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LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

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Additional reports submitted include all of the reports developed for the Study.



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DATE: June 14, 1979
TO: Senator George Hohman
FROM: Marjorie Gorsuch, A.A. House C&RA
Gene Walsh, A.A., Senate C&RA
RE: Local Government Study

Enclosed you will find the preliminary background material for the Senate & House Joint Community and Regional Affairs Committee Local Government Study as requested. We are pleased to learn that the Legislative Council plans to develop an information bank for this data.

Reviewing the list of interim committees, we note that a number of them may interrelate with the Local Government Study and we would like to coordinate efforts. To this end, we would like to receive the monthly progress reports as well as the projected work program for the following committees:

- House Resources - Subsistence
- House Roads and Highways
- Constitutional Convention
- Senate Election Reform

A major component of our Study will be the public hearings to be held in rural Alaska. It would be helpful in our planning to have the travel schedules of the other interim committees so that we can coordinate itineraries.

Thank you for your assistance.



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June 15, 1979

SUBJECT OF COMMITTEE WORK

Local Government in Alaska
(Focus on the Unorganized Borough)

HISTORICAL PERSPECTIVE

A. State Constitution

Article X of the State Constitution establishes the purpose and construction of local government and provides for maximum local self-government with a minimum of local government units and seeks to prevent duplication of tax-levying jurisdictions. It directs that the entire State shall be divided into boroughs, organized or unorganized, and that in the unorganized boroughs the legislature shall provide for the performance of services it deems necessary or advisable while allowing for maximum local participation and responsibility.

B. Borough Incorporation

Eight of the eleven existing boroughs were established in 1963 and 1964. The Mandatory Borough Act of 1963 directed incorporation of boroughs in eight urban areas within one year or mandatory incorporation would occur. Ketchikan, Sitka, Juneau and Kodiak incorporated while Anchorage, Kenai, Matanuska-Susitna and Fairbanks boroughs were incorporated directly by the state on January 1, 1964. Bristol Bay Borough was the only one of the original nine boroughs to incorporate voluntarily in 1962. Haines incorporated as a third class borough in 1968 and in 1972 the North Slope Borough voluntarily incorporated prompted by the hundreds of millions of dollars in taxable property values at the Prudhoe Bay oil fields.

C. Significant Legislative Proposals

Although there were numerous city incorporations in the unorganized borough, only the North Slope Borough has chosen to organize a regional government. Motivated by awareness of the need for a vehicle for social and political unity and a mechanism for more efficient and equitable distribution of public revenues, a series of legislative proposals have been introduced during the last decade.

In 1972 a comprehensive legislative program was introduced which included a plan to subdivide the unorganized borough (HB 596), levy a 15 mill tax on property located in the unorganized borough with distribution of revenue among unorganized boroughs (HB 597) and a levy of 20 mill tax on the pipeline with distribution to local governments, organized and unorganized (HB 598). Governor Egan's bills, while bringing before the legislature and the public much useful information and debate, were not passed.

Other significant legislation related to the unorganized borough included Representative Tom Fink's HB 122 introduced in 1973 which would have required the incorporation of organized boroughs in all of unorganized Alaska by 1977. Representative Terry Gardiner of Ketchikan introduced HB 291 (1973) which would have established structures that could either remain unincorporated with elected advisory councils, or choose to incorporate at a future date as boroughs of any class or as home rule boroughs.

Since 1973 there have been piecemeal legislative approaches to the problem of providing services in the unorganized borough. In addition, Representative Charlie Parr of Fairbanks has introduced legislation which would provide for taxation of developed land in the unorganized borough (HB 202 - Tenth Legislative Session and HB 9 - Eleventh Legislative Session). None of the above mentioned legislation became law.

In 1972 a number of municipal concerns were addressed in the drafting of a Municipal Government Code, Title 29 which replaced the repealed Title 7 (Boroughs) and the former Title 29 (Municipal Corporations).

D. Service Delivery to the Unorganized Borough

The State Constitution provides that the legislature shall provide for the performance of services it deems necessary or advisable in unorganized boroughs allowing for maximum local participation and responsibility. It may exercise any power or function in an unorganized borough which the assembly may exercise in an organized borough.

In response to the need for delivery of certain services, the state has established a number of jurisdictional boundaries within the unorganized borough.

1. Regional Educational Attendance Areas (REAA's) were created in 1975 as the mechanism through which the legislature delegates to regional school boards the authority to operate the public schools using the boundaries or sub-boundaries of the regional corporations established under the Alaska Native Settlement Act or a combination of such boundaries.

2. Coastal Resource Service Areas are authorized by the Alaska Coastal Management Act of 1977 to plan for the coastal areas. Each regional educational attendance area containing a part of the coastal area may be organized for this purpose or two or more REAAs may be consolidated as a single coastal resource service area. Implementation of the plans which are developed is the responsibility of the state.
3. Salmon Enhancement Service Areas were authorized by 59 SLA 1979. A qualified regional association, when it becomes a nonprofit corporation under AS 10.20, is established as a service area in the unorganized borough under AS 29.03.020 for the purpose of providing salmon enhancement services.

A study prepared by the Division of Policy Development and Planning in December 1976 entitled "Alaska Regions and Substate Districts" documented the proliferation of district boundaries used by governmental agencies for both administrative and service delivery functions. It depicted these overlapping jurisdictional boundaries as confusing and as roadblocks to the efficient delivery of services to citizens therefore preventing the Federal, State and local governments from fulfilling their responsibilities to Alaskans.

Systems of subdivisions of the State were analyzed, mapped and compared for their capability to serve as vehicles for governmental planning and program delivery. Each one was also evaluated in terms of its long-term usefulness for governmental purposes. Although specific recommendations for the creation of planning regions and substate districts were incorporated into the study, no action was taken.

CURRENT STATUS

Current efforts which have a bearing on the subject matter of the Local Government Study include:

A. Alaska Coastal Management Program First Year 306 Grant

The Office of Coastal Management, Division of Policy Development and Planning, Office of the Governor has applied for a 306 Grant and has identified as one of its special studies within the grant proposal a study of unorganized borough management alternatives.

The grant proposal states that structures or mechanisms for local planning in the unorganized borough raise questions and have implications for the Alaska Coastal Management Program as well as every other state program in the unorganized borough. The state needs to carefully identify and analyze alternative approaches and structures for planning in the unorganized borough. The Legislature is sufficiently concerned about the problems of local government and the discrepancies between the organized and unorganized areas, that a special legislative committee has been organized to study alternatives for the provision of all services to all local areas (both organized and unorganized) during the next interim.

The issues which cause this item to be a priority for special study by the coastal management program are several. The new lease sale schedule, proposed bottomfish expansion, and suggested new port development all affect the unorganized borough which at the present time has no satisfactory regulatory mechanisms by state or local governments.

B. Housing and Urban Development Grant Application by Division of Policy Development and Planning for FY 80-81

The application by DPDP includes a program subcategory, Regional Planning in the Unorganized Borough, with the objective of establishing a uniform regional planning structure in the unorganized borough. The Division proposes to work jointly with the Local Government Study on this issue and to develop an official policy in regard to regional planning in the unorganized borough and the structure through which sustained local involvement can be obtained.

C. Yukon Flats Regional Government Study

The Alaska State Legislature, acting on a request from the people of the Yukon Flats region, directed that a study be carried out to explore the feasibility of establishing a regional government in that area. The Department of Community and Regional Affairs, in concert with an Advisory Committee from the region, designed the general contract which has been implemented by Ralph R. Darbyshire and Associates. The Yukon Flats Regional Government Study is in the final stages of development with the final summary report scheduled for completion in June, 1979.

The product will present findings with respect to alternatives available in borough incorporation; advantages and disadvantages of borough incorporation; and the legal, political, social and financial ramifications of borough incorporation.

D. Northwest Alaska Native Association Regional Strategies

In 1978 NANA requested state assistance in order to begin a process to establish an overall regional strategy plan. The Division of Policy Development and Planning has developed a HUD grant proposal to help accomplish this goal. The issues seen by regional officials as central to the regional strategy concern the environmental carrying capacity of the NANA region and its innerent affects on the patterns of development, the necessity for identifying and analyzing alternatives to transportation systems and public facilities and an accurate assessment of the present socio-economic characteristics of the region's population.

E. Tanana Chiefs Conference Proposal

During the First Session of the Eleventh Legislature the Tanana Chiefs Conference brought to the attention of the legislators a proposal to establish six sub-regional planning commissions within the boundaries of the Doyon Regional Corporation. While it is the intention of TCC to proceed with this effort, they have requested the Governor designate these commissions as planning advisory councils pursuant to AS 44.19.880 (c). Legislation which would have established these regional planning commission vested with substantial local government power: was drafted.

As this proposal posed questions with significant ramifications, including the relationship of these planning commissions to the activities of federal and state agencies in the region and the relationship of these new entities to existing local governments organized under state law, no legislative action was taken.

Relevant to the historical perspective and current status of local government in Alaska is the bibliography developed for use in the Local Government Study. (See Exhibit A)



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LOCAL GOVERNMENT STUDY BACKGROUND

The Joint Senate and House Community and Regional Affairs Committee Local Government Study was initiated as the legislative response to long-perceived problems related to local government in Alaska. The Department of Community and Regional Affairs, as well as the Municipal League, have supported such a study to clarify and resolve questions dealing with municipal relationships and the broader questions related to municipal/state relationships.

The need for such a study became evident to the chairmen of the Community and Regional Affairs Committees during the First Session of the Eleventh Legislature with consideration of legislation dealing with annexation, revenue sharing, delegation of borough powers, and "instant" unification.

Overlapping jurisdictional boundaries in the unorganized borough became an issue again when a proposal by the Tanana Chiefs Conference to create regional and subregional planning commissions was brought to the attention of the legislature. This proposal raised the question of the effectiveness of the present service delivery systems. There was renewed concern that there was no state rural policy against which to weigh this proposal and other legislative action.

The Chairmen of the Community and Regional Affairs Committees laid the groundwork for the Study in a series of meetings involving individuals from the legislature, the executive branch and the Alaska Municipal League. During these meetings, specific concerns were identified and there was consensus that legislative action in this area could be productive.



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WORK PROGRAM

The Local Government Study has been designed with recognition of the abundant amount of existing research and material which has documented the problems in the unorganized borough. Problem areas which have been identified deal with:

1. Sufficiency of available local government structures to meet the need for local government entities at the community and regional level.
2. Sufficiency of the economic base in the unorganized borough in financing the basic local government functions.
3. Continually developing jurisdictional boundaries within the unorganized borough used for both administrative and service delivery purposes.
4. The ability of the state to deliver services effectively to the unorganized borough through the creation of service areas.
5. The role of the quasi-governmental organizations as service deliverers and the functioning of such organizations as substitutes for local government.
6. The question of state vs. municipal responsibility for funding and delivery of public services and the construction, maintenance and operation of public facilities.

The approach of the Local Government Study will be solution oriented. Specific problems will be articulated and solutions proposed. The process for accomplishing this will be a series of meetings as described below.

Preliminary organizational work will consist of development of study goals, objectives and work program design as well as planning and preparation for a Local Government Symposium. Background material related to the objectives will be made available to the participants of the Symposium. (See preliminary draft of these objectives - Exhibit B)

PROCESS - The process is outlined in Exhibit C with a project schedule.

1. LOCAL GOVERNMENT SYMPOSIUM

The Symposium will bring together native leaders, local government specialists, representatives of the Alaska Municipal League and other pertinent organizations for a weekend meeting. This knowledgeable group of individuals representing diverse interests will address the problem areas and develop solutions.

An intensive product analysis will follow the Symposium and the results of this analysis will be circulated for comment by the Symposium participants.

2. REGIONAL WORKSHOPS

A series of regional workshops (Fairbanks, Anchorage, Juneau) will be held to broaden participation in the Study and include those individuals with local and regional perspective. Proposed solutions will be further discussed and refined.

3. PUBLIC HEARINGS

The last level of meetings would take the Senate and House Community and Regional Affairs Committee members to the rural areas of the state to discuss the findings of the Symposium and Regional Workshops.

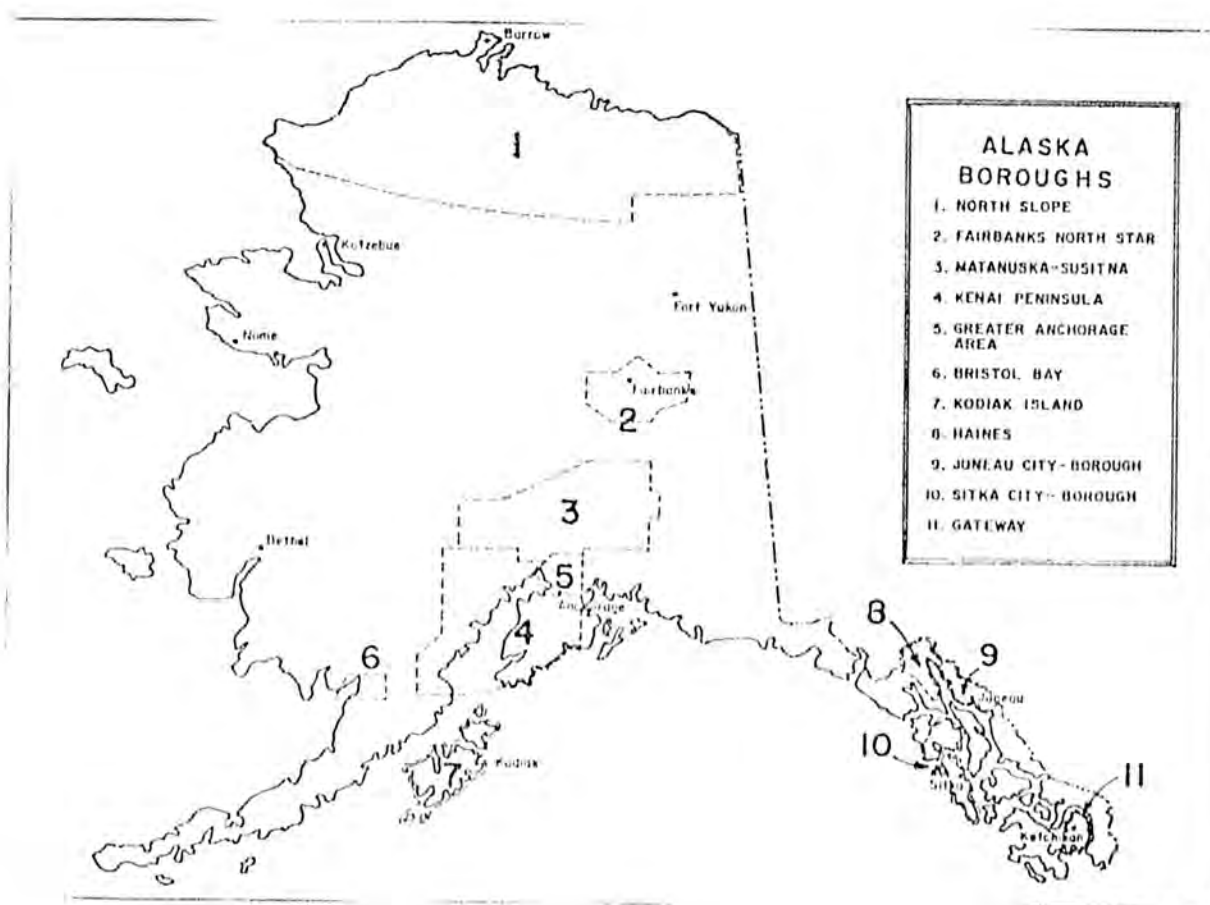
The findings of the Symposium and Workshops will be supported by the production and use of tables, charts, graphs and maps. Such tools support the intent of simplifying the subject matter and making it suitable for public educational use.

Testimony received at this time will be a major ingredient in the development of a final product. Throughout the process there will be development and consideration of proposed legislation. Specific legislative goals include addressing problem areas of Title 29 specifically service area formation as well as the broad question of achieving self determination through local government in the unorganized borough. In addition, the information developed will serve as a framework for evaluating future legislation in terms of its effect as an incentive or disincentive to local government formation.

ORGANIZED MUNICIPALITIES

Concurrent with the activities described above, and in conjunction with the Local Government Study, the Alaska Municipal League will concentrate on defining municipal problems which could have legislative solutions. This effort will be accomplished in close cooperation with the Department of Community and Regional Affairs.

A survey will be developed and circulated by the Municipal League and the survey analysis will become part of the subject matter for discussion and consideration at the Local Government Symposium and Regional Workshops.





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DRAFT - May, 1979

LOCAL GOVERNMENT STUDY OBJECTIVES

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

STUDY OBJECTIVE

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. Study and evaluate alternatives.

TASK

1. Research the historical and legal evolution of local government structure. Review proposed legislation related to organization of the unorganized borough and assess the viability of these proposals. Analyze the relationships between municipalities at the community and regional level and their relationship with state government.
2. Investigate adequacy of existing local government structures, (i.e. three classes of boroughs, two classes of cities plus development cities), and their legally authorized sub-units (i.e., differential tax zones, service areas, and assessment districts), and modify existing or devise alternative forms of local government which could better provide the services.
3. Research the local government structures and intergovernmental relationships of other states and areas which may be pertinent to the Alaska experience. Evaluate relevancy in both rural and urban situations.
4. Review pertinent major studies (Tanana Chiefs Conference Proposal, Yukon Flats Borough Study, NANA Regional Strategies, etc.) and ascertain trends and implications related to local government formation.
5. Review the role of the Local Boundary Commission. Analyze statutory provisions for alteration of local government boundaries. Study and evaluate alternative mechanisms for affecting local government boundary changes.

STUDY OBJECTIVE

- II. Study and identify present public services provided by state, federal and municipal levels of government.

TASK

1. Update previous studies relating to state and federal jurisdictional boundaries. Delineate boundaries, authority and functions.
2. Prepare an inventory of programs and services being provided by federal, state and municipal entities within the municipalities and unorganized area of the state.
3. Identify the allocation and level of service provided by federal, state and municipal entities within the municipalities and unorganized area of the state.
4. Review existing intergovernmental loan programs and grant procedures as they function as incentives or disincentives to the formation of local government.
5. Review the question of state vs. municipal responsibility for delivery of public services and the construction, maintenance and operation of public facilities.
6. Review the service area concept as it relates to service delivery, specifically in the unorganized borough (REAs, Coastal Resource Service Districts, etc.). Delineate the boundaries, authority, and function of these rural service areas and their relationship to state government.

STUDY OBJECTIVE

- III. Study and evaluate the economic base of the unorganized borough and its sufficiency in financing the basic local government functions.

TASK

1. Review potential revenue sources in the unorganized borough including, but not limited to sales, real and personal property tax, income tax, and gross business receipts in addition to revenue associated with natural resource development.
2. Prepare a land status analysis including, but not limited to, a general identification of private, public and Native-owned land. Such analysis would include estimates of acreage by category of existing and anticipated real property.
3. Review statutory inducements and disincentives related to municipal government incorporation. Determine workable approaches for studying the feasibility of and funding new municipal incorporations.
4. Identify the local cost of providing the services which are mandatory functions of the basic local governmental unit and those administrative costs associated with the establishment of local government.

STUDY OBJECTIVE

- IV. Study and evaluate the social, political and cultural patterns in the unorganized borough and their relation to local government formation.

TASK

1. Identify and analyze selected jurisdictional boundary schemes to determine how well these substate districts or regional boundaries conform to standards for borough incorporation.
2. Identify and analyze community and regional attitudinal surveys and studies to determine thoughts and perceptions on various levels of government (federal, state, local, quasi-governmental)
Determine the need for further investigation of public attitudes, perceptions and ideas on the need for local and regional government structure.
3. Prepare an inventory of public services and programs provided by non-governmental organizations within the unorganized borough.
Analyze the nature and level of services being provided.
4. Analyze historical and non-traditional methods of organization for local and regional self determination in the state (i.e., IRA Villages, Native regional profit and Native non-profit corporations).



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OBJECTIVE

- II. Study and identify present public services provided by federal, state and municipal levels of government and assess their relationship to local government formation.

TASKS

1. Review and update previous studies relating to state and federal jurisdictional boundaries. Delineate boundaries, authority and functions.
2. Prepare an inventory of programs and services provided by federal, state and municipal entities within the municipalities and unorganized area of the state. Identify the allocation and level of these services.
3. Review existing intergovernmental loan programs, grant procedures and the state's contractual practices as they function as incentives or disincentives to the formation of local government.
4. Review the question of state versus municipal responsibility for funding and delivery of public services and the construction, maintenance and operation of public facilities.
5. Review the service area concept as it relates to service delivery in the unorganized borough and the relationship of the service areas to state government.

OBJECTIVE

- II. Study and identify present public services provided by federal, state and municipal levels of government and assess their relationship to local government formation.

TASK

1. Review and update previous studies relating to state and federal jurisdictional boundaries. Delineate boundaries, authority and functions.

- A. Substate Districts/Regions

Collect maps that delineate the existing regions and districts utilized by federal and state agencies to operate programs or deliver services. Special emphasis should be given to reviewing and updating the recommendations and analysis in the report entitled Alaska Regions and Substate Districts, prepared by the Division of Policy Development and Planning in 1976.

- B. Authority

The review of the enabling authority for the existing jurisdictional units should include:

1. Citation of the specific enabling authority
2. Length of time operative/date instituted
3. Basis for choice of boundaries. Mandatory borough incorporation standards should also be reviewed.

- C. Function

This review should include a statement of the purpose for which the unit was created. The units should be categorized as administrative units or service areas.

OBJECTIVE

- II. Study and identify present public services provided by federal, state and municipal levels of government and assess their relationship to local government formation.

TASK

3. Review existing intergovernmental loan programs, grant procedures and the state's contractual practices as they function as incentives or disincentives to the formation of local government.

OBJECTIVE

- II. Study and identify present public services provided by state, regional and municipal levels of government and assess their relationship to local government formation.

TASK

4. Review existing intergovernmental loan and grant programs and contractual practices as they function as incentives or disincentives to the formation of local government.
 - A. Identify state and federal loan and grant programs with municipalities. Analyze state and federal procedures and practices re municipalities as they relate to local government formation.
 - B. Analyze the state's contractual policies for delivery of services to municipalities and unorganized areas (i.e. with the non-profit corporations)
 - C. Document state financial assistance and non-financial inducements for organization ("organizational grants, land conveyances, etc.)



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OBJECTIVE

- IV. Study and evaluate the social political and cultural patterns in the unorganized borough and their relation to local government formation.

TASKS

1. Identify and analyze selected jurisdictional boundary schemes to determine how well these substate districts or regional boundaries conform to standards for borough incorporation.
2. Identify and analyze community and regional attitudinal surveys and studies to determine recognition and perception of governmental structure and function on the federal, state, local, and quasi-governmental levels.
3. Prepare an inventory of public services and programs provided by non-governmental and quasi-governmental organization. Analyze the nature and level of services provided.
4. Analyze the historical development of traditional, non-traditional, and quasi-governmental native methods of organization for local and regional self government. Assess the implications local and/or regional government formation would have on those structures now operative in the unorganized borough.



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OBJECTIVE

- IV. Study and evaluate the social, political and cultural patterns in the unorganized borough and their relation to local government formation.

TASK

1. Identify and analyze selected jurisdictional boundary schemes to determine how well these substate districts or regional boundaries conform to standards for borough incorporation.
 - A. Using the standards stated in the Constitution (Article X) and Title 29 (Municipal Government, Section 29.12.030, Organized Boroughs)
 - B. Selected jurisdictional boundaries shall include the following:
 1. Native Regional Corporation Boundaries
 2. Rural Educational Attendance Areas
 3. Boroughs and suggested unorganized borough divisions as defined in Alaska Regions and Substate Districts (prepared by the Division of Policy Development and Planning, Dec. '76)
 4. Boundaries as discussed in Issues of Regional Government in Alaska

METHODOLOGY

1. Identify information gaps which make this Task difficult to accomplish.
2. Understand the petition procedures and standards related to incorporation as they relate to the role of the Dept. of Community and Regional Affairs and to the Local Boundary Commission.
3. Review the revised Local Boundary Commission regulations re any regulations that pertain to "standards".
4. Consideration should be given to expanding existing borough boundaries or reduction of borough areas.
5. Review Yukon Flats Borough Study as it relates to this Task.
6. Analyze Mobil Oil V. North Slope Borough (State Supreme Court Decision sustaining incorporation of North Slope Borough.



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OBJECTIVE

- IV. Study and evaluate the social, political and cultural patterns in the unorganized borough and their relation to local government formation.

TASK

2. Identify and analyze community and regional attitudinal surveys and studies to determine recognition and perception of governmental structure and function on the federal, state, local, and quasi-governmental levels.
 - A. Review existing surveying work such as the NANA profiles, Public Forum reports, Yukon Flats Borough Study, Congressional questionnaires, etc.
 - B. Determine the need for further investigation of public attitudes and educational needs in relation to local and regional government structure.

METHODOLOGY

1. Review techniques being developed by the Department of Transportation and Public Facilities for implementation of Ch. 168 (Public Facilities Surveying). Investigate possibility of integrating Local Government Study component in DOTPF public participation process.
2. Identify need for translators in accomplishing Task #2.

RESOURCE



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OBJECTIVE

- IV. Study and evaluate the social, political and cultural patterns in the unorganized borough and their relation to local government functions.

TASK

3. Prepare an inventory of public services and programs provided by non-governmental and quasi-governmental organization. Analyze the nature and level of services provided.
- A. Analyze the methodology used for planning and assessment of need for services.
 - B. Identify the intraregional communications mechanisms used by these organizations.
 - C. Address the question of the impact of local government formation on the existence and services of these non-governmental and quasi-governmental organizations.



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OBJECTIVE

- IV. Study and evaluate the social, political and cultural patterns in the unorganized borough and their relation to local government formation.

TASK

4. Analyze the historical development of traditional, non-traditional, and quasi-governmental native methods of organization for local and regional self government. Assess the implications local and/or regional government formation would have on those structures now operative in the unorganized borough.
- A. Develop a chronology including, but not limited to:
1. Traditional organizations
 - (a) Tribal councils
 2. Non-Traditional organizations
 - (a) Indian Reorganization Act Councils
 - (b) Second Class Cities
 - (c) Boroughs
 3. Quasi-Governmental organizations
 - (a) Regional Native Corporations (profit and non-profit)
 - (b) Village Corporations (profit and non-profit)
- B. Information compiled should include:
1. Identification of local or regional jurisdiction
 2. Intended purpose and enabling authority
 3. Administering agency
 4. Funding Source
 5. Governing structure and process
 6. Analysis of intergovernmental relationships



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TO: Jack Chenoweth
FROM: Marjorie Gorsuch
DATE: 12/8/79
RE: Legislative Proposals

Attached is a "basic" outline of some of the concepts we discussed for proposed legislation. I am enclosing a copy of a letter from DPDP which has a bearing on points #1 and #3. As there are some points in this letter which Arliss wants to discuss with DPDP, it is just a working draft. It is unclear at this point if DPDP has some of the necessary funds to accomplish these studies or if the legislature is to appropriate the total amount.

A couple of other points:
Home Rule -- Any thoughts on allowing second class cities to adopt home rule status?
Foundation Approach -- House Research may give us additional assistance in this area.
Management and Disposal of State Land -- We will not need any draft on this as the Municipal League will be taking the lead here.

Major

LEGISLATIVE PROPOSALS

*Substitute District report
p. 6?
one REA used?
Ch. Leg.
Structure without*

I. Develop geographic, regional boundary lines for data collection purposes. The process for establishing these lines will be as outlined in the original Chenoweth draft bill. The Dept. of C&RA would have a 4-mo. period of time during which to conduct the necessary hearings and to implement the creation of the regional units.
(Preliminary to the drafting of the above bill the Dept. of C&RA should be consulted to determine if there are any areas of the state where the REAs would not work as the "basic building blocks" for the "Local Government districts")

2. Home Rule

A provision will be drafted which provides that the "Local Government Districts" could incorporate as a home rule borough without organizing as a "first class" municipality. The Local Boundary Commission would be involved in the determining the acceptability of the District boundaries and their compliance with Borough standards.

In addition, an amendment to Title 29 will be developed which allows for the reclassification of a 2nd Class Borough into a Home Rule Municipality without adopting first-class status.

3. Regional Study Fund

This Fund would provide monies to be used for a regional study which would address economic, social and physical factors present in the entire Local Government District. The study would also have a political component which would address the implications of local control & self determination as well as the feasibility and viability of local government.

The Fund would be administered by the Dept. of Community and Regional Affairs which would consider proposals after having been petitioned by a representative segment of the population of the District. The Dept. will select the proposal which best meets the criteria contained in the legislation. The Study will be conducted during the proscribed time period.

The funding for the Study will be determined using the per capita formula contained in the legislation.

Addressed
Regional Affairs
standards
50% of organization

4. Support of and Coordination with DPDP Study Efforts

DPDP will develop and conduct a study and assessment of the feasibility of using Local Government District boundaries for service delivery purposes. This efficiency study will include an overview of capital facilities, recommendations on coordination of delivery from the users point of view, & consideration of colocation of facilities. The Department will report back to the Legislature on January , 1981 with its plan for delivery of services which takes into consideration the boundaries developed for the Local Government Districts.

Handwritten note: 1. Study Districts 85 108

5. Revenue Sharing

Handwritten mark: 2

- (a) Advocate full funding of existing program
- (b) Support the minimum allotment of \$25,000 to all organized municipalities (as contained in HB 192) plus cost of living plus the per capita entitlements.
- (c)

6. Foundation Approach

The feasibility of a foundation approach to the delivery of public services--specifically those classified as "basic services", will be explored.

7. Fiscal Impact on Municipalities

Legislation will be introduced which will require that the fiscal impact of municipalities of all bills introduced be noted with a fiscal note.

8. Amendments to Title 29

- (a) Legislation will be developed amending the recently passed HB 66. which would return the platting power back to the municipalities. (HB 66y An act relating to the management and disposal of state land)
- (b) Corrections will be introduced to HB 137 related to reapportionment
- (c) Legislation to eliminate ;the third class borough but allow Haines to exist remain incorporated as a third-class borough.

Handwritten note: Check on the

Handwritten notes: CL 83 1/21/79 HB 137/39

9. Recording problems?

Suggested areas for legislative action/recommendations
for 11th Legislature/2nd Session

1. Introduction of Chenoweth-drafted legislation *(with modifications)*
2. Proposal for a "Borough Feasibility Study" Fund *Regional strategy
Borough Feasibility
& data collection*
3. Resolution requiring administrative compliance with the regional boundaries established in (1)
4. Recognition of villages for purpose of receiving municipal land entitlement (as third class cities?)
(Provide some means whereby IRA councils could function and be recognized by the state as a legitimate representative of the villagers)
5. Revenue Sharing
 - ✓ (a) Advocate full funding of existing program
 - ✓ (b) Support Dept. of C&RA's effort to raise the minimum allotment to ~~\$100,000~~ *from \$25,000 plus cost living plus per capita amt.*
 - (c) Introduce legislation which would fund a study to explore a foundation approach to funding of basic services

- * Margaret Brunson - Corrections to *3 proposals*
Reapportionment bill HB137 *Ch. Margaret to see if she wants to*
- * Impact - Fiscal impact on municipalities
of legislation
- * *Placing powers back to municipalities*
HB66
- * Recording problems - Get testimony on bill
introduced
- * Home Rule ?
- * Eliminate 3rd Class Borough but allow Homes
to exist

DPPP/DOITPF(?) study of service delivery patterns FY79

- * ① DORA - immediately start looking at regional boundaries (July 80)
- * ② DPPP & BHM - effic. study of service delivery (July 80)
 - collocation
 - coord. of st. agencies from users' viewpoint
 - review of capital facilities
- ③ require state agencies to collect data along regional boundaries
- * ④ st. agencies do assessment of feasibility of using regional boundaries for service delivery (July 80)

next Wed.

Report due back Jan '81

Plan to direct

Timing & dollars

Agency Delivery of Services
Horizontal Coordination

Sally Rice - Info
due Wed.

Composite facilities

1. State agencies collect data along boundaries.

Include budgeting -

Delivery to agencies - OVERVIEW

Delivery re

Jan 1 '81

Change DPPP - study & presenting a plan

Jan 1 '81

Specify program, taking into consideration
recognize the 10 Districts

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.



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: Senator George Homan
FROM: Marjorie Gorsuch, Administrative Assistant (House C&RA)
Gene Walsh, Administrative Assistant (Senate C&RA)
DATE: July 31, 1979
RE: Local Government Study

MONTHLY REPORT

During the month of July the focus of staff efforts has been planning for the Local Government Symposium to be held August 4/5 in Anchorage.

On July 2 a planning session was held in Anchorage with the following individuals in attendance:

Senator Arliss Sturgulewski	Phil Smith
Representative Bill Parker	Roger Lang
Vic Fischer	Ralph Darbyshire
Tom Morehouse	Jane Angvik
Pat Poland	Marjorie Gorsuch
Jim Sanders, Graduate Intern	Gene Walsh
Lamar Cotton, Graduate Intern	

The group identified needed resource material for the Symposium and discussed format and details of the Symposium. The afternoon session focused primarily on a discussion of the rural perspective of government in the unorganized borough and recent studies and actions affecting the unorganized borough.

The staff has concentrated on researching, developing, collecting and editing resource material for the Symposium. (See attached packet) In addition to staff developed materials, the booklet contains work by the following individuals:

Jack Chenoweth	- "Review and commentary on proposed legislation"
Pat Poland	- "Identification of requests regarding borough formation"
Eric Simpson	- "Review of statutory inducements and disincentives for municipal government incorporation"
Lamar Cotton	- "Development of traditional, non-traditional and quasi-governmental Native methods of organization"
Jim Sanders	- "Identification of services and programs provided by the non-governmental and quasi-governmental organizations in the unorganized borough"

Staff has also worked on the development of graphics for use at the Symposium. (See listing below)

DISPLAY MATERIALS
AVAILABLE AT SYMPOSIUM

MAPS/OVERLAYS

1. Service Areas
2. Administrative Units
3. Land Status
 - (a) Federal
 - (b) State
 - (c) Native
4. Cities and Boroughs
5. Miscellaneous (Transportation, Communication, Renewable/Nonrenewable Resources)

MATRICES

1. Local Government Structures
2. Land Statistics

VIDEO-TAPE

"Our Land - Our Life", a video tape on the role of subsistence in the life of the Native Alaskan. Produced by Yupiktak Bista.

To: AML Board & Legislative Committee

From: Ginny Chitwood

Re: Local Government Symposium - August 4 & 5, 1979 - Anchorage

copy for RGS file

Representing AML, I participated in the Local Government Symposium sponsored by the Joint Senate and House Community and Regional Affairs Committees as part of their interim local government study.

Major emphasis of the two day session was on rural areas, but with some correlation to incorporated areas. Among the participants were a wide variety of people: legislators, representatives of many geographic areas of the state, leaders of various native associations, planning consultants, university researchers, Department of Community and Regional Affairs personnel, and municipal attorneys, including Jim Nordale and Lee Sharp who are members of the AML Legislative Committee.

The meetings, which were held in the Pioneer School House in Anchorage, started with introductions of participants, an overview of the study, and a brief history of local government in Alaska. With Roger Lang, President of the Alaska Federation of Natives, moderating, the group then proceeded to an informal discussion of "problem and issue identification" and of "alternate strategies and solutions for addressing problems and issues".

Armed with marking pens and large banner sheets of paper, Jane Angvik of Alaska Public Forum, displayed the comments. The next day the moderator was Marlene Johnson, Sealaska Board Member; recorder, Tom Morehouse of the University Institute of Social and Economic Research.

Some of the topics discussed were the lack of regional entities to coordinate planning (not platting and zoning), boundaries for such regions, need to maximize local self-determination, and to recognize or "legalize" existing village organizations, and decentralization of state government.

The area of funding was explored on a limited basis. The lack of financing for organization of regional governments was listed as a deterrent, with the \$25,000 currently allowed being only a drop in the bucket compared to actual costs. The need to find methods of funding local government other than, or in addition to, property tax was expressed, both for areas contemplating organization and for existing incorporated municipalities.

An attempt was made to itemize services to which individuals have a fundamental right: education, public safety, health, and public assistance. It was noted that the state should guarantee provision of these services to its citizens and should guarantee at least a minimal level of funding if services are provided on a local level. Roads and other transportation, communications, resource management, employment, and housing were identified as secondary governmental services.

Joint committee staff are preparing summaries of the symposium which will be available at the Valdez meetings. At that time Senator Sturgulewski and Representative Parker will report on the committee's activities and plans for the fall. Summaries of the AML questionnaires will also be available.



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

July 6, 1979

Mr. Morrie Thompson, President
AFN
1577 "C" Street, Suite 304
Anchorage, AK 99501

Dear Mr. Thompson: *Morrie*

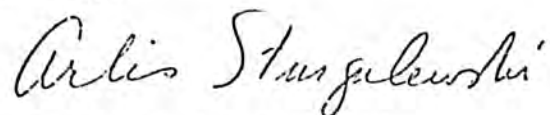
This is the follow-up letter mentioned in our telegram to you. The Alaska Senate and House Community and Regional Affairs Committees have joined forces to conduct a Local Government Study during this interim period. We are writing to ask for your assistance.

We believe you are a person who is very knowledgeable in the area of local government in Alaska, particularly as it may relate to rural Alaska. Our joint committee has had several discussions with individuals from the Department of Community and Regional Affairs and other State agencies, as well as the Alaska Municipal League. However, we feel that we would be negligent not to seek guidance from other Alaskans, such as yourself, who have day-to-day experience in dealing with the problems associated with local/municipal/state relationships. We have selected thirty individuals from throughout the state to provide us direction in identifying current issues and proposing legislative solutions. We are inviting you to participate in a weekend symposium on August 4 and 5 to be held in Anchorage. A list of the invitees and a proposed agenda is attached.

The primary purpose of the gathering is to develop a list of concrete proposals for the Legislature to consider next session. The subjects may range from a re-evaluation of the revenue-sharing program to the establishment of service areas in rural Alaska. At this time the committee is open to all suggestions and is depending on the August symposium to flesh out the most appropriate direction for us to take. The one area where decisions have been made is in developing the process for this study. After the August symposium, the committee will travel to rural communities for the purpose of soliciting comment on the proposals to be considered by the Legislature. Thus, final recommendations will be based on public discussion.

We will be calling you in the near future in hopes of confirming your participation in the symposium. Due to the fiscal limitations of a meager budget we will generally not be able to absorb transportation and lodging expenses. If, however, your participation is solely dependent on assistance with transportation costs, we should be able to work something out. We look forward to talking with you next week.

Sincerely,

A handwritten signature in cursive script that reads "Arlis Sturgulewski".

Senator Arlis Sturgulewski

Representative Bill Parker, Co-chairman

AS/BP/kkc

PROPOSED AGENDA
Local Government Symposium

August 4-5, 1979

Saturday, August 4:

9 AM: Welcome and Introduction's, Senator Sturgulewski, Representative Parker.

Overview of Study Components, Senator Sturgulewski;

History of Local Government in Alaska, Vic Fischer;

Problem and Issue Identification - Participants.

Possible Topics:

1. Equalization of fiscal resources between urban/rural;
2. Revenue sharing;
3. Incentives/disincentives to the formation of local and regional governments;
4. Equity in service delivery - urban/rural;
5. Role of non-profit corporations in rural Alaska;
6. Capacity for self-governance.

NOON - Lunch

Afternoon: Identify alternative strategies and solutions for addressing problems and issues - Participants.

Sunday, August 5:

10 AM: Identify Legislative Priorities - Participants

NOON - Lunch

Afternoon: Complete morning topic.

How to conduct regional meetings?

Hearings vs workshop?

Participants.

Mr. Morrie Thompson, President
AFN
1577 "C" St., Suite 304
Anchorage, AK 99501
ph-274-3611

Mr. Roger Lang
ANF
411 West 4th, Suite 314
Anchorage, AK 99501
ph-274-2541

Mr. John Havelock
Criminal Justice Center
U of A
3211 Providence Drive
Anchorage, AK 99504
ph-279-6602

Mrs. G. Chitwood, Executive Director
Alaska Municipal League
125 No. Franklin
Anchorage, AK 99502
ph-586-1325

Mr. Vic Fischer,
ISER
707 "A" St.
Anchorage, AK 99501
ph-278-4621

Mr. Phil Smith, Executive Director
RURALCAP
P.O. Box 3-3908
Anchorage, AK 99501
ph-279-2511

Mr. Byron Mallott
SEALASKA Corporation
Yakutat, AK 99689
Ph-784-3378

Mr. Robert Dupere
Dupere and Associates, Inc.
510 6th
Juneau, AK 99801
ph-586-3553 (w)
586-3523 (h)

Mr. Eben Hopson, Mayor
North Slope Borough
P. O. Box 69
Barrow, AK 99723
ph-852-2611

Commissioner Lee McAnerney
Community and Regional Affairs
Pouch "B", Station #2100
Juneau, AK 99811
ph-465-4700

Mr. Don Artgetsinger
Deputy Commissioner
Community and Regional Affairs
Pouch "B", Sta. #2100
Juneau, AK 99811
ph-465-4700

Mr. George V. Rogers
1790 Evergreen Avenue
Juneau, AK 99801
ph-586-1202

Mr. James Nordale, Atty
North Star Borough
P. O. Box 1267
Fairbanks, AK 99701
ph-452-4761

Mr. Lee Sharp, Atty
Borough and City of Juneau
155 S. Seward St.
Juneau, AK 99801
ph-586-3300

Mr. Ralph R. Darbyshire
629 "O" St.
Anchorage, AK 99501
ph-279-0703

Mr. Tom Morehouse
ISER
707 "A" St
Anchorage, AK 99501
ph-278-4621

Mr. John W. Schaeffer, President
NANA Regional Corporation
P. O. Box 49
Kotzebue, AK 99752
ph-442-3301

Mr. Richard Garnett III
1342 West 12th Ave
Anchorage, AK 99501
ph-278-9764

Mr. Emil Notti, President
Doyon Ltd
209 1st
Fairbanks, AK 99701
ph-452-4755

Dr. Lidia Selkregg
P.O. Box 2217
Anchorage, AK 99510
ph-272-5522 X225 (w)
333-8260 (h)

Mr. Carl Jack, Executive Director
AVCP
P. O. Box 236
Bethel, AK 99559
ph-543-3521

Mr. Charlie Johnson, Executive Director
Kawerak
P. O. Box 1008
Nome, AK 99762
ph-443-5231

Mr. Larry Mercurief, Executive Director
TANADGUSIX Corp
St. Paul, AK 99660

Mr. Chris Anderson
Tanana Chiefs Conference, Inc.
209 1st
Fairbanks, AK 99701
ph-452-8251
456-5423
456-3101

Terry Miller, Lt. Governor
Office of the Lt. Governor
Pouch "AA", Sta. #0111
Juneau, AK 99811
ph-465-3520 (w)

Mrs. Lisa Rudd
2827 Lore Rd.
Anchorage, AK 99507
ph-344-3623

Mr. Bobby Clark, Executive Director
Bristol Bay Health Corporation
Box 247
Dillingham, AK 99576
ph-842-5266 or 67

Mr. Jack Chenoweth
Legal Services
Legislative Affairs Agency
Pouch "V"
Juneau, AK 99811

PLEASE NOTE: THE PRECEDING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.

M. Dorsuch



Official Business

Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
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
- W* HB 581 (SB 350) Responsibilities of DPDP
- HB 582 (SB 349) Program of Planning Assistance
- W* HB 583 (SB 351) State aid to local governments
- W* HB 584 (SB 354) Eliminating the third class borough
- W* HB 585 (SB 353) Incorporation of second class as Home Rule boroughs
- W* 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.

*Maybe consider
how to handle
consider
(2, 3, 4, 5, 6, 7, 8, 9, 10)*

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.

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Part of Labor
removed in
amendment

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

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

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

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

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

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

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

* 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

*Concern that
of large
elections 11
members
And in*

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.

1 (b) If a majority of the votes cast by the qualified voters of the
2 proposed borough favors incorporation of the borough under the proposed
3 home rule charter, the lieutenant governor shall declare that the un-
4 organized borough in which the election was held is incorporated as an
5 organized borough and a municipal corporation in accordance with the
6 provisions of the home rule charter. The (lieutenant governor) shall
7 provide for the election of the officers provided for in the charter.

8 (c) The election and qualification of officers under (b) of this
9 section shall be completed by the lieutenant governor in accordance with
10 AS 29.18.120 and the provisions of the home rule charter of the borough.

11 Sec. 29.19.060. VOTERS, ELECTIONS AND COSTS. (a) A person is
12 qualified to vote in an election authorized by AS 29.19.010 - 29.19.060
13 if he is qualified to vote in state elections and if he is a resident of
14 the unorganized borough proposed for incorporation as a home rule
15 borough.

16 (b) The lieutenant governor shall conduct elections authorized by
17 AS 29.19.010 - 29.19.050 substantially in the manner provided in the
18 Alaska Election Code (AS 15.05 - 15.60), and shall certify the results
19 of all elections under this chapter. Costs of elections under this
20 chapter shall be paid by the office of the lieutenant governor.

21 (c) Costs of charter preparation under this chapter shall
22 be paid by the Department of Community and Regional Affairs.

23 Sec. 29.19.070. APPLICABILITY OF GENERAL TRANSITIONAL PROVISIONS.
24 The provisions of AS 29.18.130 - 29.18.180 apply to home rule boroughs
25 incorporated under this chapter.

26 * Sec. 5. AS 29.03.010 and 29.03.020 are repealed.

27 * Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-
28 070(c).

*Director of
Elections -
select
repeal
of
statutes*

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

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. 581

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the responsibilities of the divi-
7 sion of policy development and planning, Office of the
8 Governor; and providing for an effective date "

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

10 * Section 1. The division of policy development and planning shall study
11 and report to the legislature, not later than January 31, 1981, as to the
12 conformity by state agencies, boards and commissions with the program re-
13 quirements under AS 44.17.100 - 44.17.120, including but not limited to
14 recommendations which require legislation and for the development and im-
15 plementation of a master geographical coding system to report on the coordi-
16 nation of delivery of state services by districts.

17 * Sec. 2. This Act takes effect on the effective date of a version of a
18 bill entitled "An Act establishing unorganized boroughs, amending the respon-
19 sibilities of state agencies for state programs and services for residents of
20 organized and unorganized boroughs, and authorizing adoption of home rule
21 charters by unorganized boroughs; and providing for an effective date."

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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. 582

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 a program of planning assistance
7 for unorganized boroughs; and providing for an effective
8 date."

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

10 * Section 1. AS 44.47 is amended by adding a new section to read:

11 Sec. 44.47.085. ASSISTANCE FOR DEVELOPMENT OF REGIONAL MANAGEMENT
12 PROGRAMS IN THE UNORGANIZED BOROUGH. (a) For the purpose of preparing
13 a management program for an unorganized borough, the commissioner may
14 contract as provided by this section with

- 15 (1) a municipality or group of municipalities; or
16 (2) a nonprofit corporation organized under the laws of the

17 state.

18 (b) The commissioner may contract for the preparation of only one
19 management program for each unorganized borough. The commissioner may
20 contract only if he is satisfied that the municipality, group of muni-
21 cipalities, or corporation with which he contracts is capable of pre-
22 paring a management program that considers the entire population of the
23 unorganized borough.

24 (c) A municipality, group of municipalities, or corporation in-
25 terested in preparing a management program for an unorganized borough
26 may ask the commissioner to request a proposal or the commissioner may
27 request a proposal on his own initiative. A request for proposal shall
28 be advertised. The advertisement of a request for a proposal for the
29 preparation of a management program for the unorganized borough shall

1 outline the work to be completed, and contain other information which
2 the commissioner believes necessary and which he requires to advise the
3 public of the work to be completed under the contract, and which will
4 assist him in evaluating proposals received. The commissioner shall
5 advertise for a period of not less than 45 days by any means which he
6 believes will provide adequate notice to interested parties and resi-
7 dents of the unorganized borough.

8 (d) After receiving the proposals the commissioner shall evaluate
9 them. The commissioner may refuse all proposals and readvertise, or may
10 accept a proposal and contract in accordance with (e) of this section.

11 (e) A contract entered into under this section shall

12 (1) require that the report to be completed under the con-
13 tract include an analysis and recommendations concerning incorporation
14 of a borough government for all or a portion of the unorganized borough;
15 and

16 (2) provide that

17 (A) the work to be performed shall be completed not
18 later than the June 30 following the third anniversary of the date
19 of the contract;

20 (B) payment for work performed under the contract is
21 subject to legislative appropriation to the account established in
22 (g) of this section; and

23 (C) payment for work performed under the contract during
24 each fiscal year in which the contract is in effect may not exceed
25 the limit established in (h) of this section.

26 (f) A contract entered into under this section may require the
27 contractor to consider additional topics, including but not limited to,

28 (1) evaluation of the economic development potential of the
29 unorganized borough;

1 (2) determination of housing and capital facility needs;
2 (3) examination of demographic, social and environmental
3 factors; and

4 (4) presentation of a process for developing the report and
5 implementing its recommendations.

6 (g) There is established in the Department of Community and Re-
7 gional Affairs the unorganized borough planning account. The account
8 shall be administered by the commissioner and shall be used to pay for
9 contracts entered into under this section.

10 (h) During each fiscal year, the commissioner may not pay to a
11 contractor under a contract authorized by this section more than \$25,000
12 plus \$25 per capita for each person residing within the unorganized
13 borough, as determined by the commissioner.

14 (i) In this section, "unorganized borough" means a subdivision
15 established under AS 29.03.011 - 29.03.021.

16 * Sec. 2. This Act takes effect on the effective date of a version of an
17 Act entitled, "An Act establishing unorganized boroughs, amending the respon-
18 sibilities of state agencies for state programs and services that benefit
19 residents of organized and unorganized boroughs, and authorizing adoption of
20 home rule charters by unorganized boroughs; and providing for an effective
21 date."

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. 583

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state aid to local governments; and
7 providing for an effective date."

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

9 * Section 1. AS 43.18 is amended by adding a new section to read:

10 Sec. 43.18.015. ADDITIONAL ENTITLEMENT. A city or organized
11 borough of any class which is entitled to state aid under AS 43.18.010
12 shall receive additional state aid for each fiscal year in the amount of
13 \$25,000 adjusted to include an area cost-of-living differential deter-
14 mined in accordance with AS 43.18.012.

15 * Sec. 2. This Act takes effect July 1, 1980.

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

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. 584

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act eliminating third class boroughs."

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

8 * Section 1. AS 29.08.030 is amended to read:

9 Sec. 29.08.030. CLASSES OF GENERAL LAW. General law municipali-
10 ties are of four [FIVE] classes:

- 11 (1) first class boroughs;
12 (2) second class boroughs;
13 (3) [THIRD CLASS BOROUGH];
14 (4) first class cities;
15 (5) second class cities.

16 * Sec. 2. AS 29.08.040(g) is amended to read:

17 (g) A second class borough may reclassify as a first class [OR
18 THIRD CLASS] borough [, AND A THIRD CLASS BOROUGH MAY RECLASSIFY AS A
19 FIRST CLASS OR SECOND CLASS BOROUGH,] in the manner provided by AS 29.-
20 33.270 - 29.33.290 for the addition of powers by boroughs, except the
21 petition or proposal requests reclassification instead of requesting
22 addition of powers.

23 * Sec. 3. AS 29.78.010(1) is amended to read:

24 (1) "borough" means a general law first or [,] second [OR
25 THIRD] class organized borough;

26 * Sec. 4. AS 02.15.260(10) is amended to read:

27 (10) "municipality" means a home rule or general law municipal
28 corporation and political subdivision, which is a first or second class
29 borough or city [, OR A THIRD CLASS BOROUGH,] incorporated under the

1 laws of the state;

2 * Sec. 5. AS 14.12.110 is amended to read:

3 Sec. 14.12.110. SINGLE BODY AS ASSEMBLY AND SCHOOL BOARD. Not-
4 withstanding the provisions of this chapter or other law, a single body
5 may serve as both the borough assembly and borough school board in the
6 manner provided for in this section [THIRD CLASS BOROUGH UNDER AS 07.-
7 17.030], if a borough ordinance for that purpose is approved by the
8 assembly and ratified by a referendum of a majority of the qualified
9 borough voters voting on the question at a regular or special election,
10 and if the public school population within the borough is 500 pupils or
11 less. If a single body serves as both the borough assembly and school
12 board, the borough executive is the presiding officer of the borough
13 assembly and president of the school board and the borough executive
14 has all powers of a borough executive under AS 29.23 except for the
15 veto power.

16 * Sec. 6. AS 38.05.037(a) is amended to read:

17 (a) In areas of the state outside first and [,] second [OR THIRD]
18 class boroughs where there is no municipality with a zoning power, the
19 division of lands shall exercise the zoning power by adopting zoning
20 regulations.

21 * Sec. 7. AS 40.15.070 is amended to read:

22 Sec. 40.15.070. PLATTING AUTHORITY. If land proposed to be sub-
23 divided or dedicated is situated within a first or second class borough,
24 the proposed subdivision or dedication shall be submitted to the borough
25 planning commission for approval. If the land is situated within a city
26 in the unorganized borough, [OR THE THIRD CLASS BOROUGH] the proposed
27 subdivision or dedication shall be submitted to the city planning com-
28 mission for approval. The borough planning commission is the platting
29 authority for the first or second class borough, the city planning

1 commission is the platting authority for the city, and the division of
2 lands is the platting authority in the remaining areas of the state [AND
3 THIRD CLASS BOROUGH] for the change or vacation of existing plats or a
4 portion of such plats, as provided in AS 40.15.075. If the borough or
5 the city does not have a planning commission, the borough assembly or
6 the city governing body, respectively, is the platting authority and the
7 proposed subdivision or dedication shall be submitted to it. No sub-
8 division may be filed for record until it is approved by the platting
9 authority.

10 * Sec. 8. AS 40.15.075 is amended to read:

11 Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH [AND THIRD
12 CLASS BOROUGHS]. The division of lands is the platting authority in the
13 area outside organized boroughs and outside cities in the unorganized
14 borough [AND IN THE THIRD CLASS BOROUGH] for only the purposes of
15 hearing and acting on petitions for the change or vacation of plats and
16 shall execute this function substantially in conformity with the provi-
17 sions of AS 29.33.210 - 29.33.240. Costs of publication and mailing as
18 well as other costs authorized in AS 29.33.210 shall be paid to the
19 division by the petitioner. The Department of Natural Resources shall
20 adopt reasonable regulations governing the exercise of the authority
21 conferred by this section upon the division of lands.

22 * Sec. 9. AS 43.35.130 is amended to read:

23 Sec. 43.35.130. REFUND TO LOCAL GOVERNMENTS. The department shall
24 refund 75 percent of the tax collected from sales of punchboards in an
25 organized borough or city of the first or [,] second [, OR THIRD] class
26 to the local government. The balance shall be deposited in the general
27 fund.

28 * Sec. 10. A municipality which is incorporated as a third class borough
29 on the effective date of this Act may continue to operate as such until

1 December 31, 1984 and shall retain all the rights, powers and privileges
2 which it possessed on the effective date of this Act. A third class borough
3 which has not reclassified itself in the manner provided by AS 29.33.270 -
4 29.33.290 before December 31, 1984, is reclassified as a second class borough
5 on that date.

6 * Sec. 11. The following laws are repealed: AS 29.08.040(h), (i), and
7 (j); AS 29.41; AS 29.43.040(b); and AS 38.05.037(b)(2).

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

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. 585

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the incorporation of second class
7 boroughs as home rule boroughs."

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

9 * Section 1. AS 29.13.010 is amended to read:

10 Sec. 29.13.010. MUNICIPAL CHARTER ADOPTION. A first class muni-
11 cipality or second class borough may adopt a charter for its own govern-
12 ment. A home rule municipality may amend its charter or adopt a new
13 one. A charter is framed by a charter commission of seven members
14 chosen by the municipal voters at a regular or special election. A
15 candidate for the commission must be a qualified voter of the muni-
16 cipality and a resident of the municipality for three years immediately
17 preceding the election. A charter commission election is called by
18 filing a petition with the borough assembly or the city council, or by
19 resolution of the borough assembly or city council. The petition must
20 be signed by a number of municipal voters equal to 10 percent of the
21 votes cast in the last regular election of the municipality.

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

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. 586

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act requiring fiscal notes for bills affecting a
7 municipality."

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

9 * Section 1. AS 24.30.035 is amended to read:

10 Sec. 24.30.035. FISCAL NOTES ON BILLS. Before a bill is reported
11 from the committee of first referral, there shall be attached to the
12 bill a fiscal note containing an estimate of the amount of the appropria-
13 tion increase or decrease which would result from enactment of the bill
14 for the ensuing fiscal year and at least two succeeding fiscal years.
15 If enactment of the bill would require an expenditure or appropriation
16 by any municipality, a fiscal note shall be attached to the bill con-
17 taining an estimate of the amount of the total expenditure or appropria-
18 tion which would be required during each of the first three fiscal
19 years by all affected municipalities. If [OR, IF] the bill has no
20 fiscal impact, a statement to that effect shall be attached. The fiscal
21 note or statement relating to a state program shall be prepared by the
22 department or departments affected. The fiscal note or statement relat-
23 ing to municipalities shall be prepared by the Department of Community
24 and Regional Affairs, but that department may obtain the assistance of
25 any other state agency in the preparation of the note or statement. If
26 the bill is presented by the governor for introduction in accordance
27 with AS 24.30.060(b) and the uniform rules of the legislature, the
28 fiscal note or statement shall be attached to the bill before the bill
29 is introduced. An amendment or a substitute bill proposed by a commit-

tee of referral that changes the fiscal impact of a bill shall be explained in a revised fiscal note or statement attached to the bill.

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