

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILES 86/2

354 SCOMM10: LOCAL GOVERNMENT STUDY 1979

2 primary concerns have been first of all, that St. government has assumed more and more local government services, what are traditional ... unorganized borough, both in funding and deliveries, and the more this is done, the less you will find those areas are going to be wanting to establish their own boroughs and this leads to a great deal of dissatisfaction because ... and dependent And the other concern, is of course the reluctant to assume the financial responsibilities for local government, and I would like to see you address that somehow, by possibly putting in somewhere that when a tax base of an area reaches a certain level, that that area must assume a certain level of financial responsibilities, for the delivery of local government, ... for that area, I think that sounds rather cold hearted, but I don't think there is ever going to be a willingness to assume that financial burden unless it's made clear in the State law that the state expects areas to assume as much of the management responsibility as they can. Of course, in order to that we must identify with the tax base in the unorganized borough, and I think that is vital, aside from any other work that might be done in development of local government, even if we should do none

Senator Kelly Liza, could you identify that ^{last} provision you are talking about please? You really struck a chord here, with me in any case.

Lize Rudd

You mean about assuming responsibility? Well, it's not in any of your bills, it's a concern that I have, but, there is not, there is a pretty reluctant,

~~partly~~ perfectly understandable on the part of the people who are already receiving what are traditionally local government services from the State. And there are many areas in the unorganized borough that are receiving what are traditionally

local government services from the state, and of course, they are receiving them "free", that is they are using state money rather than local money to pay for it, so those areas it seems to me are going to be very reluctant to take on local government responsibilities when they can already receive a lot of those services from the state. So I would like to see somewhere in the law in one of these bills, a statement that when a local area tax base has reached a certain level, then that area must assume some financial responsibility. Of course, not all, ... but some requirement of financial responsibility for the administration.

Sen Sturgulewski - We do have information on the home rule limitations. According to AS.29.33.010 (B) they would need among the other conditions to have the areawide borough powers, so that would include those mandatory functions. I appreciate your testimony and if you have any that can be telecopies down, it would certainly help us - you have a lot of background and made some very comments that will help us, and I do appreciate that.

Kotzebue, Jeff Smith / Maneeluk Assoc.



Official Business

Alaska State Legislature *in files*
House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

TO: Senator Arliss Sturgulewski
FROM: Rep. Bill Parker
DATE: 2/4/80
RE: Joint Committee Legislative Package

The following are the substantive points raised during the informal review of the Legislative Package by the House C&RA Committee. Please note that the Committee did not review HB 582 relating to the Program of Planning Assistance as our hearing schedule did not allow enough time although we scheduled it on two successive days.

CB 348 HB 580 Establishing Unorganized Boroughs

Jay Moore, DPDP testified that although there are a number of ways to establish boundaries, the mandated approach may not be inappropriate. The positive advantage is that it will happen immediately. However, there may be a problem in allowing modifications to the boundaries once they are established, as allowed for in Sec. 44.14.120. DPDP has a concern that the provisions of this section might not necessarily put the agency needs secondary to the needs of the people being served and it is the Division's concern that this is what should be done.

John Post, Chief Research & Analysis, Dept. of Labor The importance of the census boundaries adopted by the Federal Government for 1980 should not be understated. Post expressed concern that if Labor had to meet the new unorganized borough boundaries it would be very difficult and very costly to come up with the employment, unemployment and population figures for the unorganized borough areas where they did not follow the area and subarea boundaries of the census boundaries. The Native Regional Corporation boundaries are the outer limits of the census boundaries.

Palmer McCarter, Director Div. Local Government Assistance, Dept. C&RA
McCarter questions whether appeals on boundary adjustments should go to the Legislative Council and suggests that instead the appeal be to the Governor. Perhaps the legislature could have the final appeal if the Governor isn't acting responsibly.

McCarter also questions how an REAA could be altered if necessary (there is an existing REAA which overlaps two Regional Corporation boundaries and this is not allowed in HB580). Perhaps a process for changing the REAA boundaries where necessary should be included in the bill.

After the hearing, Ginny Chitwood of the Alaska Municipal League pointed out that HB 580 limits the charter writing period to 1 year and questioned if that was enough time. Also, she was concerned that unlike the provisions for unifying a municipality, there was no provision for drafting a second charter if the first one failed.

SB 350 HB 581 Establishing the Responsibilities of the Division of Policy Development and Planning

Jay Moore, DPDP
Expressed concern that HB 581 was ambiguous and suggested an elaboration as to why geocoding was needed. He also felt that variance from REAA boundaries would probably be requested by a large number of agencies and that interagency coordination should be stressed.

SB 354 HB 584 Eliminating the THird Class Borough

Rep. Charlie Parr expressed reservations about the bill saying that the C&RA department talks about giving local government flexibility and yet if the third class borough is eliminated, and the people don't want to form a second class borough, there is no alternative for them. Parr said that in his district it was planning and zoning powers that people were afraid of. Third class boroughs were restricted to service areas in this regard. Also, Parr felt that in unorganized boroughs the Div. of Lands would have zoning powers and the divisions's "shoddy track record" made it a poor option. "My bias is that we ought to have a mandatory borough act, but I think we should have a third class borough option." Parr felt the step from unorganized to second class was too large a jump. He feels there should be a proven overriding and compelling state argument against allowing the third class borough to exist if it is going to be eliminated.

HB 585 Incorporation of Second Class Boroughs

353
SB 585

Rep. Charlie Parr questions Line 20 of the bill and the requirement that it would take only 10 percent of the voters to petition for reclassification. Wonders if the expense of an election is justified for such a small percentage of the voters. Parr also questions Line 14 which would allow for the election to be either "special" or "regular". He is not sure it would be advisable to have a special election because of the expense and because there would not appear to be any urgency in such a reclassification. (After clarification by Ginny Chitwood, Parr drops concerns related to the timing of the election feeling perhaps it should be left up to the municipality).

Palmer McCarter, Dept. of C&RA pointed out that initiative and referendum require 25% of the voters when the city or borough has fewer than 7,500 persons or 15% when a city or borough has 7,500 persons or more. Unification requires 25% of the voters inside and outside of the city.

Rep. Charlie Parr suggests amending the percent of petitioners (line 20) to 15%. Committee concurs.

SB 352 HB 586 Requiring Fiscal Notes for Bills Affecting a Municipality

Rep. Parr raises question of whether this bill is intended to deal with just "significant" impacts. Palmer McCarter, Dept. of C&RA, responded that this would be his interpretation. Perhaps the word "major" expenditure could be added on line 15. McCarter stressed that the fiscal impact figure would be an estimate.

HB 583 State Aid to Local Governments

SB 351

Palmer McCarter, Dept. C&RA, testified that the Dept. opposes the bill as presently written. Although they support the \$25,000 as a base figure in revenue sharing, they believe it is too costly for the state to provide that amount in addition to the entitlements.



Official Business

Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:

LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

TO: Jack Chenoweth
FROM: Marjorie Gorsuch
Gene Walsh
DATE: 8/14/79
RE: Draft Legislation/Local Government Study

Jack....Needless to say, we are pleased that you will continue to be involved in the Local Government Study. We have found your work of invaluable assistance in this effort.

Reiterating the agreements made at our August 8 meeting, we understand that you will be researching specific portions of the Action Program (see attached). The material should be developed in a form suitable for introduction as legislation during the Second Session of the Eleventh Legislature.

During the last week of September and early October, the Committee members will take the concepts embodied in the legislation you are preparing to rural regional centers and villages in the unorganized borough for public hearings. Therefore, it would be most helpful to receive the legislative proposals by September 7 so that they can be reviewed and so that some advance educational material on the subject matter can be made available to those in rural Alaska who will be invited to the public hearings.

Restating the tasks you felt you could complete, we understand that you plan to work on the following:

1. ESTABLISHMENT OF UNORGANIZED BOROUGHS
 - A. BOUNDARIES
 1. DELINEATION
 2. FORMALIZATION (ESTABLISHMENT)
 3. FOLLOW-UP ADJUSTMENT BY LOCAL BOUNDARY COMMISSION
 - B. COUNCILS (ADVISORY)
 1. APPORTIONMENT
 2. ELECTION
 - C. FUNCTIONS AND AUTHORITY
 1. PLANNING
 2. COORDINATION AND REVIEW
 3. RELATIONSHIP TO REAA's & COASTAL RESOURCE SERVICE AREAS
 - D. STEPS TOWARD ORGANIZED STATUS

(In reference to 1.(B), it would appear from the discussion at the Symposium, that a representation plan which would most closely provide for individual village representation, while still complying with the Supreme Court mandate of "one man one vote" would be acceptable to those living in rural Alaska.)

2. HOME RULE/ORGANIZED BOROUGH

A. EXTENDED HOME RULE (provision to move directly from unorganized status)

(Relative to the above, please find the attached memo from the Department of Community and Regional Affairs on the "instantaneous unification" proposal as well as the draft proposal on this subject circulated during the First Session of the Eleventh Legislature.)

3. LOCAL GOVERNMENT FINANCING AND SERVICE

B. FOUNDATION PLAN FOR HEALTH, PUBLIC ASSISTANCE, PUBLIC SAFETY, EDUCATION

(The attached letter received from John Havelock on this general subject might be of interest to you)

C. INTERGOVERNMENTAL CONTRACTING

4. B. RECOGNITION OF VILLAGES

1. THIRD CLASS CITIES

(You mentioned that memos relative to the Third Class City written by Pat Poland might be of assistance in this area)

Please advise us if the above is not accurate.

We would appreciate receiving any portion of the work upon completion--the mail to Anchorage (to Arliss and Bill) seems to be getting slower by the day and we would want them to review the legislative proposals.

Many thanks.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF POLICY DEVELOPMENT AND PLANNING

JAY S. HAMMOND, Governor

POUCH AD
JUNEAU, ALASKA 99811
PHONE: 465-3512

December 7, 1979

Senator Arliss Sturgulewski
2957 Sheldon Jackson St.
Anchorage, Alaska 99504

Dear Arliss:

As we agreed when we met briefly last week, my staff has prepared some possible language on several of the points we discussed. Specifically, you asked for a rough draft of language on the following items: 1) the Department of Community and Regional Affairs would investigate and determine regional boundaries (we noted at the time that these regions would be similar to substate districts as discussed in the 1976 DPDP report on boundaries); 2) DPDP and Budget and Management would do an efficiency study of service delivery; 3) State agencies would be required to start collecting data along preliminarily identified regional boundaries, and 4) State agencies would study the feasibility of using regional boundaries for service delivery.

After some reflection, we decided that the fourth item (feasibility study) would be most effective as a component of DCRA's boundary investigation, and therefore we did not write it up as a separate item. We also realized that mandating data collection by interim region before the final boundaries are determined could be a problem if the final boundaries diverged from the interim ones. Instead, we included a different approach to the data collection problem which would be compatible with any and all boundaries - data collected would be "geocoded" so that it could be aggregated in any desired combination. Thus, the rough language we are providing to you includes 1) an investigation and determination of boundaries by DCRA, 2) a service delivery study by DPDP, and 3) an investigation and determination of the optimum geocoding system by DPDP. The language also mandates the use by State agencies of the districts for service delivery and of the selected data collection system.

The rough language for these three elements is as follows:

Substate Districts

All agencies, commissions and other entities of State government shall, by July 1, 1982, use common substate districts as defined

July 1, 1981

Legislature
Program Development
Planning

by the Department of Community and Regional Affairs, in the planning and delivery of State services. Exceptions may be approved by the Division of Budget and Management if the entity requesting the exception can demonstrate to the satisfaction of the Division that such an exception is in the public interest.

The Department of Community and Regional Affairs in consultation with State agencies and local communities shall investigate and draw uniform substate district boundaries by January 1, 1981, for the following purposes:

- a) to promote efficient and effective delivery of all State services, and
- b) to provide common areas in which clearinghouses for information, data and other materials which may be helpful or necessary to government agencies in the discharge of their responsibilities or in obtaining technical or financial assistance might be formed.

In the formation of the uniform substate district boundaries, consideration shall be given to:

1. the boundaries or sub-boundaries of the regional corporations established under the Alaska Native Claims Settlement Act;
2. the boundaries or sub-boundaries of the regional education attendance areas established under AS 14.08.031;
3. the standards for borough incorporation under AS 29.18.030; and
- cut* 4. the objectives of and constraints to State service delivery.

To accomplish this task, \$200,000 shall be appropriated to DCRA.

Optimum Service Delivery Patterns

The Division of Policy Development and Planning in conjunction with the Division of Budget and Management shall, by January 1, 1981, identify geographic patterns of existing governmental and commercial services throughout the State of Alaska and evaluate the efficiency and effectiveness of possible alternative patterns.

To accomplish this task, \$50,000 shall be appropriated to the Division of Policy Development and Planning.

Data Collection by Region

All agencies, commissions, and other entities of State government shall, beginning July 1, 1981, base the collection of primary data and information on a geocoding system that will allow such data and information to be identified by substate district or other geograph-

December 7, 1979

ical boundary used, for example, in planning, public services delivery, commercial trade or industrial development.

The Division of Policy Development and Planning shall be responsible for determining, by January 1, 1981, the most appropriate geocoding system for the purposes of this legislation and, in so doing, shall consult with the State Library, the Department of Natural Resources, the Department of Transportation and Public Facilities, the University of Alaska and other State, federal, local, and private organizations identified as having interest or expertise in the development and use of such a system.

To accomplish this task, \$100,000 shall be appropriated to the Division of Policy Development and Planning.

I hope you will find this useful in your effort to develop legislation. As I am sure you are aware, this was a quick in-house effort and these ideas have not had the benefit of adequate agency input, or even a very thorough discussion in this division. In short, they are very much trial balloons. A number of State agencies have a vital interest in this matter, and I am sure they will have substantial comments on ideas such as these which will affect their daily operations.

Sincerely,



Fran Ulmer
Director

cc: Gene Walsh
John Halterman

VICTOR FISCHER ASSOCIATES CONSULTING
221 EAST 7TH AVENUE #204 • ANCHORAGE, ALASKA 99501 • (907) 272-2381

MEMORANDUM

August 18, 1979

TO: Sen. Arliss Sturgulewski, Rep. Bill Parker, et al, Senate-House CRA
Committees Local Government Study

SUBJECT: Suggested responses to Jack Chenoweth memo and questions of August 16,
1979.

(Not having dictating machine available and because this is all a series
of my own suggestions, am submitting this in rough form. And I hope
you will bear with my inimitable typing.)

Jack's item (1), pp. 1 and 2.

Boundaries of REAAs should serve as basis for unorganized boroughs boundaries.
But REAA's should serve only as building blocks for unorganized boroughs (UBs).
UB's could consist of two or more REAAs. o/c

Determinations as to boundaries and combining REAAs should be made by CRA commis-
sioner, in consultation with .. everybody. Process provisions could be akin to
establishment of REAAs and coastal management service areas. o/c

Standards should be those now applicable to boroughs and REAA's. Insofar as
possible, UB boundaries should conform to those of Native regional corporations
established under ANCSA. o/c

Assuming REAA boundaries are general used as point of departure, communities
should not be split between different areas, i.e., between an REAA and a
different UB. In fact, we would be asking for real trouble if UB's did not
encompass entire REAAs, as the latter have to be considered service areas of
the UB within which they are located. o/c

Line drawing should be handled expeditiously. So long as REAA lines are
generally conformed to, only real issues will pertain to combining REAAs, and
that process will pretty well be guided by its own logic. o/c

Follow-up adjustment by Local Boundary Commission (LBC) is conceived as proce-
ding the means for assuring that eventual boundaries make sense. It seemed to
be pretty well agreed that the initial drawing of UB boundaries should not
involve changing boundaries of existing boroughs so as not to antagonize vested
interests and beget unnecessary opposition to delineation of UBs. That will,
however, result in various boundary and related issues being left unresolved. o/c
For example, it's pretty well agreed that the part of MatSu east of the Talkeetnas
logically belongs to the Copper River region. The issue of Cantwell may need
to be resolved. Bristol Bay Borough? Existing one probably ought to be made
part of regional borough by present municipality being converted to city status.
It's this type of cleanup that LBC should undertake after UBs are delineated and
established.

Item(2), pp. 2-3

We agreed that CRA should provide guidance on this item -- UB councils. Just a
few thoughts of my own on this subject:

My initial response is that UBs should be established and have some formal existence without delay. To keep the voluntary spirit, a la coastal management service areas (CMs), there might be provision for local initiative (w/ help from CRA) and for CRA establishment of a council of locals do not initiate.

I think unorganized boroughs are initiated as a result of the legislature's passage of an UB act. When the CRA commissioner certifies the boundaries, or whatever similar appropriate step is taken, that UB exists. However done, it should be automatic and not depend on local action or inaction... This is not a "mandatory borough act" because it doesn't automatically saddle anyone with anything: it is simply a regionalization of Alaska, a breaking down of the existing unorganized boro.

Under no circumstances should REAA boards serve as UB councils; they were elected for specific purposes only. The CM service area board where it exists would be a better candidate, as it serves a broader purpose; but I still would not think that's the best way to go to start with.

State should pay costs of establishing UB, electing a council, its operations. In effect, the council serves the legislature's purpose in implementing Sec. 6, Article X, of the constitution: "The legislature shall provide for the performance of services it deems necessary or advisable in unorganized boroughs, allowing for maximum local participation and responsibility..."

These "beasts" should not be advisory to the legislature. The legislature is not the assembly for the unorganized borough. The legislature is authorized, as per preceding quote, "to provide for" whatever, and that could be via CRA, UB councils, or any other means, without the legislature being actively involved. (The second sentence of the quoted section in no way obviates this conclusion.) I do not believe that there should be a direct UB - legislature relationship; it would be destructive of legislative ability to deal with other issues and would lead, potentially, to excessive interference in local affairs. Relationship should be UBs-CRA. (The constitution provide for a local affairs agency as the only required agency in the executive branch; this was to assure that such state-local relations were adequately dealt with.) (I'm not sure how any of this would isolate budget and program factors from general law.)

Jack's item (3), p. 3.

Education, health, public safety (all inclusive), and social welfare were identified at the symposium as basic borough services. (And I agree with Jack that natural resources and land use planning belong in this basic category.) However, these services were talked about in terms of a foundation plan in the context of borough services -- organized borough services. They do not pertain to establishment of unorganized boroughs.

Planning as seen in the context of the UB deals with the establishment of goals, assessment of needs, analysis of alternative ways of meeting the needs, etc. It does not include or imply zoning or other land use or development regulations. Nor does it necessarily relate directly to implementation. Since an UB would, and should, not assume responsibility for health functions, such functional planning as health planning would not come under its purview. Rather, the UB might deal with health needs and health delivery as part of its overall efforts to meet the needs of the region, but it would not get into day-to-day aspects of health services delivery. At this stage, UB planning would principally be advisory in nature, unless the legislature decides to devolve upon it some special implementation authority, which I see neither as desirable

Coordination and review would pertain principally to performance of state functions within the borough region. They would address themselves to coordination of state with federal services, state with state services, etc. Assurance that projects and service delivery are not only related to each other but also relate to regional plans, needs analyses, and the like. An A-95 review process by the region might be appropriate.

Question
~~Relationship~~ Relationship between "these beasts" and REAAs and CM areas is difficult to define. My thought would be that, at least initially, there would be no direct lines of authority. The legislature provides for the performance of services in unorganized boros. One means is to have service areas that deliver education and coastal management services/ Another are UB councils. At the same time, there should be provision for all of them talking to each other, for REAA and CM plans meshing with plans developed by UBs... Beyond that, I would leave the relationship loose, flexible.

Home rule, p. 4.

The purpose of extending home rule to unorganized boroughs that may want to move on to organized status is to permit them to draft a charter without having to first become a first class borough, thereby having to assume planning and zoning, significant support of education, and the full regalia of tax assessment and collection. By going first class, these boroughs would also be bound by all the general law stipulations for organizational structure and provision of services, etc.

Why make someone go first class borough simply as a step to ~~xx~~ writing their own home rule charter and probably significantly departing from conventional, urban borough first class status? It seems to gain nothing, while putting ~~major~~ obstacles in the path of a region that wishes to organize.

Going directly to home rule would permit a region that has no familiarity with borough government to proceed at its own pace and to create a structure and processes that fit that particular region's needs. The charter-writing process can be a highly important educational experience, one that should have much more meaning than just voting on whether or not to become a first or second class borough. Charter writing can be akin to constitution writing. Delegates could come from all over the region, examine their special needs and problems, and how they might be dealt with. Forms can be adapted to the region so the governmental structure fits the area and the people. Authorities granted by the charter, as well as its restrictions, will provide the basis for voter decisions about whether an appropriate government has been designed for them.

Thus, the Calista region with its dozens of villages might come up with a totally different governing structure than NANA, which is an essentially close-knit region. And Calista might as well start out with its special creature, rather than first having to go through strange forms that might be appropriate to Sitka and NANA... A charter might make special provision to protect the integrity of village and city governments against a potentially powerful borough. It might allocate functions and responsibilities between these two levels. It might specify that sales taxes, fish taxes, bingo or whatever are to be the sources of financing the borough; or the charter might provide for the property tax but only with a hefty homestead (residence) exemption and a provision that undeveloped land will not be taxed (to protect lands received by villages and regional corporations under ANCSA).

Jack asks some pertinent questions about home rule: what the Upper Yukon people see in it, what North Slope expected and accomplished, etc. I don't want to take the time to attempt a response, and am sure others are in any case more capable of doing so. More important, however, is the question of why the conventional home rule process (via first class status) must be imposed on rural regions. The constitution specifically authorizes the legislature to extend home rule to other classes of boroughs and cities, and it should do so if the machinery of local governance could thereby be improved.

Further, I don't see extension of home rule as an attack on Title 29. Though there were some extreme statements made at the symposium about the inapplicability of this title to rural areas, that does not mean that Title 29 has to be abandoned. In fact, I assume that all the things we are talking about will be done via amendments to Title 29, thereby helping adapt the laws to rural Alaska regional boroughs.

I will leave to CRA initial suggestions for processes that should lead to home rule. However, I do have a few comments. I assume the legislature will set a few standards and requirements. Citizens' voting rights will need to be provided for. I have a hunch the one-man one-vote principle cannot be violated... Local initiative should lead to charter drafting. Again, I would keep the legislature out: it can provide that CRA Commissioner acts on the petition, sets machinery in process, later reviews and approves/disapproves charter... I certainly think the region's voters should approve a charter... State pays for election; doesn't it when an area votes on organizing as first or second class borough? Given any kind of revenue/wealth sharing scheme that includes all of Alaska, funds should be available in "account" for each region to cover charter drafting and election expenses... CRA should probably provide technical assistance.

Jack raises questions about "general law unorganized borough" and "home rule unorganized borough." Very interesting, probably deserves further thought. I have a hunch that some elements of home rule might be appropriate even for an UB. Possibly this could be left to negotiation between local people (initial council?) and CRA. (I would give CRA a lot of responsibility for making the process work. We are moving into an unknown, unexplored area, and too many apriori rigid decisions can give lots of problems later. The more flexibility and judgement can be allowed, the better do I think the process and resultant system will evolve. This comment applies to the entire topic of legislating for unorganized boroughs.)

Jack is right about need to keep in mind relationship between existing home rule municipalities and the new rural regional home rule boroughs (or the home rule unorganized boroughs.) The constitution contemplates that when problems emerge, the state steps in to resolve them, allocate authorities and functions. I would again in the first instance put much authority in CRA commissioner, including assurance that borough charter and municipal charters are not (unduly) in conflict or likely to create future mischief and difficulties... But giving the new beasts broader home rule authority does not in and of itself bother me. In any case, I would like to see us take a broader, home-rule-emphasizing approach to existing governments. (Throughout here, I am speaking not only of the legal concept of home rule, but also of the whole philosophy of self-determination. The state's role should be that of facilitator, conflict resolver, and protector of the higher public interest; and minimal interference in internal local government affairs.)

(4) Financing and services, p. 5

Jack asks critical questions. These should in the first instance be dealt with by CRA as part of their looking at revenue sharing, wealth redistribution, foundation plans for services beyond education, etc.

It will be important, however, to deal with financing establishment of unorganized boroughs and support of their initial activities (council, planning, review and coordination) as part of the initial legislative package. The state is the only conceivable source of funds for the UBs. The UBs exist as creatures of the state, so their support by the state is appropriate and will be in pursuit of state purposes... Unless adequate monies are provided, we may end up with a worse mess than if regionalization had never been tackled. CRA and the local people will have to have the means to make the concepts and systems work.

(5) Recognition of villages, third class cities, p. 5

Good questions. CRA.....

STATE OF ALASKA THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

FOUCHY STATE CAPITOL
JUNEAU, ALASKA 99801
907-645-3800

MEMORANDUM

August 16, 1979

SUBJECT: Local Government Study drafting assignment.

TO: Senator Arliss Sturgulewski, Chairman
Senate Community and Regional Affairs Committee

Representative Bill Parker, Chairman
House Community and Regional Affairs Committee

FROM: John B. Chenoweth
Legislative Counsel

Some preliminary questions:

The outline dated August 14 describes some of the subject matter which should be covered. Initially, the division of the state's single unorganized borough is to be completed. Senate Bill 35 (1977) providing for the division of the unorganized borough into regional educational attendance areas is to serve as the model.

and CM bill (LEAA's or combinations of REAA's) -- Regional Corp. Bill
(1) Please advise whether it is sufficient, for your *would amend.* purposes, to provide that the boundaries of REAAs shall serve as the boundaries for unorganized boroughs.

If so:

NO

What provision is to be made to accommodate the smaller "regional" educational attendance areas -- St. Paul, Adak, Metlakatla -- into the surrounding REAA/unorganized boroughs? Or should they be? The answer to this probably depends on the relationship you see emerging between educational functions (now handled through REAAs) and any and all other functions which may be handled through unorganized boroughs.

If not:

Who shall make the determination by which an existing REAA shall be divided or combined with an adjacent REAA (for purposes of this effort)? The commissioner of

and relationship of C.R. Planning

Butt Ray Brough

*Look to
an answer to
REAA in CM*

community and regional affairs? The Local Boundary Commission? By what standards? Is it at all significant that, under this approach, a given community might find itself linked with its neighbors on one side for purposes of education and with a different group (or larger group, or smaller group) for purposes of planning and delivery of other services?

Shawed

Should the line drawing (or re-drawing) be handled expeditiously (as in SB 35 -- maximum of 4 to 6 months) or be allowed to move at whatever pace is necessary, as is presently the case in coastal zone service areas?

*By petition
Initiation
cm.*

What is meant by the entry "follow-up adjustment by the Local Boundary Commission?" *See will write memo*

(2) Matter of unorganized borough councils: I assume that "unorganized boroughs" are to be voluntarily formed (following the coastal zone model) rather than mandated (as was done with REAAs). Am I right? Should I provide for an initial council of a fixed size (as was done with REAAs)? If not, in the absence of a set statutory number, who decides? How are unorganized boroughs initiated: public petition? resolution of the legislature to the commissioner/local boundary commission? Do I worry about "one village, one vote?" How elected: at large? by districts? some combination of both? Who decides? Is this decision made by area residents upon submission of a petition? Can existing REAA school boards also serve as unorganized borough councils? Should they be able to if people in an REAA want them to? Should it be barred -- in order to keep the educational function wholly separate? Can existing coastal service area boards serve the function of an unorganized borough council? Should they be able to if they want to? Should this be barred? If an unorganized borough council is established, should the election occur at the same time as elections for other "regional" posts, i.e. when the regional school board and regional coastal management board are elected? If not, when? Who conducts these elections? Who pays for their costs? The outline says "Councils (Advisory)" -- are they to be advisory? In the same way that a community council is advisory to, say, the Anchorage assembly (i.e. the state agency would continue to have final say)? In the way a coastal management service area board's authority is circumscribed (i.e., a coastal management service area board may secure judicial review of

Probably yes

no

*LA
John
1 week
Archie*

*Pat Poland
Owl Smith
Boys Lang -*

Senator Arliss Sturgulewski
Representative Bill Parker
Page 3
August 16, 1979

Colman Pat
only response

the actions of a state agency to conform to regional coastal management service area board decisions)? Should their authority be plenary within general guidelines set down by statute? Are these beasts to be "advisory" to the legislature in its capacity as the "assembly for the unorganized borough?" If so, should we establish a scheme whereby the relationship is "unorganized borough -- state legislature", rather than "unorganized borough -- state agency", thereby isolating program and budget factors from the requirements of general law? Is this desirable with half Alaska's population and legislature drawn from urban areas?

(3) Functions: We are agreed, I think, on some initial general functions: health; social services (public assistance); public safety (i.e. police and fire protection and, perhaps, emergency medical services/search and rescue). Let me also tentatively suggest to be added to the list (with full appreciation for the fact that it reopens the debate on management of fish and game) "natural resources conservation and management" (See Article VIII, section 2, State Constitution) and its derivative function, land use planning.

*Just if
Vic. will
agree to
this.*

The first item under this heading is "planning." I think, but need you to affirm, that "planning" for the deliverance or provision of any one of the foregoing is the essential first step in that provision or deliverance, that "planning" should not be separated from "implementation" and that the two are merely parts of the same unit. Under that interpretation, an unorganized borough council might opt for health "planning" as part and parcel, and only as part and parcel, of assuming responsibilities for health functions. If I am in error on this, please advise, but the logical upshot is that you may wind up with a situation where the regional entity "plans" and the state agency budgets and executes almost entirely without ready reference to those "plans."

A 95
Comp n
stated plan
ability

The next entry, "coordination and review", needs clarification. I would ask: with whom and for what purpose?

The matter of the relationship between these beasts and existing REAAs and coastal management initiatives I leave to you. Please tell me, at least for purposes of drafting, how you see these fitting together.

ALA's have charter - any possibility as model

Senator Arliss Sturgulewski
Representative Bill Parker
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*size - maybe 35
of executive council*

*Charter as statute
of limitation
seminar
ext. relation
relates to town / borough
needs look at power
of getting to be home rule
Home Rule*

*See page 10
mike*

I am concerned, too, for the notion of "extended home rule." I have not the foggiest notion of what the participants may see in this as the answer to their concerns or problems. What is it, in Title 29 or elsewhere, that is so odious, so difficult, so threatening as to warrant "instant home rule?" I say this in all seriousness, for I do not want to throw out or suggest some home rule binder requirements that step on the hopes and expectations of participants? "One village - one vote?" Home rule probably cannot skirt this issue: there are federal constitutional precepts involved. What else is there? What is it, for openers, that people in the Upper Yukon may see in home rule? What is it the North Slope Borough officials saw in "traditional" (i.e. municipal) home rule? Did they use home rule to accomplish their expectations?

*Vii
/*

What about procedures bearing upon instant gratification through immediate adoption of home rule? Do we start with a "general law unorganized borough" and require its council to initiate the home rule charter adoption process? Do we mandate a process? Minimal requirements for inclusion in a charter? Do we allow residents to develop a home rule unorganized borough where no regional general government unit now exists? HOW???

Who prepares the charter? Should the legislature, acting as assembly for the unorganized borough, receive the petition of residents and, by local legislation, direct the preparation of a charter for this area, another (at a later date) for that region, and so forth? Do these charters need to be reviewed and approved (or not disapproved) by anyone? Legislative review? Commissioner of community and regional affairs? How long should the framers of the charter have to complete the effort? Who approves at the local level? Who pays for that election?

And, when you have totalled up whatever it is you decide on home rule for the unorganized borough, please pause to consider the implications that this result has on existing home rule municipalities, bound, as they are, by some interesting ad hoc provisions in AS 29.13. Conceivably, home rule in unorganized areas could prove to be far broader than home rule concepts and precepts applicable within municipalities. Is this desirable?

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→
(4) Financing and services: Is there to be a local effort requirement for any service? for all services? Is it a necessary requirement? Do we authorize levy and collection of taxes? Which ones? What limits? How about any fees? Do I worry about protection against taxation of undeveloped lands, boats, the property of senior citizens, and other classes which have been identified as exempt or partially exempt from municipal taxation? Do you allow "in kind?" At what value? Who decides? Does it matter??*

*Jack
Held. II
in new
document info
C.R.A.*

(5) The title heading is "recognition of villages," but the single response listed says "third class cities." Is this to be the response? Do I follow the department's draft on this? Should existing cities be permitted to "declassify" from first or second class city status to take advantage of this additional class of city? Does this establishment of yet another class of city answer the real issue on "recognition of village governments" (i.e. recognition of tribes or IRA councils) or are we just adding another option in Title 29 which, we are told, does not work in many rural areas anyway?

These are, as the first paragraph indicates, my preliminary questions bearing on a first draft.

JBC:jdn

*I do not mean to be critical, but this matter of "in kind" contributions serving in place of cash really could be significant. I understand from Marge Gorsuch that the governor is insisting that unorganized borough units begin to make some contribution. I also recall how the legislature recently treated with "in kind" contributions in legislation authorizing construction of cultural facilities. In that legislation, you will recall, there is a formula by which the amount of required local contribution to the project is to be determined. The legislature allows a municipality to count toward satisfaction of that requirement donations of land on which the facility is to be built, indicating how that value is to be ascertained, but without inquiring as to how the municipality came to hold title. Thus, with an "in kind" contribution to the project of land which the municipality gained at little or no cost, the municipality can effectively shift the entire cash burden for construction to the state.

*not
true*

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I see "in kind" as opening the door to maintaining 100 percent state support for the planning and delivery of services in unorganized boroughs, retaining the same system of financing these services as we have now. This may be desirable on the part of legislators, indeed, may be necessary from the point of view of urging organization of these areas. But I am concerned that, in dwelling on the topics of "boundary delineation", "powers of councils", and "functions and authorities", the most significant subject of equitable financial contributions is being set aside for further study at a "later" time. The state is chugging merrily down the road to financial turmoil in those years that oil and gas contributions to the general fund begin to fall off. The difficult question of financing provision of services will have to be faced then. I respectfully suggest that, ten years hence, the answers to that question, to the extent that they require all Alaskans to contribute more in the way of state income and local property and sales taxes, may come a little easier if the legislature now commits itself to requiring some cash contribution as a required local effort in any foundation approach by which responsibility for essential public services is moved to the regional level.

8/30/79 Jim Sanders / La Mar Cattani
Matrix -

Problem / Issues / action program
putting out major pieces of legislation
Issue table -

Gene - doing about layout -

who scanning - what doing.
original - report of symposium / direction
going.

now as information tool - accessible
visual tool.

Report - written material what
happened in total

trying to use what people
said at symposium - new comments
reflection of state action
Discussion may be de

amplified presentation

Re draft of other W. draft -
send all up to them.

8/30/79

ARLIS - LISTED BELOW ARE SOME POSSIBLE "INGREDIENTS"
TO BE CONSIDERED FOR INCLUSION IN AN EDUCATIONAL
DESCRIPTION OF WHAT THE COMMITTEE IS WORKING TOWARD.

1. EXPLANATION OF JOINT COMMITTEE FORMATION.

A) LIST OF COMMITTEE MEMBERS

2. EXPLANATION OF WHY STUDY WAS UNDERTAKEN

A) PROBLEMS B) ISSUES C) FUTURE EVENTS

D) MAPS COULD POSSIBLY GO IN THIS SECTION

3. STEPS LEADING TOWARD SYMPOSIUM.

4. PROCEEDINGS FROM SYMPOSIUM - WTD. STATEMENT.

A) ACTION PROGRAM B) DIRECTION C) PROBLEMS/ISSUES
(INCLUDE PHOTOGRAPH OF SYMPOSIUM)

BACKGROUND INFORMATION RELATED TO LOCAL GOVERNMENT

B. WHAT THE CONSTITUTION SAYS ABOUT LOCAL
GOVERNMENT

6. MENTION OF WHAT TITLE 29 MEANS

7. EXPLANATION OF AND INCLUSION OF EXISTING
LOCAL GOVERNMENT MATRIX

8. MAPS - BOROUGH MAP, CZM, REAA
(BOROUGH MAP WOULD LIST DATES OF INCOR-
PORATION, ETC.)

9. SELECTED DEFINITIONS SECTION - TAKEN FROM
CRA LOCAL GOVERNMENT ENCYCLOPEDIA

Scout/Leader-
clarification of action program

From: Gene Walsh

Issues from Morning Meeting

8/21/79

I.) Unorganized Boroughs

- ✓ A.) UBO's will be ~~mandated~~ ^{established by state}
- B.) UBO's will follow REAA⁶ Boundaries

- 1.) some REAA's will be combined - 1 or more
- 2.) CRA will be body to ^{selecting} ~~mandate~~ boundaries

- ✓ C.) UBO's will have elected Assemblies

- ✓ D.) UBO³ Assemblies will have governing powers - not advisory a legitimate government ^{to legislate} - not just advisory

- E.) What functions will UBO's have? ^{may not have} ~~may not have~~ ^{auth} ~~auth~~

- ✓ A.) Planning with no implementation powers

- ~~✓ B.) Planning with implementation powers~~

- [mandated] ✓ C.) A-95 - type of planning process.

- F.) What will the UBO relationship be to ^{state} ~~state~~

- ✓ A.) 1st and 2nd Class Cities ^{need to state}

- ✓ B.) REAA's

- ✓ C.) C2M

- G.) How will UBO's be financed? ^{no direct power but pulling together & comment - power to plan around regional council coordination conflict would}

- H.) What incentives can be created to move UBO's to OB status?

- A.) title 29 - changes

- B.) title 14 - changes ^{(874) if available may equalize 874 no go to D.O.E.}

- C.) Foundation approaches ✓

State
Revenue that go to
local gov.
show first tax
corp. who have
before revenue

Foundation
C2M

{ 1st class cities - may 2nd class
treated as gov't

II.) Foundation Approach to ~~UBO's~~ ^{OB's.}

A.) Define areas of foundation service:

- 1.) Education
- 2.) Health
- 3.) Public Safety ^(should name & important)
- 4.) General assistance (?)

B.) Define ^{Key} Base level of support for foundations in ~~UBO's~~ ^{OB's}.

C.) Creation of Distribution formula for Foundations

- 1.) USE REAA Approach ^{classroom unit}
- 2.) make formula responsive to local wealth and local need ^{state policy, state role, etc.}

D.) Funding - Wealth distribution "from Regional Sources" ^(Pipeline borrows to NM Pipeline Corporation)

E.) Federal funds will not reduce the level of state funds going to a ~~regional~~ ^{OB's} ~~UBO's~~

- 1.) Native allocations
- 2.) other federal recipients

F.) ^{OB's} ~~UBO's~~ can sub contract to Native NM profits

G.) Foundation available to:

- 1.) all OB's and UBO's
- 2.) to only OB's etc planning

III Revenue Sharing - modify a package

source of foundation support

special & pres. special relationship

ISSUES FROM MORNING MEETING 8/27

TITLE 29

-The current state grant of \$25,000 for assistance in organizing is inadequate. This is particularly true in terms of property assessment. Assessment should be an expense fully covered by the state.

-First and Second Class cities could lose their planning powers if an area incorporates into a borough. Maybe certain cities should be allowed to retain these powers within an organized borough. This idea would be directed more at communities such as Petersburg, Wrangell and Skagway than necessarily 2nd class cities in western Alaska.

-Allow a newly organized borough to obtain home rule status w/o first becoming a first class borough.

-Reevaluation of the statutes to allow a level of city government below the current second class cities.

Currently 10% of all vacant and unappropriated state lands is to be conveyed to newly organized boroughs. [There needs to be a change in light of some of the abuses (Mat-Su) and the fact that the existing law expires in September 1980.]

A-95
also referred to as

Mat likes land govern
to form government.

200 villages have public land.

[Cribbing land for muni services
Payment in kind of land]

could be made
#10

only planning

has to
formally
address
the
implementation

maintain level of requirement
why some limitations - some rule
3rd class.

1978 legislation

planning
#10

66

CITY OF KOTZEBUE

P.O. BOX 46
KOTZEBUE, ALASKA 99752
907-442-3401

LOCAL GOVERNMENT STUDY PUBLIC HEARING

THE CITY COUNCIL OF KOTZEBUE HAS REVIEWED THE LOCAL GOVERNMENT STUDY CHART
PRPARED AFTER AUGUST 4-5 SYMPOSIUM AND OFFER THE FOLLOWING FOR YOUR CONSIDERATION;

1. THE PROPOSED LEGISLATION WOULD AUTHORIZE AN ELECTION OF UP TO ELEVEN
ASSEMBLY MEMBERS. WE ALL KNOW THAT ELECTED POLITICIANS REQUIRE A STAFF,
MEETING AREAS AND VARIOUS SUPPORT FUNCTIONS. THIS COSTS MONEY.
2. OUR BEST GUESS FOR COST IS \$ 250,000 to \$ 300,000 FOR PAID STAFF, TRAVEL
MEETINGS AND OTHER EXPENSES FOR THE KOTZEBUE REGION.
3. HOW LONG WILL THE STATE BE ABLE TO FUND THIS TYPE GOVERNMENT? WHAT ABOUT
THE OTHER BOROUGHES? SURELY THEY WILL DEMAND AND, RIGHTFULLY SO, TO BE
FUNDED AT THE SAME LEVEL.
4. KOTZEBUE NOR THE VILLAGES IN THE REGION HAVE ^A~~NOT~~ TAX BASE TO FUND THIS
LEVEL OF GOVERNMENT.
5. IN THE KOTZEBUE REGION WE HAVE A POPULATION OF ABOUT 5000. OF THIS 5000,
MAY BE 1500 HAVE STEADY INCOMES FROM WORK. THESE 1500 WILL BE REQUIRED TO
SUPPORT THIS LEVEL OF GOVERNMENT AT SOME POINT IN TIME. THE MAJORITY OF
THIS WORK FORCE IS IN KOTZEBUE. THEREFORE, KOTZEBUE WOULD BE CONTROLLING
THE REGION. SO WHAT HAVE YOU GAINED? ONE MAN ONE VOTE LAW WILL PREVAIL,
6. IT IS PROPOSED TO CREATE A PROCESS FOR CHARTER OF HOME RULE. WE HAVE THAT
RIGHT NOW UNDER EXISTING LAWS.

"GATEWAY TO NORTHWEST ALASKA"

7. COMMUNITY AND REGIONAL AFFAIRS WOULD BE RESPONSIBLE FOR LENDING ASSISTANCE, THEY ARE CHARGED WITH THAT RESPONSIBILITY NOW. COMMUNITY AND REGIONAL AFFAIRS IS NOT ADEQUATELY FUNDED NOW TO ASSIST COMMUNITIES.
8. HOW CAN YOU PROVIDE LEGISLATION FOR HOME RULE AS CURRENTLY DEFINED AND ALLOW REAA POWERS AND RESPONSIBILITIES TO REMAIN INTACT?
9. WE HAVE THE A-95 REVIEW PROCESS NOW - THERE ARE NOT REQUIREMENTS FOR ANOTHER REVIEWING AGENCY. WE ARE REVIEWED AND STUDIED BY EVERY BUREAUCRAT THAT LANDS AT THE AIRPORT.
10. THE STATE IS PROJECTING A FUNDS SURPLUS. CREATION OF ANOTHER GOVERNMENT IS A POOR WAY TO SPEND THIS PROJECTED SURPLUS.
11. WE WERE CUT 15% ON REVENUE SHARING IN 1978 AND HELD TO THAT AMOUNT THIS YEAR; IN EFFECT, CONSIDERING INFLATION WE HAVE BEEN CUT 25% PLUS. TAKE THIS SURPLUS AND FUND REVENUE SHARING AT 100%.
12. PROVIDE A MINIMUM STATE REVENUE SHARING SAY, \$25,000.00 TO ALL SMALL CITIES SO THEY CAN BE VIABLE - DON'T CREATE ANOTHER LEVEL OF BUREAUCRACY. THE CITY OF KOBUK RECEIVES ABOUT \$6000 YEARLY FOR REVENUE SHARING. IT COST MORE THAN THIS TO APPLY AND PROPERLY MONITOR EXPENDITURES OF REVENUE SHARING.
13. THE STATE SEEMS TO HAVE A PROBLEM RECOGNIZING LOCAL GOVERNMENTS NOW. CREATE ANOTHER LEVEL AND THE GRASS ROOTS GOVERNMENT WILL BE LOST.
14. WE NOW HAVE REAA SCHOOL DISTRICT BOARDS, HEALTH CARE BOARD, MAUNELUK BOARD, NANA BOARD, IRA COUNCIL, COASTAL MANAGEMENT COUNCIL, CITY COUNCILS AND PLANNING COMMISSIONS, JUST TO NAME A FEW THAT OUR PEOPLE DEAL WITH DAILY, ~~THESE~~

YOU ARE CONSIDERING ANOTHER. YET ALL THESE VARIOUS BOARDS COMMISSIONS AND COUNCILS POWERS WILL REMAIN INTACT.

15. WHAT WE NEED IS MONEY FOR PROJECTS IN OUR COMMUNITIES TO PROVIDE JOBS FOR OUR UNEMPLOYED, NOT ANOTHER LEVEL OF GOVERNMENT TO TELL US YES, YOU HAVE AN UNEMPLOYMENT PROBLEM.

MEMORANDUM

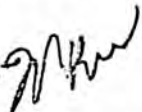
TO: [Senator Arliss Sturgelewski
Representative Bill Parker
Co-Chairmen
Joint Senate-House Committee
on Community & Regional Affairs

DATE: September 27, 1979

FILE NO:

TELEPHONE NO:

FROM:

Murray R. Walsh 
Coordinator
Office of Coastal Management
Division of Policy Development
and Planning
Office of the Governor

SUBJECT: Unorganized Borough
Legislation

I think this bill, in its current form represents an impressive opportunity and comments to follow should not be thought of as detractions to the bill but rather possible additions. My comments are going to be on the radical side and so it will be perfectly understandable if they were set aside. I would still be most supportive of the bill in its current form.

First of all, the procedure for establishing an unorganized borough assembly is roughly similar to that used for establishing coastal resource service area and one of the problems we have encountered is finding some leadership to carry the organizational ball, as it were, at the local level prior to the first election. We would suggest the establishment of interim unorganized borough assemblies by appointment of the governor. Eleven people could be selected from each unorganized borough area, appointed by the governor and charged solely with some of the responsibilities of the elected assemblies. At the current time, we have had to rely, not unsuccessfully, on the leadership provided by non-profit native corporations, principally to achieve the two successful elections we have had thus far for creating coastal resource service areas. While this has not been unworkable, we do think that a more formalized organization appointed by the governor might be more appropriate and eliminate any threat of the native bias that some people may perceive with the coastal resource techniques we have used.

With regard to proposed section 44.47.450, "Powers of the Unorganized Borough Assembly", we would suggest that the planning powers established for the unorganized borough assembly can be made somewhat more detailed without a great excursion into other law or new law. As it happens, the Department of Natural Resources currently does have power to undertake zoning in the unorganized borough. This power has been mentioned repeatedly as one of the implementing techniques for coastal resource service area district coastal management program. It seems to us that without a great deal of legislative effort planning authority could be given to the unorganized borough assembly.

A process could be established for the state review of the unorganized borough assembly plan through the Division of Policy Development and Planning (DPDP) or the Community & Regional Affairs (CRA) and then Department of Natural Resources (DNR) burdened with the responsibility of preparing a zoning ordinance to implement the plan, once it has been approved by the Division of Policy Development and Planning (DPDP) or by the legislature or the Governor or some other entity charged with the responsibility to do so. The legislature could of course engage in a much broader endeavor and create a land and water use policy council akin to the Coastal Policy Council and which would probably replace the Coastal Policy Council and use the Alaska Coastal Management Program (ACMP) set-up as we have it now. That would be a really major step, however again, the Department of Natural Resources (DNR) zoning power could be brought into play without the trappings of a bigger and better state council. There would still be some incentive for the Unorganized Borough assembly to move into home rule at some point because if the Department of Natural Resources (DNR) adopts the zoning ordinance, it will still fall to the Department of Natural Resources (DNR) and probably other state agencies to implement it. The unorganized borough assembly might at some point want to take over that function themselves, but this would probably be left to a more fully constituted local government such as a borough. We do feel that the prospect of this kind of planning power should be offered to the participants in the public hearings in the form of a question so that the attendees of the hearings can get the local feeling as to whether or not this should be part of the act. It may also happen that the bush residents would feel much more supportive of the act if this more defined land use planning authority was added to powers of the unorganized borough assemblies.

Additional questions which should be asked of all participants in this effort relate to the qualifications of the potential assembly members. Do we need to have districts established by CRA within the unorganized borough for the assembly members to be drawn or should they be elected at large? Currently, the Alaska Coastal Management Act does provide for districting so that the Coastal Planning Board members can represent a part of, rather than the whole, service area. Other question which should be asked is whether residents of existing incorporated cities and towns within the unorganized borough should be allowed to sit as assembly members.

Another concern relates to the matter of funding for the operation of the unorganized borough assemblies. This, I think, should be more clearly spelled out in the act and possibly some special appropriation or special funding effort set up.

A great deal of acceptance may depend on how easily people can perceive that the state will make a serious effort to support these assemblies until they reach home rule status. Obviously, unorganized borough assemblies can have no taxing power of their own, yet they should be equipped to receive funds for the state and federal government. I can't offer any concrete proposals here at the present time, although we will continue to ponder this notion.

Yet another item relates to the relationship between the coastal resource services area planning board and the unorganized borough assembly. The act as written would not impair the powers of the planning board, but I do think there should be more of an interlock between the two bodies. In essence, it would be appropriate for the unorganized borough assembly to approve any work done by the planning board before it is transmitted to the Coastal Policy Council. Likewise, it might be appropriate for the planning boards to be appointed by the assembly rather than elected. This would require an amendment to the Coastal Management Act. It would certainly simplify the amount of elections and confusion that will result by having two different boards elected. It might even be appropriate to require appointments of unorganized borough planning commissions to replace the coastal resource planning boards. This would enable planning function to be uniform for interior as well as coastal unorganized boroughs. I suppose it would be foolish to suggest that the school boards be handled in the same ways since school boards are independently elected elsewhere in the state, as well as in many places in the lower 48.

Returning to the matter of funding for a moment, this is likely to be the lynch-pin that can cause failure of this act due to resentment on the part of existing local governments and people in general who have been taxing themselves to provide local services. With that in mind, it may be very difficult politically to have a special new fund created for the purpose of supporting the unorganized borough assemblies. However, there may be another way and this would be for provision of the act to be inserted which would require some entity within the state, possibly Community and Regional Affairs to survey the existing funding situation for bush areas and come up with a proposal to re-route existing funding into the unorganized borough assemblies. This would be awkward but it might be more politically and economically desirable than a new source of funds.

Another financial note, again relating to the likely jealousy that standard local governments might have for fully state supported unorganized borough assemblies. There may yet be a possibility of

Senator Arliss Sturgelewski
Representative Bill Parker

-4-

September 27, 1979

making this package more attractive to all concerned if there is a provision that mandates a transition into more formalized local government when revenue opportunities per capita reach a certain point. Again, the act would have to provide some instrumentality at the state level to monitor population growth and development in the unorganized boroughs and be prepared to declare through a public hearing process that critical ratio of assessed valuation to population had been reached. This would result in some kind of formal finding that would then be noticed to the organized borough assembly which would then have a specified period of time in which to apply for home rule status or risk self-destruction. In view of the Governor's policy on self-support for local government, this might be an important consideration in obtaining administration support for the act.

I would like to emphasize that I think the act in its present form could still be workable although some of the questions about standing for the unorganized borough assembly membership be settled. I do think, though, that the matters raised in this memo should be converted into question and asked at the same time as the bill was discussed. In essence, you would be saying "Here is this bill. In addition to this bill, would you like the following features added to it?". In all, we are very impressed and look forward to a happy conclusion to this effort.

Thank you very much for the opportunity to participate.

MEMORANDUM

TO: [Senator Arliss Sturgelewski
Representative Bill Parker
Co-Chairmen
Joint Senate-House Committee
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Returning to the matter of funding for a moment, this is likely to be the lynch-pin that can cause failure of this act due to resentment on the part of existing local governments and people in general who have been taxing themselves to provide local services. With that in mind, it may be very difficult politically to have a special new fund created for the purpose of supporting the unorganized borough assemblies. However, there may be another way and this would be for provision of the act to be inserted which would require some entity within the state, possibly Community and Regional Affairs to survey the existing funding situation for bush areas and come up with a proposal to re-route existing funding into the unorganized borough assemblies. This would be awkward but it might be more politically and economically desirable than a new source of funds.

Another financial note, again relating to the likely jealousy that standard local governments might have for fully state supported unorganized borough assemblies. There may yet be a possibility of

Senator Arliss Sturgelewski
Representative Bill Parker

-4-

September 27, 1979

making this package more attractive to all concerned if there is a provision that mandates a transition into more formalized local government when revenue opportunities per capita reach a certain point. Again, the act would have to provide some instrumentality at the state level to monitor population growth and development in the unorganized boroughs and be prepared to declare through a public hearing process that critical ratio of assessed valuation to population had been reached. This would result in some kind of formal finding that would then be noticed to the organized borough assembly which would then have a specified period of time in which to apply for home rule status or risk self-destruction. In view of the Governor's policy on self-support for local government, this might be an important consideration in obtaining administration support for the act.

I would like to emphasize that I think the act in its present form could still be workable although some of the questions about standing for the unorganized borough assembly membership be settled. I do think, though, that the matters raised in this memo should be converted into question and asked at the same time as the bill was discussed. In essence, you would be saying "Here is this bill. In addition to this bill, would you like the following features added to it?". In all, we are very impressed and look forward to a happy conclusion to this effort.

Thank you very much for the opportunity to participate.

"City of Petersburg"

*P. O. Box 329
Petersburg, Alaska 99833
(907) 772-4511*

September 27, 1979

Senator Arliss Sturgulewski, Co-Chairman
Representative Bill Parker, Co-Chairman
Joint Senate and House Community & Regional Affairs Committee
Pouch V
Juneau, Alaska
99811

Re: Local Government Study

Dear Senator Sturgulewski and Representative Parker:

A copy of Local Government Study - 1979 has been received and reviewed by myself. The following comments are offered:

1. Apparently there is agreement that "rural Alaska is characterized by lack of adequate governmental services and by absence of appropriate vehicles for meeting local and regional needs". No one should argue the need for adequate services, however, I disagree with the idea that appropriate local governmental structures do not exist. Specifically, organized boroughs (whether general law, home rule, or unified home rule) do provide a great degree of choice so that each region of the state may determine locally its local government needs. You are reminded that there are five types of organized boroughs (three general law, home rule, and unified home rule), and one of those five can certainly provide the basic structure of a regional government.
2. State laws do provide adequate flexibility for rural Alaska. The provisions contained in Title 29 are minimal, so as to protect the public's interest (eg. basic election requirements).
3. Which level of government should provide municipal type services? The question is self answering; municipal services should be provided by cities and boroughs, not unorganized (disorganized ?) boroughs. Until local governments are established throughout Alaska, the State will have to play an ever increasing role to satisfy resident's demands for services.
4. Self government also demands local responsibility. One without the other is irrational, and will perpetuate existing problems. Why should unorganized boroughs be created to provide local participation, when those same residents are unwilling (and in some cases, financially unable) to accept local responsibility.

"City of Petersburg"

*P. O. Box 329
Petersburg, Alaska 99833
(907) 772-4511*

5. The lack of a coordinated approach to delivery of services will be maintained under the proposed scheme.
6. The State of Alaska is capable of, but unwilling to, provide planning services in rural Alaska (planning, platting & zoning).
7. The proposed unorganized borough's principal "functions will be regional planning and advice on the exercise of state responsibilities within the region". Please tell me what the difference is between the proposed unorganized borough and a second class borough (realizing that a second class borough's minimum legal responsibilities are education and planning, platting and zoning).
8. The concept that cities will retain planning responsibilities while the unorganized borough plans for the area outside cities will not foster good regional planning, but rather, sloppy, disjointed and disorganized planning. Imagine an unorganized borough with five cities within it; six different plans would be prepared, and no coordinated regional planning is possible.

ERGO

1. The idea of creating separate unorganized boroughs from the single unorganized borough will just compound the problem, and delay the inevitable (organized boroughs).
2. An adequate funding mechanism must be found to eliminate current inequities in local and state funding sources. Also, disincentives to organize boroughs must be eliminated.
3. The legislature is unwilling to say that all areas of the state should be in unorganized boroughs. Why?
4. The Local Government Study - 1979 was an arrow missing the target.
5. Interesting that no hearings are scheduled in Southeast Alaska.

If I may provide you with additional comments and criticism please contact me.

Sincerely,

Bruce Aronson
City Manager

BA/plc

P.O. Box 624
Delta Junction, Alaska 99739
October 25, 1979

Local Government Study Committee
Pouch V
State Capitol
Juneau, Alaska 99811

Dear Senator Sturgulewski and Representative Parker:

Thank you for the invitation to Glennallen for the public hearing concerning creation of regional governmental units in the unorganized borough. Unfortunately, I will be unable to attend, but I do want to provide my views on the subject.

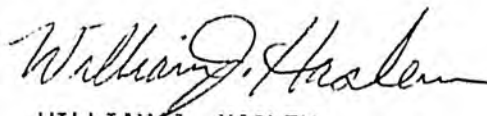
I fully support the broad concept proposed in your letter. I think this is long overdue. But from past experience, I doubt that it will be well received from most of the public because of the general hostility to government spending and taxation. As I understand the concept proposed, the unorganized borough assembly would largely determine the extent of government and taxation. I fully support this concept, but I think it is vital that the revenues for a local government be furnished, at least in part, from local sources. Otherwise, local governing units tend to think of outside revenues (e.g. state or federal) as "someone else's money" and there is less care in its expenditure than if it is locally generated money. Yes, surprising as it may sound, I'm advocating local taxation, but only that which is absolutely necessary as determined by a local assembly.

In Delta Junction we have had to revert to a volunteer fire department because of the inability to tax ourselves. This is absurd and only transfers our fire protection money from a local unit to outside insurance companies. No one in the local community gains from such "independence." Thus, if we don't have the self-discipline to organize ourselves, I think stronger action in this direction by the state is fully warranted.

I believe your proposal to create the unorganized boroughs to correspond to the REAA boundaries is very sensible. Certainly the people in a REAA have common interests and it makes a very logical boundary.

Thank you for writing and for taking the time to read my comments. I am very interested in this subject and wish you well in your efforts.

Sincerely,


WILLIAM J. HASLEM

"City of Petersburg"

*P. O. Box 329
Petersburg, Alaska 99833
(907) 772-4511*

November 8, 1979

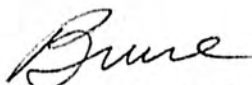
Arliss Sturgulewski, Senator
Pouch V
Juneau, Alaska
99811

Re: Local Government Study

Dear Senator Sturgulewski:

Thank you for explaining the Local Government Study while attending the annual Alaska Municipal League Convention. There is still considerable confusion surrounding the issue of organizing the unorganized borough. Please express your current thinking on the matter. Also, if I may be of any assistance, please ask me.

Cordially,


Bruce Aronson
City Manager

BA/plc

RR4, Box 4183
Juneau, Alaska 99803
November 14, 1979

Senator Arliss Sturgulewski, Chairman
Local Government Study Committee
2957 Sheldon Jackson
Anchorage, Alaska 99504

Dear Senator Sturgulewski,

It was a pleasure to meet you in Sitka and again, it was reassuring to hear how receptive you were to the comments and statements made by rural Alaskans on your draft bill.

There is one point that I want to clarify regarding the Coastal Resource Service Area Boards and the special assemblies in the unorganized boroughs. Nunam Kitlutsisti is not advocating that the CRSA boards serve as Interim Governments, but that they work with the assemblies as their land planning authority. The CRSA boards will already be working on Coastal Zone Management plans and it makes sense that yet another branch of government not be formed to deal with land and resource management.

If you have any questions on this matter, you can contact me in Juneau (phone: 789-9042) or Harold Sparck in Bethel.

Sincerely,

Elizabeth C. Ali

Elizabeth C. Ali

enclosure

cc: Harold Sparck, Director
Nunam Kitlutsisti

Coastal Zone Management in the Unorganized Borough

Nunam Kitlutsisti has the following legislative goals(1980 session) and seeks the support of the Alaska Coastal Policy Council (ACPC):

1. The Local Government Study Committee's draft bill to create special assemblies in the unorganized borough addressess coastal zone management where the powers and responsibilities of the Coastal Resource Service Area Boards will remain intact. However, these powers are limited and Nunam Kitlutsisti wants the *boards* to have zoning and platting authority. ^{also CEM} (AS 46.35.090)

2. Under the existing state Coastal Zone Management Act of 1977, CRSA boards have a thirty(30) month lifetime and no enforcement authority. Once, the CRSA coastal zone management plans are approved by the ACPC and the State Legislature, the boards dissolve and appropriate state agencies take over to implement and enforce the plans. An amendment is needed in this legislation to extend the boards beyond thirty months. (AS 46.35.050)

Why the changes? There are several reasons:

1. There are vast unorganized areas and at some point in time, they must organize and take the responsibility to govern themselves and manage their coastal zones and resources.

2. State agencies face difficulties in dealing with unorganized districts that cover large geographic areas to accomplish goals and objectives of various programs. An example here is, what is the state's rural policy and who develops it? Ideally, the rural areas should participate in developing this policy and work with the government to implement it. If there is no self government then the alternative is for the state agencies to continue to go out into the rural areas and do the work that rural people should be doing.

3. It is difficult for state agencies to represent regional interests: an example is the dispute between the North Slope Borough and the Department of Natural Resources over the Beaufort Sea Lease sales.

The necessity for these changes can best be seen by describing how the CRSA boards are being formed and the impact of Outer Continental Shelf(OCS) oil development on coastal communities.

Since passage of the state Coastal Zone Management Act two out of five CRSA boards in Western Alaska have been formed. The Yukon Kuskokwim Delta District has elected it's board and has it's first meeting scheduled for November 10 and 11, 1979. (The success in getting this area organized is due to the ability of C&RA Division of Community Planning to contract with Nunam Kitlutsisti, an organization with contacts with villages in the YK Delta). The Northwest Alaska Native Association Area(NANA) has also elected it's board. On the other hand, the Aleutian Pribiloffs, Bristol Bay and Bering Straits have just begun to organize.

The Aleutian Pribiloffs is several months away from getting organized as Community Planning. C&RA is in the process of getting some questions asked and answered (who should get organized? There are three first class cities and there is a question on whether they should be included or not). Bristol Bay is also in the initial stages with inquiries being conducted through Bristol Bay Native Association. Petitions to hold elections are being circulated by Kawerak in the Bering Straits area, a board should be established within the next three months.

If these areas follow the pattern of the other two districts, then they will have their boards elected in 1980 and have their CZM plans developed in 1982. So you see, the Western Alaska districts are still two years away from developing OCS plans. This is due in part to the time restrictions with the impending lease nominations and sales and also to limited manpower within the Division of Community Planning. Presently, there are two planners who work with Western Alaska. They devote part of their time to CRSA related work and

have to deal with regions spread over a large geographic area. (Note: \$2.15 million has been allocated in Direct Planning Assistance in 15 separate programs by the government to speed up efforts to protect areas of imminent impact. Also, I was informed by Larry Kinbell, C&RA that two additional planners will soon be stationed in Anchorage and in Juneau).

In the meantime, a call for nomination for potential lease tracts in the Norton Sound Basin ends today (November 1, 1979). To date, the Division of Community Planning has been unable to contact all the villages in the Norton Sound District to develop an OCS plan. (Community Planning is currently working with Kawerak in Nome on port and OCS development). Since the CRSA board has not been formed yet, no mechanism for local participation exists yet, villages in this area will have been left out in the important decisions on lease tracts and on the location of marine support facilities.

This region may have an opportunity to develop a coastal zone plan if there is a delay in the lease sales. This is unlikely, unless Governor Hammond is successful in delaying the sales. (The Department of Community and Regional Affairs and the Office of the Governor have requested a delay of the lease sales).

It is difficult enough for an organized district such as the North Slope Borough to develop a coastal zone management plan, go through the long process of approval by the ACPC, the State Legislature and then have to contest the government and oil companies over lease sales. Unorganized districts face even more political hurdles since lease sales are impending and by the time CRSA boards are formed, their plans drawn up, the call for nomination for potential lease sales or the sales themselves will have already taken place.

A state agency can not be expected to support regional interests. The North Slope Borough and Department of Natural Resources current conflict over the Beaufort Sea lease sales is an example:

The North Slope Borough developed a plan making a subsistence zone along the North Slope coastline, excluding Prudhoe Bay; and stipulations to protect the marine environment when oil development occurs. Here, the borough sought to have federal tracts north of the barrier islands removed from the sale and proposed that permits be issued to build island in the icefield over a five year period, during which no exploration be allowed. Governor Hammond was unable to get the federal tracts excluded from the sale, but a concession to hold off exploration until manmade structures have withstood two "ice season" and drilling limited to depths of less than 13 meters. The borough is unsatisfied with these environmental concessions. The outcome of this dispute has yet to be seen.

In conclusion, I would like to discuss the Eastern Gulf of Alaska OCS sale. In this instance, the city of Yakutat, the Native village and regional corporations, the state of Alaska(C&RA, Community Planning) and the U.S. Forest Service cooperated to develop an OCS plan which was well thought out and in the end was beneficial for the several parties involved.

In 1975, Arco, Shell and Mobile Oil Companies moved into the municipality of Yakutat to establish marine support facilities for oil exploration in the Eastern Gulf. Private land within the city proper were purchased. Once, the city, Native village and regional corporations, and the state realized what happened, a plan was developed where the oil companies were to give up holdings within the city proper and move their operations across the harbor where it would not disrupt the community. An industrial park was built involving a land exchange between the state, the native corporations, and the city of Yakutat occurred. Land was made available for marine support facilities away from the community of Yakutat.

The Eastern Gulf of Alaska proved to be a bust as dusters were repeatedly

drilled. The most significant aspect of this operation was that a place for the oil companies was designated for their needs without disrupting the community of Yakutat. This went on over a period of three to four years in a reasonable manner, an example of how development of a nonrenewable resource can occur.

The ACPC gives coordination consistency and public participation a high priority. After all,

Both the federal Coastal Management Act and the Alaska Coastal Management^{*} Act set up a system to coordinate federal, state and private activities so that efforts are not duplicated and standards are consistent and known well in advance of a proposal. A coastal management program will also help us understand the results of choices we have to make when we decide how coastal areas differ greatly from each other, it is very important that local people become involved in developing their own coastal management program.

The rural areas want to make their own choices, take responsibility of own future, that is to have an opportunity at last to govern themselves and to manage their coastal zones and resources.

^{*}District Guidebook Series; Book 1, page 6 Community Planning Divn. C&RA

Questions or comments can be directed to:

*Elizabeth C. Ali
RR 4, Box 4183
Juneau, Alaska 99803*

locals to enforce, but local ordinances should cover those areas where municipalities have authority and where problems are fairly common.

In places where protection is part local, part state (like Juneau), support for police protection from local force would be paid only for population served (7,500 people in downtown and 1,500 in Douglas), while the amount calculated for the rest of the population (valley, Auke Bay, North Douglas) would be kept by state troopers, matched by requisite local contribution, and made available to meet costs of an expanded Juneau trooper detachment.

In rural areas, while some small cities would probably want to try to retain a police officer or constable, in a 1 unit village (i.e. population of less than 300) totalling to a \$ 40,000 grant (1 unit = \$ 30,000 plus 33.3%), a portion could be used for local constable, while balance could be turned back to Public Safety Department and put with money returned from adjacent villages to share the costs of a state trooper.

"City of Petersburg"

*P. O. Box 329
Petersburg, Alaska 99833
(907) 772-4511*

December 4, 1979

Senator Arliss Sturgulewski
Co-chairman
Joint Senate and House Community & Regional Affairs Committee
Local Government Study
Pouch V
Juneau, Alaska
99811

Re: Local Government Study

Dear Senator *Arliss* Sturgulewski:

Thank you for your letter dated November 29, 1979 describing the current turn of events regarding efforts to organize the unorganized borough. I can certainly appreciate the current thinking but do hope the issues raised will not just smolder, but be addressed in the near future.

You are commended for attempting to "get the ball rolling" and if I may be of any assistance in the future, please contact me.

Cordially,



Bruce Aronson
City Manager

BA/plc

Home: 766-2471
Business: 766-2160
Magistrate: 766-2116
Area Code: 907

Maj. Carl W. Heinmiller, Ret.

Indian Arts and Crafts Specialist

Box 271, Haines
Alaska 99827

Ex. Director: "Chilkat Dancers"

Feb. 6, 1980

Sen. Arliss Sturgulewski
Chairperson
Community and Regional Affairs
State Senate
Pouch V
Juneau, Alaska

Dear Senator Sturgulewski:

*2/8/80 talked to Carl. He is really
concerned over the duplication of
all the boards. Intends to
generate interest as he feels
so strongly about issue. Advised
him of meeting 2/4/80 @*

I am writing in support of HB 584 which would eliminate the Third Class Borough. Over the last 30 years I have been on the School Board and involved with all the complications of the Special School District which finally became a "second thumb" under the State Constitution, i.e. a Third Class Borough. As the constitution required a limited strata of government, there should have never been a Third Class Borough. The making of such a form of government was a method to get out of a responsibility. I am happy to see the Legislature finally take on this change.

I'm enclosing a copy of the local paper which shows how a Third Class Borough, but adding on service district after service district, until it is in effect a Second Class Borough, or better. When a Fire District was setup several years ago, the Borough could not even get candidates to fill the require positions for the District. However, more areas are seeing that they can save considerable insurance by being under a Fire District, and now adding a medical service area. HOWEVER, what is happening is that the Borough Government is duplicating the City Government.

It is understandable that many people in the outlying area do not want to have zoning and planning because they do not want to be restricted. The result is many shacks, improperly subdivided lands, poor water and sewer control and in some areas, lacking of garbage control. The "hue and cry" is "we don't want more government", but these people accept all the services available by the City without paying anything for such service.

It is almost impossible to explain to some that they will only pay for what they get. They do not pay for City sidewalks, road maintenance etc. If they do not have water and sewer, they do not pay for this utility. We have the possibility of industrial development in the outreach area and should that happen under our present type Borough government, a hodgepodge of growth will develop. Of course, these developers see a great advantages of low taxations so side in with those who don't want any control on their own interests, even tho against the developers.

I hope that when this bill (or a Sen. companion bill) comes up for a hearing that I will have the opportunity to testify. Thank you.

CWH/p
CC: Rep. Parker, Duncan, Miller
Sen. Ray

Sincerely,

Carl W. Heinmiller
Carl W. Heinmiller

HAINES BOROUGH LEGAL NOTICE

NOTICE IS HEREBY GIVEN that on Tuesday, the 4th day of March, 1980, there will be held in the Haines Borough, Haines, Alaska, a special election for the purpose of deciding the following propositions:

PROPOSITION A

✓ Shall the Haines Borough levy a temporary 1% sales tax beginning April 1, 1980, and ending March 31, 1981, for the general administration of the Haines Borough as outlined in Haines Borough Ordinance 80-01 adopted by the Borough Assembly Jan. 29, 1980?

☐ YES ☐ NO

NOTE: Proposition A may be voted on by all the qualified voters in the Haines Borough. It will be the only proposition on the ballot before the qualified voters residing in the City of Haines, voting Precincts I and II, and in Excursion Inlet Precinct.

PROPOSITION B

✓ Shall the Haines Borough assume the power to ~~provide emergency medical search and rescue service on a service area basis for that portion of the Haines Borough along and accessible from the following roads and waterways outside the City limits of Haines:~~ Lutak Road to its end; Haines Highway to the U.S./Canadian Border; Mud Bay Road to its end; Small Tract Road; F.A.A. Road; Menaker Road; Comstock Road; Piedad Road; Beach Road; Sawmill Road; Mosquito Lake Road; road that crosses the 26 Mile Steel Bridge, Chilkat Lake, as set as Service Area No. 3 in Haines Borough Ordinance 79-15?

☐ YES ☐ NO

NOTE: Only residents of the area named in Proposition B who are qualified voters on the Haines Borough may vote on this proposition. The ballot for the residents of the area named in B includes Propositions A and B.

PROPOSITION C

1/31/80
Ly H H Canal News
Shall the Haines Borough assume the power to ~~provide fire protection on a service area basis for the area accessible from Lutak Road from Schnabel's Mill to the head of Lutak Inlet as set out in Haines Borough Ordinance 79-17, as Service Area No. 5?~~

☐ YES ☐ NO

NOTE: If you live on Lutak Road between Schnabel's Mill and the head of Lutak Inlet, your ballot will include Propositions A, B and C.

PROPOSITION D

Shall the Haines Borough assume the power to ~~provide fire protection on a service area basis for the area accessible from Mud Bay Road between Carr's Cove and the end of the Mud Bay Road, as set forth in Haines Borough Ordinance 79-18 as Service Area No. 6?~~

☐ YES ☐ NO

NOTE: If you live on Mud Bay Road between Carr's Cove and the end of Mud Bay Road, your ballot will include Propositions A, B and D.

PROPOSITION E

Shall the Haines Borough assume the power to ~~provide fire protection on a service area basis for the area accessible from the Haines Highway between the airport and 18 Mile Haines Highway, as set out in Haines Borough Ordinance 79-16, as Service Area No. 4?~~

☐ YES ☐ NO

NOTE: If you live on the Haines Highway between the airport and 18 Mile, your ballot will include Propositions A, B and E.

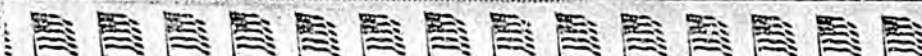
PROPOSITION F

Shall the Haines Borough assume the power to ~~provide fire protection on a service area basis for the area accessible from the Haines Highway 18 Mile to the U.S./Canadian Border, Mosquito Lake Road and the road that crosses the 26 Mile Steel Bridge, as set out in Haines Borough Ordinance 79-14, as Service Area No. 2?~~

☐ YES ☐ NO

NOTE: If you live on the Haines Highway between 18 Mile and the U.S./Canadian Border, your ballot will contain Propositions A, B and F.

NOTE: If you live at Chilkat Lake, your ballot will contain Propositions A and B.



Precinct Polling Places:

Haines Precincts No. 1 and 2: Borough Assembly Conference Room in Municipal Building. (Note change from City Council Chambers).

Chilkat Precinct (Lutak and 1-13 Mile Haines Highway): Mary Meacock Residence, Piedad Road

Klukwan Precinct (13-42 Mile Haines Highway): Davis Residence, 28 Mile Haines Highway

Peninsula Precinct (Mud Bay, Small Tract and Beach Roads outside City limits): Susie Butz Residence, Small Tract Road

Excursion Inlet Precinct: Absentee Precinct, residents vote absentee ballot.

PRECINCT BOUNDARY DESCRIPTIONS

HAINES PRECINCT #1: All that area in the corporate limits of the City of Haines which lies to the north of the centerline of Main Street in said city extended easterly to the easterly boundary of said city and extended westerly from the intersection of Main Street and the Haines Cut-Off Highway to the corporate limits of said city.

HAINES PRECINCT #2: All that area in the corporate limits of the City of Haines which lies to the south of the centerline of Main Street in said city extended easterly to the easterly boundary of said city and extended westerly from the intersection of Main Street and the Haines Cut-Off Highway to the corporate limits of said city.

CHILKAT PRECINCT: All that part of Election District No. 4 beginning at the point where the section line common to Sections 33 and 34, T20S, R59E, Copper River Meridian intersects the mean high water line of the Chilkat River; thence in a westerly direction until reaching a point due south from Mile Post No. 13 on the Haines Highway; thence due north through Mile Post 13 to the point where the line intersects the centerline of the Chilkoot River; thence due east to the Haines Borough boundary; thence in a southeasterly direction along the Haines Borough boundary to the centerline of Taiya and Chilkoot Inlets to a point due east of the easterly end of the City of Haines and following the boundaries of said city to the point of beginning.

KLUKWAN PRECINCT: All that part of Election District No. 4 on the mainland lying within the limits of the Haines Recording District to the west of a north-south line through Mile Post 13 on the Haines Highway, which line continues south from Mile Post 13 to a line drawn along the Chilkat Range from Mt. Harris to Lynn Canal, thence northwest along the Chilkat Range to the International Boundary; thence meandering the International Boundary Line north and east to Mt. Raymond on said International Boundary Line; thence in a direct line to the headwaters of the Chilkoot River; thence meandering down the centerline of the Chilkoot River to a point on the north-south line through Mile Post 13 on the Haines Highway; thence south along said line to Mile Post 13, the place of beginning.

PENINSULA PRECINCT: All that part of Election District No. 4 outside the City of Haines; beginning on the northerly extension of the easterly side line of Lots 16 and 5, Section 35, T30S, R59E, Copper River Meridian at the point of mean high water on the southern boundary of Portage Cove; thence south to the southeast corner of Lot 16 of that section; thence west along the southerly boundary of Section 35 to the southwest corner of Lot 19 of that section; thence south approximately 200 feet to the corner of USS 2716; thence west to a point on the mean high water of the Chilkat River; thence meandering the Chilkat River in a northwesterly direction to the point where the section line common to Section 33 and 34, T30S, R59E, Copper River Meridian, intersects the mean high water line of the Chilkat River; thence due west until reaching a point due south from Mile Post 13 on the Haines Highway; thence due south to 59°00' north latitude; thence due east and across Lynn Canal to the drainage divide between Berners Bay and the Katzechin River; thence following said divide northerly and easterly to the International Boundary line; thence in a northwesterly direction to Mt. Bagot; thence southerly to the headwaters of the Katzechin River; thence meandering the centerline of the Katzechin River in a southwesterly direction to the centerline of the Chilkoot Inlet; thence northwesterly along the centerline of Chilkoot Inlet to the intersection of the extension line extending eastward from the mean high water of the southern boundary of Portage Cove and on the northerly extension of the easterly side line of Lots 16 and 5, Section 35, T30 S, R59E, Copper River Meridian; thence west to the point of beginning.

EXCURSION INLET PRECINCT: All that part of Election District No. 2 Beginning at Pt. Couvaden on the district boundary line, thence northwesterly along district line to 135°38' and 58°40', thence southerly to Noon Point, thence southeasterly to Pt. Sophia, thence southwesterly to 58°00' and 135°34', thence easterly along 58°00' to the median divide of Chatham Strait, thence northwesterly to point of beginning, including Porpoise Island, but excepting Pleasant Island.

QUALIFICATIONS OF VOTERS: Section of 06.05.010 of the Haines Borough Code: Every person who is (1) a citizen of the United States; (2) at least 18 years of age; (3) a resident of the Borough of Haines for at least 30 days immediately preceding the election; (4) qualified and registered to vote in State elections as set out in Title 15, Alaska Statutes and (5) not disqualified under Article V of the Alaska State Constitution, is qualified to vote in a borough election.

Article V, Section 2 of the State Constitution states: No person may vote who has been convicted of a felony involving moral turpitude unless his civil rights have been restored. No person may vote who has been judicially determined to be of unsound mind unless the disability has been removed.

Stephanie K. Scott
Administrative Secretary

(Publish 1/31/80, 2/14/80 and 2/28/80)

(46, 48, 50)

MEMORANDUM

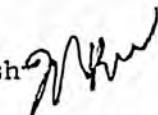
TO: [Senator Arliss Sturgelewski
Representative Bill Parker
Co-Chairmen
Joint Senate-House Committee
on Community & Regional Affairs

DATE: September 27, 1979

FILE NO:

TELEPHONE NO:

FROM:

Murray R. Walsh 
Coordinator
Office of Coastal Management
Division of Policy Development
and Planning
Office of the Governor

SUBJECT: Unorganized Borough
Legislation

I think this bill, in its current form represents an impressive opportunity and comments to follow should not be thought of as detractions to the bill but rather possible additions. My comments are going to be on the radical side and so it will be perfectly understandable if they were set aside. I would still be most supportive of the bill in its current form.

First of all, the procedure for establishing an unorganized borough assembly is roughly similar to that used for establishing coastal resource service area and one of the problems we have encountered is finding some leadership to carry the organizational ball, as it were, at the local level prior to the first election. We would suggest the establishment of interim unorganized borough assemblies by appointment of the governor. Eleven people could be selected from each unorganized borough area, appointed by the governor and charged solely with some of the responsibilities of the elected assemblies. At the current time, we have had to rely, not unsuccessfully, on the leadership provided by non-profit native corporations, principally to achieve the two successful elections we have had thus far for creating coastal resource service areas. While this has not been unworkable, we do think that a more formalized organization appointed by the governor might be more appropriate and eliminate any threat of the native bias that some people may perceive with the coastal resource techniques we have used.

With regard to proposed section 44.47.450, "Powers of the Unorganized Borough Assembly", we would suggest that the planning powers established for the unorganized borough assembly can be made somewhat more detailed without a great excursion into other law or new law. As it happens, the Department of Natural Resources currently does have power to undertake zoning in the unorganized borough. This power has been mentioned repeatedly as one of the implementing techniques for coastal resource service area district coastal management program. It seems to us that without a great deal of legislative effort planning authority could be given to the unorganized borough assembly.

A process could be established for the state review of the unorganized borough assembly plan through the Division of Policy Development and Planning (DPDP) or the Community & Regional Affairs (CRA) and then Department of Natural Resources (DNR) burdened with the responsibility of preparing a zoning ordinance to implement the plan, once it has been approved by the Division of Policy Development and Planning (DPDP) or by the legislature or the Governor or some other entity charged with the responsibility to do so. The legislature could of course engage in a much broader endeavor and create a land and water use policy council akin to the Coastal Policy Council and which would probably replace the Coastal Policy Council and use the Alaska Coastal Management Program (ACMP) set-up as we have it now. That would be a really major step, however again, the Department of Natural Resources (DNR) zoning power could be brought into play without the trappings of a bigger and better state council. There would still be some incentive for the Unorganized Borough assembly to move into home rule at some point because if the Department of Natural Resources (DNR) adopts the zoning ordinance, it will still fall to the Department of Natural Resources (DNR) and probably other state agencies to implement it. The unorganized borough assembly might at some point want to take over that function themselves, but this would probably be left to a more fully constituted local government such as a borough. We do feel that the prospect of this kind of planning power should be offered to the participants in the public hearings in the form of a question so that the attendees of the hearings can get the local feeling as to whether or not this should be part of the act. It may also happen that the bush residents would feel much more supportive of the act if this more defined land use planning authority was added to powers of the unorganized borough assemblies.

Additional questions which should be asked of all participants in this effort relate to the qualifications of the potential assembly members. Do we need to have districts established by CRA within the unorganized borough for the assembly members to be drawn or should they be elected at large? Currently, the Alaska Coastal Management Act does provide for districting so that the Coastal Planning Board members can represent a part of, rather than the whole, service area. Other question which should be asked is whether residents of existing incorporated cities and towns within the unorganized borough should be allowed to sit as assembly members.

Another concern relates to the matter of funding for the operation of the unorganized borough assemblies. This, I think, should be more clearly spelled out in the act and possibly some special appropriation or special funding effort set up.

A great deal of acceptance may depend on how easily people can perceive that the state will make a serious effort to support these assemblies until they reach home rule status. Obviously, unorganized borough assemblies can have no taxing power of their own, yet they should be equipped to receive funds for the state and federal government. I can't offer any concrete proposals here at the present time, although we will continue to ponder this notion.

Yet another item relates to the relationship between the coastal resource services area planning board and the unorganized borough assembly. The act as written would not impair the powers of the planning board, but I do think there should be more of an interlock between the two bodies. In essence, it would be appropriate for the unorganized borough assembly to approve any work done by the planning board before it is transmitted to the Coastal Policy Council. Likewise, it might be appropriate for the planning boards to be appointed by the assembly rather than elected. This would require an amendment to the Coastal Management Act. It would certainly simplify the amount of elections and confusion that will result by having two different boards elected. It might even be appropriate to require appointments of unorganized borough planning commissions to replace the coastal resource planning boards. This would enable planning function to be uniform for interior as well as coastal unorganized boroughs. I suppose it would be foolish to suggest that the school boards be handled in the same ways since school boards are independently elected elsewhere in the state, as well as in many places in the lower 48.

Returning to the matter of funding for a moment, this is likely to be the lynch-pin that can cause failure of this act due to resentment on the part of existing local governments and people in general who have been taxing themselves to provide local services. With that in mind, it may be very difficult politically to have a special new fund created for the purpose of supporting the unorganized borough assemblies. However, there may be another way and this would be for provision of the act to be inserted which would require some entity within the state, possibly Community and Regional Affairs to survey the existing funding situation for bush areas and come up with a proposal to re-route existing funding into the unorganized borough assemblies. This would be awkward but it might be more politically and economically desirable than a new source of funds.

Another financial note, again relating to the likely jealousy that standard local governments might have for fully state supported unorganized borough assemblies. There may yet be a possibility of

Senator Arliss Sturgelewski
Representative Bill Parker

-4-

September 27, 1979

making this package more attractive to all concerned if there is a provision that mandates a transition into more formalized local government when revenue opportunities per capita reach a certain point. Again, the act would have to provide some instrumentality at the state level to monitor population growth and development in the unorganized boroughs and be prepared to declare through a public hearing process that critical ratio of assessed valuation to population had been reached. This would result in some kind of formal finding that would then be noticed to the organized borough assembly which would then have a specified period of time in which to apply for home rule status or risk self-destruction. In view of the Governor's policy on self-support for local government, this might be an important consideration in obtaining administration support for the act.

I would like to emphasize that I think the act in its present form could still be workable although some of the questions about standing for the unorganized borough assembly membership be settled. I do think, though, that the matters raised in this memo should be converted into question and asked at the same time as the bill was discussed. In essence, you would be saying "Here is this bill. In addition to this bill, would you like the following features added to it?". In all, we are very impressed and look forward to a happy conclusion to this effort.

Thank you very much for the opportunity to participate.

REIMBURSABLE SERVICES AGREEMENT

The Div. of Policy Development & Planning, hereby request the following
 (Agency)
Office of Coastal Management
 services to be performed by the Legislative Affairs Agency
 (Agency)

PROJECT OR PROGRAM TITLE: Alaska

DESCRIPTION AND TERMS OF REIMBURSEMENT: to conduct public hearings and
provide staff services for the local government study.

(Attach additional information as required)

DATE COMPLETION REQUIRED: June 30, 1980

ACCOUNT CODE TO BE CHARGED: 01.48.6.019 CONTINUING FUNDS. Yes ☐
 No ☒

ESTIMATED COST OF PROJECT OR SERVICES REQUESTED

	<u>ESTIMATE</u>	<u>ACTUAL</u>
Planning, engineering, and supervision	\$ _____	\$ _____
Land acquisition and equipment	\$ _____	\$ _____
Construction	\$ _____	\$ _____
Other (itemize) 100 Personnel	\$ <u>5,000.00</u>	\$ _____
200 Travel	\$ <u>20,000.00</u>	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
TOTAL	\$ <u>25,000.00</u>	\$ _____

NOTE: Requesting agency must submit an encumbrance document with this agreement.

I certify, based on the above estimate, that sufficient funds are available to pay this obligation and that the appropriation code to be charged has a sufficient balance to cover this obligation.

APPROVED: _____
 REQUESTING AGENCY

APPROVED: _____
 SERVICING AGENCY

DATE: _____

DATE: _____

APPROVED: _____
 DEPARTMENT OF ADMINISTRATION

CODE: TA - TRAVEL AUTHORIZATION
PO - PURCHASE ORDER

ENCUMBRANCE REFERENCE NUMBER

PREPARED BY: _____

CERTIFYING OFFICER: _____

DOCUMENT TOTAL

6	23000.00	ENCUMBERED
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RSA - July 9, 1979 through June 30, 1980

The Legislative Affairs Agency will allocate the following personnel for fulfilling the terms and conditions of this agreement.

See attached RSA

Funding Requirements

	Federal	State	Total
100 Personnel	\$5,000.00		
200 Travel	20,000.00		
300 Contractual			
400 Supplies			
TOTAL:			

TERMS AND CONDITONS OF REIMBURSABLE SERVICE AGREEMENT WITH THE OFFICE OF THE GOVERNOR, DIVISION OF POLICY DEVELOPMENT AND FLANNING TO ASSIST IN THE IMPLEMENTATION OF THE ALASKA COASTAL MANAGEMENT PROGRAM.

INTRODUCTION

The Legislative Affairs Agency serves as an administrative arm for the Alaska State Legislature and administers funds for legislative committe activities. The agency will allocate to the Joint Senate and House Committee on Regional and Community Affairs Local Government Study the amount of \$25,000.00 for their activities in connection with management alternatives for the unorganized borough.

The joint committee, working with the State Department of Community and Regional Affairs, will assist the Office of Coastal Management in the implementation of the Alaska Coastal Management Program. This agreement describes the tasks that make up the committee's component of program, which is supported by federal grant funds from the Department of Commerce pursuant to the first year 306 grant application, as approved. A copy of the grant program is attached.

The task numbers in this Reimbursable Service Agreement correspond to the numbers of the objectives in the first year 306 grant application of the Alaska Coastal Management Program (ACMP).

Task E2: Unorganized Borough Management Alternatives

A. Discussion

As part of a comprehensive attempt by both the executive and legislative branches of State government, the Joint Senate-House Committee on Community and Regional Affairs will conduct a series of studies and public hearings on local government during the grant year. The objective will be to study alternatives for the provision of all governmental services in all local areas of Alaska, in both the organized and unorganized boroughs. At present in many rural parts of the state, there is no formal governmental structure for planning for and administering and providing services usually performed by local government. This, of course, has serious implications for the Alaska Coastal Management Program in that capabilities for district development of coastal management programs may be limited and once those programs are officially approved, there is no local entity for their implementation. An attempt to resolve this problem was made in the Alaska Coastal Management Act of 1977 when Rural Education Attendance Areas were given the power to organize into Coastal Resource Service Areas and implementation of the plans would be carried out by state agencies. But as to how agencies would actually exercise these new duties remains unclear; there is even serious reservation that this is an appropriate or effective approach.

Many areas which are currently within the unorganized boroughs have taken steps to organized into Coastal Resource Service Areas or have expressed an interest in doing so soon. Pressures on coastal communities are steadily escalating as proposals expand for bottomfisheries development, outer continental shelf

leasing, port development, refinery siting, etc.

While effective coastal management planning and implementation is one of the larger concerns of this effort, it is by no means, the only issue to be addressed. Other such basic local government service/^{provision potentials} such as sanitation, education, etc. will be examined. The legislative undertaking will:

1. Study and evaluate the sufficiency of available local government structures to meet the need for local government entities at the community and regional level.
2. Study and identify present public services provided by federal, state, and municipal levels of government and assess their relationship to local government formation.
3. Study and evaluate the economic base of the unorganized borough and its sufficiency in financing the basic local government functions.
4. Study and evaluate the social, political, and cultural patterns in the unorganized borough and their relation to local government formation.

The joint committee will do so by staff research activities, supplemented by Department of Community and Regional Affairs staff assistance and reports, and by conducting symposia and public hearings at regional centers and selected rural communities. Findings from these activities will be gathered, analyzed, and....

B. Products and Schedule

Sub-Task 1. The Joint Senate House Committee on Community and Regional Affairs will develop a work program and hearing schedule for activities funded by this agreement, due at OCM by August 30, 1979.

Sub-Task 2. The Joint committee will submit copies of all reports and analyses prepared in connection with service provision in organized and unorganized boroughs and of suggested management structures and mechanisms as they are produced.

Sub-Task 3. Records of ^{Joint Senate House Committee} regional symposia and rural hearing proceedings will be forwarded to OCM as they are completed, no later than Dec. 31, 1979.

Sub-Task 4. Any legislative proposals which are developed through this effort will be sent to OCM as they are prepared.

Sub-Task 5. A copy of recommendations developed by the joint committee for the legislature will be sent to OCM upon completion, no later than Feb. 1.

? Sub-Task 6. A paper addressing specific findings and conclusions with regard to coastal management planning and implementation will be prepared by the committee and submitted to OCM no later than Feb. 1.

Sub-Task 7. Final report prepared at conclusion of legislative session reporting on action taken, if any, due to OCM by June 30, 1980.

6(b) Report on need for additional funds for project.

OCM + REAA interaction

C. Contracts and Costs

A copy of the joint committee's local government study budget is attached. For details on travel allocations, budget should be consulted. Additionally, changes approximately, \$ _____ in match will be provided from legislative appropriations.

	Federal	State	Total
100 Personnel			
Admin. Asst. 2.31 mm	5,000	30,738	35,738
200 Travel	20,000	-0-	20,000
300 Contractual			
400 Supplies	_____	_____	_____

TOTAL:

VICTOR FISCHER ASSOCIATES CONSULTING
221 East 7th Avenue, #204 - Anchorage, Alaska 99501 - (907) 272-2381

MEMORANDUM

TO: Sen. Arliss Sturgulewski, Rep. Bill Parker, et al, Senate-House CRA
Committees Legal Government Study

SUBJECT: Suggested response to Jack Chenoweth memo and questions of August 16,
1979.

(Not having dictating machine available and because this is all a series
of my own suggestions, am submitting this in rough form. And I hope
you will bear with my inimitable typing.)

Jack's Item (1), pp. 1 and 2.

Boundaries of REAAs should serve as basis for unorganized borough boundaries. But
REAA's should serve only as building blocks for unorganized boroughs (UBs). UBs
could consist of two or more REAAs.

Determinations as to boundaries and combining REAAs should be made by CRA Commissioner,
in consultation with .. everybody. Process provisions could be akin to establishment
of REAAs and coastal management service areas.

Standards should be those now applicable to boroughs and REAAs. Insofar as possible,
UB boundaries should conform to those of Native regional corporations established under
ANCSA.

Assuming REAA boundaries are generally used as point of departure, communities should
not be split between different areas; i.e., between an REAA and a different UB. In
fact, we would be asking for real trouble if UBs did not encompass entire REAAs, as
the latter have to be considered service areas of the UB within which they are located.

Line drawing should be handled expeditiously. So long as REAA lines are generally
conformed to, only real issues will pertain to combining REAAs, and that process will
pretty well be guided by its own logic.

Follow-up adjustment by Local Boundary Commission (LBC) is conceived as practicing
the means for assuring that eventual boundaries make sense. It seemed to be pretty
well agreed that the initial drawing of UB boundaries should not involve changing
boundaries of existing boroughs so as not to antagonize vested interests and beget
unnecessary opposition to delineation of UBs. That will, however, result in various
boundary and related issues being left unresolved. For example, it's pretty well
agreed that the part of MatSu east of the Talkeetnas logically belongs to the Copper
River region. The issue of Cantwell may need to be resolved. Bristol Bay Borough?
Existing one probably ought to be made part of regional borough by present municipality
being converted to city status. It's this type of cleanup that UBs should undertake
after UBs are delineated and established.

Item (2), pp. 2-3

We agreed that CRA should provide guidance on this item -- UB councils. Just a few
thoughts of my own on this subject:

My initial response is that Ubs should be established and have some formal existence without delay. To keep the voluntary spirit, a la coastal management service areas (CMs), there might be provision for local initiative (w/help from CRA) and for CRA establishment of a council of locals do not initiate.

I think unorganized boroughs are initiated as a result of the Legislature's passage of an UB act. When the CRA Commissioner certifies the boundaries, or whatever similar appropriate step is taken, that UB exists. However done, it should be automatic and not depend on local action or inaction... This is not a "mandatory borough act" because it doesn't automatically saddle anyone with anything; it is simply a regionalization of Alaska, a breaking down of the existing unorganized borough.

Under no circumstances should REAA boards serve as UB councils. They were elected for specific purposes only. THE CM service area board where it exists would be a better candidate, as it serves a broader purpose; but I still would not think that's the best way to go to start with.

State should pay costs of establishing UB, electing a council, its operations. In effect, the council serves the Legislature's purpose in implementing Sec. 6, Article X, of the Constitution: "The Legislature shall provide for the performance of services it deems necessary or advisable in unorganized boroughs, allowing for maximum local participation and responsibility..."

These "beasts" should not be advisory to the Legislature. The Legislature is not the assembly for the unorganized borough. The Legislature is authorized, as per preceding quote, "to provide for" whatever, and that could be via CRA, UB councils, or any other means, without the Legislature being actively involved. (The second sentence of the quoted section in ? this conclusion.) I do not believe that there should be a direct UB - Legislature relationship; it would be destructive of legislative ability to deal with other issues and would lead, potentially, to excessive interference in local affairs. Relationship should be UBs-CRA. (The Constitution provides for a local affairs agency as the only required agency in the Executive Branch: this was to assure that such State-local relations were adequately dealt with.) (I'm not sure how any of this would isolate budget and program factors from general law.)

Jack's Item (3), p.3.

Education, health, public safety (all inclusive), and social welfare were identified at the Symposium as basic borough services. (And I agree with Jack that natural resources and land-use planning belongs in this basic category.) However, these services were talked about in terms of a foundation plan in the context of borough services -- organized borough services. They do not pertain to establishment of unorganized boroughs.

Planning as seen in the context of the UB deals with the establishment of goals, assessment of needs, analysis of alternative ways of meeting the needs, etc. It does not include or imply zoning or other land-use or development regulations. Nor does it unnecessarily relate directly to implementation. Since an UB would, and should, not assume responsibility for health functions, such functional planning; as health planning would not come under its purview. Rather, the UB might deal with health needs and health delivery as part of its overall efforts to meet the needs of the region, but it would not get into day-to-day aspects of health services delivery. At this stage, UB planning: would principally be advisory in nature, unite the

Legislature decides to devolve upon it some special implementation authority, which I see neither as desirable

Coordination and review would pertain principally to performance of state functions within the borough region. They would address themselves to coordination of state with federal service, state with state services, etc. Assurance that projects and service delivery are not only related to each other but also relate to regional plans, needs analyses, and the like. An A-95 review process by the region might be appropriate.

Relationship between "these beasts" and REAAs and CM areas is difficult to define. My thought would be that, at least initially, there would be no direct lines of authority. The Legislature provides for the performance of services in unorganized boros. One means is to have service areas that deliver education and coastal management services. Another are UB councils. At the same time, there should be provision for all of them talking to each other, for REAA and CM plans meshing with plans developed by UBs.. Beyond that, I would leave the relationship loose, flexible.

Home Rule, p. 4

The purpose of extending home rule to unorganized boroughs that may want to move on to organized status is to permit them to draft a charter without leaving to first become a first class borough, thereby having to assume planning and zoning, significant support of education, and the full regalia of tax assessment and collection. By going first class, these boroughs would also be bound by all the general law stipulations for organizational structure and provision of services, etc.

They make someone go first class borough simply as a step to writing their own home rule charter and probably significantly departing from conventional, urban borough first class status? It seems to gain nothing, while putting major obstacles in the path of a region that wishes to organize.

Going directly to home rule would permit a region that has no familiarity with borough government to proceed at its own pace and to create a structure and processes that fit that particular region's needs. The charter-writing process can be a highly important educational experience, one that should have much more meaning than just voting on whether or not to become a first or second class borough. Charter writing can be akin to constitution writing. Delegates could come from all over the region, examine their special needs and problems, and how they might be dealt with. Forms can be adapted to the region so the governmental structure fits the area and the people. Authorities granted by the charter, as well as its restrictions, will provide the basis for voter decisions about whether an appropriate government has been designed for them.

Thus, the Calista region with its dozens of villages might come up with a totally different governing structure than REAA, which is an essentially close-knit region. And Calista might as well start out with its special creature, rather than first having to go through strange forms that might be appropriate to Sitka and REAA ... A charter might make special provision to protect the integrity of village and city governments against a potentially powerful borough. It might allocate functions and responsibilities between these two levels. It might specify that sales taxes, fish taxes, bingo or whatever are to be the sources of financing the borough; or the charter might provide for the property tax but only with a hefty homestead (residence) exemption and a provision that undeveloped land will not be taxed (to protect lands received by villages and regional corporations under ANCSA).

Jack makes some pertinent questions about home rule; what the Upper Yukon people see in it, what North Slope expected and accomplished, etc. I don't want to take the time to attempt a response, and am sure others are in any case more capable of doing so. More important, however, is the question of why the conventional home rule process (via first class status) must be imposed on rural regions. The Constitution specifically authorizes the Legislature to extend home rule to other classes of boroughs and cities, and it should do so if the machinery of local governments could thereby be improved.

(?) I don't see extension of home rule as an attack on Title 29. Though there were some extreme statements made at the Symposium about the inapplicability of this Title to rural areas, that does not mean that Title 29 has to be standard. In fact, I assume that all the things we are talking about will be done via amendments to Title 29, thereby helping adopt the laws to rural Alaska regional boroughs.

I will leave to CRA initial suggestions for processes that should lead to home rule. However, I do have a few comments. I assume the Legislature will set a few standards and requirements. Citizens' voting rights will need to be provided for. I have a hunch the one-man one-vote principle cannot be violated... Local initiative should lead to charter drafting. Again, I would keep the Legislature out: it can provide that CRA Commissioner acts on the petition, acts machinery in process, later reviews and disapproves charter... I certainly think the regions' voters should approve a charter... State pays for election; doesn't it when an area votes on organizing as first or second class borough? Given any kind of revenue/wealth sharing (?) that includes all of Alaska, funds should be available in "account" for each region to cover charter drafting and election expenses... CRA should probably provide technical assistance.

Jack raises questions about "general law unorganized borough" and "home rule unorganized borough." Very interesting, probably deserves further thought. I have a hunch that some elements of home rule might be appropriate even for an UB. Possibly this could be left to negotiation between local people (initial council?) and CRA. (I would give CRA a lot of responsibility for making the process work. We are moving into an unknown, unexplored area, and too many and judgement can be allowed, the better do I think the process and resultant system will evolve. This comment applies to the entire topic of Legislative for unorganized boroughs.)

Jack is right about need to keep in mind relationship between existing home rule municipalities and the new rural regional home rule boroughs (or the home rule unorganized boroughs.) The Constitution contemplates that when problems emerge, the state steps in to resolve them, allocate authorities and functions. I would again in the first instance put much authority in the commissioner, including assurance that borough charter and municipal charters are not (unduly) in conflict or likely to create (?) mischief and difficulties... But giving the new beasts broader home rule authority does not in and of itself bother me. In any case, I would like to see us take a broader, home-rule-emphasizing approach to existing governments. (Throughout here, I am speaking not only of the legal concept of home rule, but also of the whole philosophy of self-determination. The state's role should be that of facilitator, conflict resolver, and protector of the higher public interest; and minimal interference in internal local government affairs.)

(4) Financing and Services, p.5.

Jack asks critical questions. These should in the first instance be dealt with by CRA as part of their looking at revenue sharing, wealth redistribution, foundation plans for services beyond education, etc.

It will be important, however, to deal with financing establishment of unorganized boroughs and support of their initial activities (council, planning, review and coordination) as part of the initial legislative package. The state is the only conceivable source of funds for the UBs. The UBs exist as creatures of the state, as their support by the state is appropriate and will be in pursuit of state purposes... Unless adequate monies are provided, we may end up with a worse mess than if regionalization had never been tackled. CRA and the local people will have to have the means to make the concepts and systems work.

(5) Recognition of Villages, Third Class Cities, P.5

Good questions. CRA.....

Tanana Chiefs Conference, Inc.

Doyon Building
1st and Hall Streets
Fairbanks, Alaska 99701
Phone (907) 452-8251

February 8, 1980

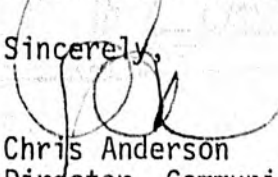
Honorable Bill Parker, Chairman
House Community and Regional Affairs Committee
House of Representatives
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Re: Testimony on H.B. 580-586.

Dear Chairman Parker:

Enclosed you will find a copy of the testimony I submitted at the Joint Community and Regional Affairs Committees' hearing on February 7, 1980. Again, thank you for the opportunity to express our views.

Sincerely,


Chris Anderson
Director, Community Resources

CA/dw

The issues of local government in rural Alaska are complex. The Joint Senate and House Community and Regional Affairs Committee has made an admirable attempt to deal with these issues. H.B. 580-586 and S.B. 348-354 represent the culmination of this group's remarkable effort to solicit the input of rural Alaskan residents. We support the basic concepts of this legislation. For example, S.B. 348 (H.B. 580) requires that state agencies utilize standardized service districts based on the Native regional corporation boundaries. This basic concept is crucial for effective delivery of state services. Often village projects require a high degree of interagency coordination. When these agencies have different service centers, it is impossible to achieve this needed coordination. It is therefore quite clear that standardized boundaries are necessary.

But mere standardization of agency service district boundaries does not guarantee that the agencies will be more responsive to local desires and needs. In the past we have proposed home-rule unorganized boroughs. This basic concept is designed to implement the Constitutional mandate that the legislature

"shall provide for performance of services it deems necessary or advisable in unorganized boroughs, allowing for maximum local participation and responsibility."

It seems impossible to create "home-rule unorganized boroughs." By adopting home-rule charters and creating assemblies, the unorganized boroughs would in fact be organized. This is unacceptable simply

because the unorganized boroughs which are bypassed by pipeline development generally fail to meet borough incorporation standards. In this context, it seems impossible to fully implement the constitutional mandate for local participation in the local government for the unorganized borough. We believe, however, that the Alaska State Constitution can easily solve the problems it seems to create. Specifically, Art. X, 13 allows the state and local governments to enter into compacts (agreements) for the joint administration of functions and powers.

Local Government Consortiums

We wish to propose that the bills be amended to explicitly allow the creation of consortiums of local governments on a regional basis within the unorganized borough. These consortiums would do two things. First, they would provide for coordinated administration of local governments. By splitting costs and sharing staff, the consortiums could provide effective local government where the fragmented governments that exist now cannot operate. Secondly, the consortiums could address regional concerns, provide a forum for expressing those concerns, and advise state agencies on regional needs and desires. The consortium method would operate through existing local governments to increase local access to state agencies, rather than create new layers of government which may serve to impede such local access.

Implementation of Local Input

Often local governments and state agencies are not coordinated. Most notably, state land disposals have often conflicted with local land use/ development plans. State law generally favors local control or at least local input in the organized areas of the state. In the unorganized areas of the state, however, the state agencies seem to dominate. This exist in spite of the Constitutional promise of maximized local participation. The proposed bills fail to change this situation within the unorganized boroughs. We, therefore, propose that some mechanizm be inserted into the bills to provide for such participation.

Three alternatives exist. First, an administrative restraint may be placed on agencies' actions. Specifically, the consortium must agree to agency actions/ plans wihtin the reigon. In the absence of such consent, the agency would have to show in a locally, neutral, administrative hearing that the best interest of the state required such agency action/plan.

A second alternative would be a planning restraint on the agencies. The consortiums would produce regional plans with which the agencies must comply. Absent compliance, the agencies must get a waiver from the consortium or through a local, neutral hearing.

Thirdly, a political mechanism could be established. State law could require agencies to have local plans/actions approved by a local hearing officer at a local hearing. This would allow consortiums and local

residents an opportunity to provide input and hopefully influence agency actions in their areas.

Phase-in of-Local Operations

These proposals would certainly improve local participation in service delivery for the unorganized borough. But, the ultimate goal is "maximized local participation. Of course, in the absolute sense, this means borough incorporation. As we noted above, such incorporation is not possible where an area does not meet incorporation standards. This does not mean, however, that local governments can't increase their involvement in service delivery.

We therefore propose that the bills be amended to eventually allow the consortiums to directly contract state services on a regionwide or areawide basis. Prior to this contracting, the consortium would be required to undergo a planning process much like that proposed in H.B. 582 (S.B. 350). The plan would have to

- 1) analyze the feasibility of borough incorporation versus consortium contracting,
- 2) make recommendations concerning incorporation, and
- 3) assess state service delivery and make recommendations concerning possible future consortium contracting.

During the interim planning period, the proposed base level revenue sharing of \$25,000 per community should be authorized. This would constitute seed money for the "consortium" or the "borough" so that the consortium could begin preparing for either contracting or incorporation.

Thus, consortium contracting under legislative scrutiny would provide an effective alternative to incorporation for those areas which fail to meet incorporation standards. It would fulfill the legislature's responsibility to directly supervise service delivery in the unorganized boroughs. Finally, it would allow maximum local participation in such service delivery as required by the constitution.

Village Involvement

There is no reason why the proposed consortiums could not also involve communities having traditional or reorganized Native governments. Most of these communities are predominantly, if not wholly Native communities. As such, the Native governments are truly representative of the communities. The inclusion of such governments could mean that the additional federal funds now received by those governments could be coordinated with state chartered governments. Additionally, it would provide a mechanism whereby the villages and the state could directly coordinate and complement their respective programs.

Finally, the consortium would represent a means for providing representation of the unorganized rural communities.

Similarly, there is no reason these communities should not participate in the base level community revenue sharing. The theory of revenue sharing is to decrease municipal dependence on local taxation. The central government collects taxes and then redistributes that tax money to local governments. Individuals living in "unorganized" rural communities are equally liable for state taxes, yet their governments are not eligible for state revenue sharing.

Finally, if the revenue sharing is to assist the consortiums to start up contracting or incorporation operations, those communities' cooperations and involvement will be necessary in order to approach either issue on an areawide basis.

10:37

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Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:

LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

FINAL STATUS OF BILLS DEVELOPED BY JOINT SENATE/ HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE LOCAL GOVERNMENT STUDY

CSHB 580 (CSSB 348) Establishing Unorganized Boroughs
CSHB 580 - House Finance
SCSB 348 - Senate Finance

CSHB 581 (CSSB 350) Responsibilities of the Division of
Policy Development and Planning, Office of the
Governor
CSHB 581 - House Rules, referred back to House Finance
CSSB 350 - Senate Finance

HB 582 (SB 349) Program of Planning Assistance
HB 582 - House Community and Regional Affairs
SB 350 - Senate Community and Regional Affairs
The substance of these bills was incorporated
in CSHB 580 and CSSB 348

CSHB 583 (CSSB 351) State Aid to Local Government
CSHB 583 - House Finance
CSSB 351 - Senate Finance
The substance of these bills was incorporated
in the new revenue sharing legislation, HB 192.

HB 584 (SB 354) Eliminating the Third Class Borough
HB 584 - House Judiciary
SB 354 - Senate Community and Regional Affairs

HB 585 (SB 353) Incorporation of Second Class Boroughs
As Home Rule Boroughs
CSHB 585 - Adopted as law
SB 353 - Senate Community and Regional Affairs

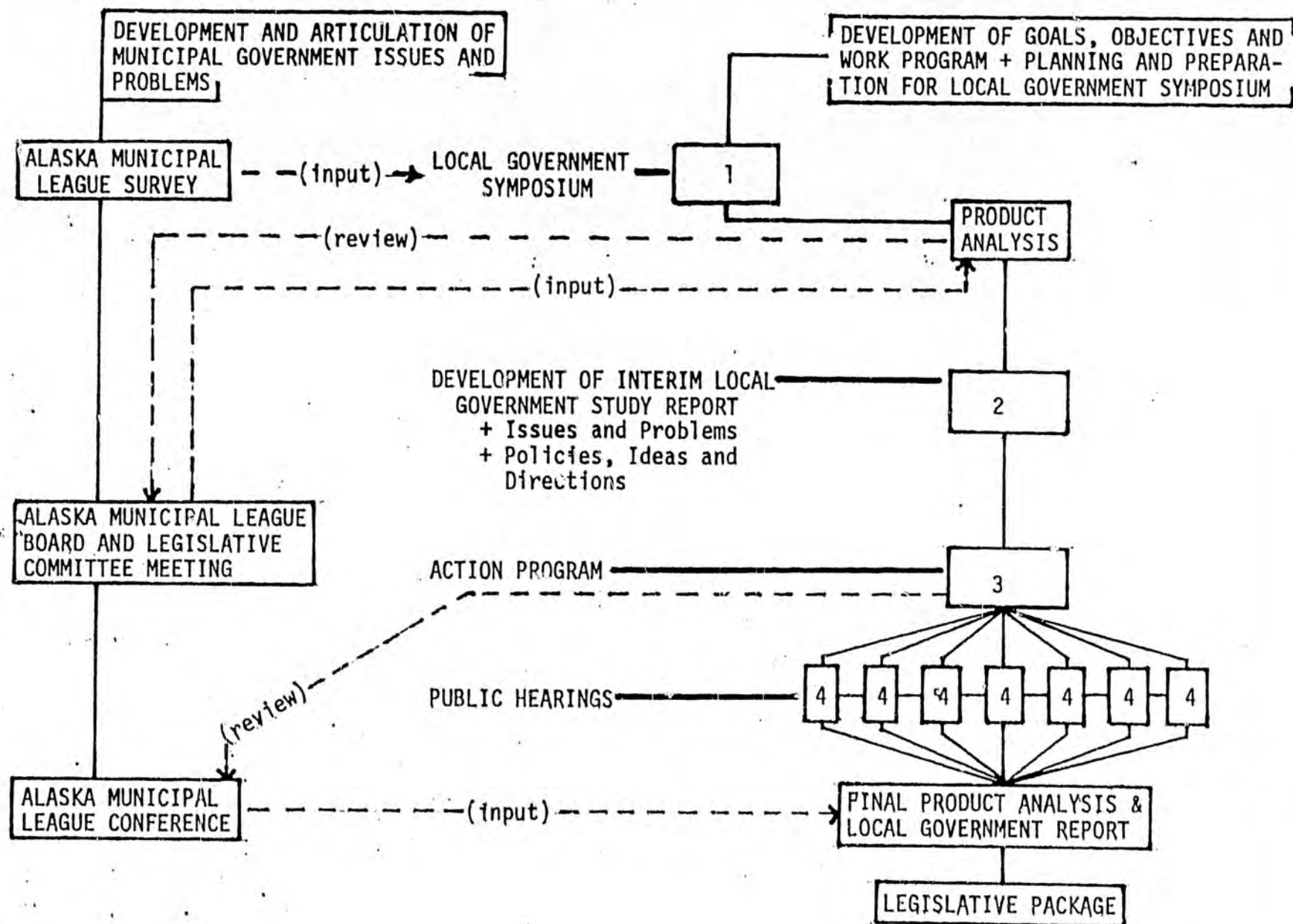
CSHB586 (SB352) Requiring Fiscal Notes for Bills
Affecting a Municipality
CSHB586 - Senate Finance
SB 352 - Senate Finance

Other bills related to Local Government Study and status:

CSSCR 66 Revision of Title 29 - Adopted as Law
CSHB 1010 (CSSB546) State Aid/Local Capital Projects

CSHB 1010 - House Community and Regional Affairs
CSSB 546 - Senate Finance

STUDY PROCESS CHART





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House of Representatives

Committee on

Community & Regional Affairs

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State Capitol
Juneau, Alaska 99811

LEGISLATIVE PACKAGE

INTRODUCED BY THE RULES COMMITTEE
BY REQUEST OF THE LEGISLATIVE COUNCIL FOR
THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
INTERIM JOINT LOCAL GOVERNMENT STUDY

HB 580	(SB 348)	Establishing Unorganized Boroughs
HB 581	(SB 350)	Responsibilities of DPDP
HB 582	(SB 349)	Program of Planning Assistance
CSHB 583	(SB 351)	State Aid to Local Governments
HB 584	(SB 354)	Eliminating the Third Class Borough
HB 585	(SB 353)	Incorporation of Second Class as Home Rule Boroughs
HB 586	(SB 352)	Requiring Fiscal Notes for Bills Affecting a Municipality

Introduced: 1/21/80
Referred: Community & Regional
Affairs and Finance

BY THE RULES COMMITTEE BY REQUEST
OF THE LEGISLATIVE COUNCIL (for the
Community and Regional Affairs
Committee Interim Joint Local
Government Study)

1 IN THE HOUSE

2 HOUSE BILL NO. 580

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing unorganized boroughs, amending the
7 responsibilities of state agencies for state programs
8 and services for residents of organized and unorganized
9 boroughs, and authorizing adoption of home rule char-
10 ters by unorganized boroughs; and providing for an
11 effective date."

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

13 * Section 1. PURPOSE. The purpose of this Act is to provide for the
14 division of the state's single unorganized borough into unorganized boroughs
15 to accommodate the delivery of services and programs by state agencies within
16 common boundaries and to require the collection of data and information about
17 state programs with reference to a set of boundaries adopted for use by all
18 state agencies for the purpose of improving the delivery of state services
19 and encouraging the development of regional responsibilities for the planning
20 and implementation of these services.

21 * Sec. 2. AS 29.03 is amended by adding new sections to read:

22 Sec 29.03.011. ESTABLISHMENT OF UNORGANIZED BOROUGHs. Except as
23 the boundaries are adjusted as provided in AS 29.03.021, the geographic
24 area within each regional educational attendance area established under
25 AS 14.08.031 is, effective 120 days after the effective date of this
26 Act, established as an unorganized borough.

27 Sec. 29.03.021. ADJUSTMENT OF BOUNDARIES BY COMMISSIONER. The
28 commissioner may, after public hearings in the areas affected, establish
29 boundaries other than the boundaries of a regional educational attend-

1 ance area for an unorganized borough under AS 29.03.011. In making
2 adjustments, the commissioner shall consider the standards applicable to
3 the incorporation of boroughs under AS 29.18.030 and the regional boun-
4 daries adopted by the Native regional corporations established under the
5 Alaska Native Claims Settlement Act. The commissioner may not establish
6 boundaries for an unorganized borough which include territory within
7 more than one Native regional corporation established under the Alaska
8 Native Claims Settlement Act unless the inclusion of the territory is
9 reasonably necessary for the efficient administration of programs and
10 services by state agencies.

11 * Sec. 3. AS 44.17 is amended by adding new sections to read:

12 ARTICLE 2. COLLECTION OF DATA AND INFORMATION

13 ABOUT STATE SERVICES IN DISTRICTS.

14 Sec. 44.17.100. DISTRICTS. Each of the following is a district of
15 the state:

16 (1) a borough or unified municipality incorporated under
17 AS 29; and

18 (2) an unorganized borough determined under AS 29.03.011 -
19 29.03.021.

20 Sec. 44.17.110. DATA AND INFORMATION. Each state agency, in-
21 cluding a board or commission assigned to an agency for administrative
22 purposes, shall provide for the administration of the programs for which
23 it is responsible on the basis of districts designated in AS 44.17.100
24 by

25 (1) collecting data, processing and analyzing statistics, and
26 providing information about programs on the basis of each of the dis-
27 tricts;

28 (2) developing program planning for districts;

29 (3) coordinating program planning for agency activities with

1 the plans and activities of other agencies, municipalities, and federal
2 departments and agencies in each district; and

3 (4) providing information to the governor, legislature and
4 the public for use in the preparation and consideration of the state
5 budget and other legislation bearing on the provision of state services
6 in each district.

7 Sec. 44.17.120. EXEMPTIONS AND MODIFICATIONS. (a) An exemption
8 from AS 44.17.110 may be granted by the legislature to an agency if
9 conformity would cause undue expense, hardship, or decreased efficiency
10 in the development and operation of an agency program. The agency
11 requesting the exemption shall submit to the Legislative Council

12 (1) a written statement naming the program for which the
13 exemption is sought and explaining the reasons for seeking the exemp-
14 tion; and

15 (2) an evaluation of the practicality of conforming to
16 AS 44.17.110 within a five-year period.

17 (b) The boundaries of a district may be modified by the legisla-
18 ture if the requirements of conformity to the boundaries as set out in
19 AS 44.17.100 would be detrimental to the accomplishment of the objec-
20 tives of an agency program. An agency requesting modification of the
21 boundaries shall submit to the Legislative Council

22 (1) a statement naming the program for which modification of
23 district boundaries is requested and the reasons for seeking a modifica-
24 tion;

25 (2) a map depicting the revised boundaries which will be used
26 if a modification of boundaries is granted; and

27 (3) an evaluation of the likelihood of conforming to the
28 boundaries established in AS 44.17.100 within a five-year period.

29 * Sec. 4. AS 29 is amended by adding a new chapter to read:

1 CHAPTER 19. DIRECT INCORPORATION OF A HOME RULE BOROUGH.

2 Sec. 29.19.010. INCORPORATION. (a) The residents of an unorgan-
3 ized borough established in accordance with AS 29.03.011 - 29.03.021 may
4 apply for the incorporation of a home rule borough. The petition for
5 borough incorporation shall be filed with the Department of Community
6 and Regional Affairs and shall include the information and signatures
7 required by AS 29.18.050. Petitions for incorporation filed under this
8 section shall be processed, reviewed and determined in accordance with
9 AS 29.18.060 - 29.18.090.

10 (b) The standards applicable to the incorporation of an organized
11 borough under art. X, sec. 3 of the state constitution and AS 29.18.030
12 apply to the incorporation of an organized borough under this section.

13 Sec. 29.19.020. CHARTER ELECTION. If the Local Boundary Commis-
14 sion accepts the petition filed under AS 29.19.010, it shall immediately
15 notify the lieutenant governor. Within 30 days after notification, the
16 lieutenant governor shall order an election within the proposed home
17 rule borough to determine whether the voters will elect a charter com-
18 mission of 11 members, and to determine the persons elected to serve on
19 the charter commission. The lieutenant governor shall provide not less
20 than 20 or more than 30 days during which candidates for the charter
21 commission may present nominating petitions. The election on the
22 question of election of a charter commission and the determination of
23 persons elected to serve on the charter commission shall be held not
24 less than 60 or more than 75 days after the date of the election order.

25 Sec. 29.19.030. PREPARATION OF CHARTER. (a) If, at the election
26 called by the lieutenant governor under AS 29.19.020, a majority of the
27 voters favors election of a charter commission, the 11 persons receiving
28 the highest number of votes cast at that election constitutes the char-
29 ter commission. The charter commission shall prepare a proposed charter

1 and submit it to the Department of Community and Regional Affairs within
2 one year of the first meeting of the charter commission. The commis-
3 sioner of community and regional affairs shall review the proposed
4 charter for compliance with laws applicable to home rule municipalities
5 and, if it complies, request the lieutenant governor to submit the
6 proposed borough incorporation petition and proposed home rule charter
7 to residents of the proposed home rule borough. If the proposed charter
8 does not comply with law, the commissioner shall return the proposed
9 charter to the charter commission with a statement of the legal defi-
10 ciencies.

11 (b) Within 90 days of the receipt of comments from the commis-
12 sioner of community and regional affairs with respect to provisions of a
13 proposed home rule charter which are not in compliance with the laws
14 applicable to home rule municipalities, the charter commission may
15 prepare and submit to the commissioner an amended charter which meets
16 the objections in the original proposed charter.

17 (c) Only one original and one amended charter may be submitted to
18 the commissioner of community and regional affairs under this section.

19 Sec. 29.19.040. RATIFICATION OF CHARTER. The lieutenant governor
20 shall order an election on the question of whether the area shall be
21 incorporated as a home rule borough in accordance with the charter
22 approved by the commissioner of community and regional affairs. The
23 proposed charter shall be posted throughout the proposed borough by the
24 lieutenant governor before the election is held. The election shall be
25 held not less than 60 or more than 90 days following the election order.

26 Sec. 29.19.050. RESULTS OF RATIFICATION ELECTION. (a) If a
27 majority of the votes cast by the qualified voters of the proposed
28 borough is against the incorporation of a borough under the proposed
29 home rule charter, the proposal is defeated.