I have taken the liberty of making copies of your telegram available to Representative Lisa Rudd and Representative Steve Cowper who preside over committees currently considering HB 72 in the House.

I have read the bill and intend to follow it closely as the session progresses. Your comments suggest that modifications to the proposed bill may be necessary.

Sincerely,

John L. Rader

John L. Rader, President
Alaska State Senate

JLR: jm

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC

PHONE: 555-8440

JUNEAU, ALASKA 99801

#

22166 POM ANCHORAGE ALASKA 15 32-13. 3420P AST

1977 FEB 11 AM 12 31

PMS SEN JOHN RADER

775

JUN

ANCHORAGE PUBLIC HEARING REQUIRED HB72 AS PROPERTY OWNER AND
LAWYER, IT CONSTITUTES TAKING WITHOUT COMPENSATION.

P J NAGLE 101 CRISTENSEN DRIVE ANCHORAGE AK 99501

