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HLG:

HB 135

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HB 229

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MEMORANDUM**State of Alaska**
OFFICE OF THE GOVERNOR

TO: The Honorable Mike Miller
Chairman, Local Government Committee
Alaska State House of Representatives

DATE April 2, 1971

FROM: Byron I. Mallott *BIM*
Director
Local Affairs Agency

SUBJECT: Comments on S.B. 159, H.B.
135 and H.B. 296

I am attaching for your information copies of staff memoranda concerning local government legislation.

I am, of course, available to discuss these matters with you at your convenience.

BIM:pak

attachments

1971

James H. ...
...

...

...

The purpose of Senate Bill 1111 is to create a greater volume of work for the ... and the equipment. This bill requires that the court of ... for ... the assessed valuation of property in which ... had been filed.

The purpose of this bill is to provide for the ... of ... and ... as provided for the ...

The purpose of this bill is to provide for the ... of ... and ...

The purpose of this bill is to provide for the ... of ... and ...

The purpose of this bill is to provide for the ... of ... and ...

Mr. Robert L. Mitchell
Director
United States Agency

Director of FBI

March 11, 1951

Mr. Robert L. Mitchell
Private Ambassador

Director of FBI

I enclose with the agreement of Sigvald Strömberg as stated in my letter to you through you to Representative Mike Miller dated March 20, 1951.

In view of the fact that there have been introduced considerable modifications in the contract agreement, the contract has failed due to the numerous and costly negotiations.

There is a possibility of a new contract for the purchase of the rights in the copyright of the book "The Administration of the Government of the United States" by Sigvald Strömberg. The book is a valuable contribution to the study of the government of the United States.

The book is a valuable contribution to the study of the government of the United States. It is a valuable contribution to the study of the government of the United States.

The book is a valuable contribution to the study of the government of the United States. It is a valuable contribution to the study of the government of the United States.

Very truly yours,

78-135
Pouch V,
State Capitol Bldg.
Juneau, Alaska 99801
March 29, 1971

Miss Mary E. Ross
Rt. 2, Box 1050
Juneau, Alaska 99801

Dear Miss Ross:

This is just a short note to acknowledge your letter of
March 22nd.

The problems you discussed are certainly real ones and are
a real concern to me. I am hopeful that something can be
done. The committee of which I am Chairman, incidentally,
is working on the bills which will give local tax relief
to persons over 65. Again my thanks for your letter.

Sincerely,

Mike Miller, Representative
District Four, (Juneau)

Rt. 2, Box 1050
Juneau, Alaska 99801
March 22, 1971

Representative *Mike Miller*
Pouch #
State Capitol Building
Juneau, Alaska 99801

Dear Representative *Miller*:

With all the pressure groups and lobbyists clamoring for your attention, there is one group, less able financially, and perhaps less articulate, who deserve your attention. This group ~~and~~ not and should not have to wait, because, for them, **TIME IS RUNNING OUT**. This group includes our older people, about to retire, or already retired.

For many of them, the situation is not only critical, it is desperate. Many of them who have literally carved homes out of the wilderness, worked long and hard, are now forced to sell their homes, leave Alaska where they had hoped to spend their remaining years, go south (or to the Pioneers Home) start a new life in strange surroundings--the hopes and dreams of life--smashed and broken--because of high real property taxes. A sizable tax reduction or exemption should be hastily enacted on the homes of these people---NOW.

We need two things for that group:

Real estate tax relief or exemption on their homes.
A pension, divorced from welfare and relief.

Helen Fischer's bill for tax relief deserves your support. I do not have the number of the bill. Clea Tillion's bill for a pension for the elderly is worthy, too.

In past times the Eskimos put the elderly on ice floes or in ice huts to perish. This seems an affront to our modern conscience. And yet --- is our society treating the elderly any better? All too often we are putting them away. In a different way, of course. But is it any more civilized? We are not killing them physically; but we may be killing them emotionally, by forcing them out of the land they love.

Please give this matter your immediate and wholehearted attention, either through support of above bills or by introduction of new bills.

*Our area has quite a few
elderly about to be "liquidated"
because they can't sell their homes*

Sincerely yours,
Mary E. Ross
Mary E. Ross

*are forcing them to sell. Some are going to
the Pioneers Home, costing the State more
than if tax exemptions on homes were made for
elderly --- and causing untold heartbreak.*

100-100000

100-100000

ALASKA STATE DEPARTMENT

Dr. Edwin H. Hill
Chairman, Joint Governmental Committee
Alaska State House of Representatives

From: Mr. Edwin H. Hill
Director, Local Affairs Bureau

Date: March 25, 1971

To: Sievard J. Strandberg
Local Government Council

Subject: House Bill 126 and House Bill 127

The purpose of House Bills 126 and 127, both of which relate to partial or complete exemption from city and borough taxation of the new and senior citizens' limited income. It is the conclusion, after an extensive thorough study of the problem, that while addressing themselves to the existing problems of the new and senior citizens, the bills would be in the best interests of the State and local governments.

It is noted that the purpose of House Bill 126 is to exempt from city and borough taxation the new and senior citizens' limited income. The bill is designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income. The bill is designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income. The bill is designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income.

It is noted that the purpose of House Bill 127 is to exempt from city and borough taxation the new and senior citizens' limited income. The bill is designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income. The bill is designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income.

It is noted that the purpose of House Bill 126 and House Bill 127 is to exempt from city and borough taxation the new and senior citizens' limited income. The bills are designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income. The bills are designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income.

It is noted that the purpose of House Bill 126 and House Bill 127 is to exempt from city and borough taxation the new and senior citizens' limited income. The bills are designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income. The bills are designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income.

It is noted that the purpose of House Bill 126 and House Bill 127 is to exempt from city and borough taxation the new and senior citizens' limited income. The bills are designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income. The bills are designed to provide a partial exemption from city and borough taxation of the new and senior citizens' limited income.

MEMORANDUM

State of Alaska

OFFICE OF THE GOVERNOR

TO: Byron I. Mallott
Director
Local Affairs Agency

DATE: March 31, 1971

FROM: *SK* S. Robert Dozier
State Assessor

SUBJECT: House Bills 135 and 296

I concur with the comments of Sigvald Strandberg as stated in his memorandum through you to Representative Mike Miller dated March 25, 1971.

In prior years, numerous bills have been introduced concerning assistance to senior citizens. Legislation has failed due to the cumbersome and costly formulae.

There is little justification for saddling the various sophisticated levels of Alaska Local Government with the administration of any formulae which require a source of state income for records. This is not a compatible arrangement under the hierarchical form of government.

Consider for a moment that it is difficult for senior citizens with limited incomes to reside in Alaska. Not only those who own property but those who rent a place to live are affected.

A formula based on residency, net, and income could be established properly and economically on the state level. Therefore, the necessary legislative action could be used as desired.

sd:rw

MEMORANDUM

State of Alaska

OFFICE OF THE GOVERNOR

TO: The Honorable Mike Miller
Chairman, Local Government Committee
Alaska State House of Representatives

THRU: Mr. Byron I. Mallott
Director, Local Affairs Agency

DATE: March 25, 1971

FROM: Sigvald J. Strandberg
Local Government Specialist

SUBJECT: House Bill 135 and House Bill 296

The agency has reviewed House Bills 135 and 296 both of which relate to partial or complete exemption from city and borough taxation of the homesteads of senior citizens of limited incomes. It is our conclusion, after careful and thorough consideration that both bills, while addressing themselves to the growing problems of our senior citizens, do not represent measures which would be in the best interests of the state or local governments.

We fully recognize that the sponsors of the bills are seeking to remedy the situation that a growing number of state citizens at age 65 and over are facing, i.e., increasing property taxes due to appreciating values on real property coupled with the effects of the inflationary spiral of living costs in the face of rather static personal incomes. But to compel our municipalities to shoulder the additional local revenue needs which would result from exemption of senior citizens from property taxation will only act to further erode the financial base of local governments.

While senior citizen tax exemptions are not presently mandatory, a number of Alaska cities and boroughs are providing for such exemptions at their own option.

It has been suggested that both House Bills 135 and 296 might be amended to provide for the state to reimburse local governments to the extent that senior citizen property tax exemptions are granted. Prior to enactment of such a bill, it will be necessary to determine the cost to the state. A study of this nature for all municipal property taxing jurisdiction could not be immediately done because neither the local governments nor the office of the State Assessor have available the statistics to go along with property tax assessment rolls. As a consequence, a fiscal note on either H. B. 135 or H. B. 296 would be quite difficult to prepare.

As a further note, it is the agency's judgment that legislative approval to broaden the exemptions to property taxation will likely encourage further exemptions during subsequent legislative sessions.

In conclusion, it is the feeling of the agency that House Bills 135 and 296 should not be acted upon until such time that the actual costs of these measures, both to the local governments and to the State, can be ascertained.

SJS:jp

HB

158

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.

PHONE 586-7477

JUNEAU, ALASKA 99801

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WRANGELL ALASKA 16

STATE REPRESENTATIVE E J HAUGEN

JUNEAU

1030

THE CITY OF WRANGELL OPPOSES HOUSE BILL 158 AS IT IS NOT
IN OUR OPINION A BILL DESIGNED FOR GOOD LOCAL GOVERNMENT

D J HOUSE, MAYOR

158.

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.
PHONE 586-7477
JUNEAU, ALASKA 99801

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WRANGELL ALASKA 16

STATE REPRESENTATIVE MIKE MILLER

JUNEAU

~~1088~~

THE CITY OF WRANGELL OPPOSES HOUSE BILL 158 AS IT IS NOT
IN OUR OPINION A BILL DESIGNED FOR GOOD LOCAL GOVERNMENT
D J HOUSE, MAYOR

158.

March 29, 1971

Mrs. Wilda Hudson
President,
Greater Anchorage Area
Borough Assembly
1542 E. 27th Ave.
Anchorage, Alaska 99504

Dear Wilda:

As I believe you understand, your letter regarding municipal garbage collection, House Bill 158, arrived here after the House completed action on it.

Accordingly, I am sending your letter to Senator Rader for consideration by the Senate Local Government Committee.

Best personal regards,

Mike Miller, Representative
Election District Four, (Juneau)

GREATER ANCHORAGE AREA BOROUGH

104 NORTHERN LIGHTS BOULEVARD
ANCHORAGE, ALASKA 99503



March 8, 1971

ASSEMBLY

1542 E. 27th Ave.
Anchorage, Alaska
99504

Honorable Mike Miller, Chairman
Local Government Committee
House of Representatives
Alaska State Legislature
Pouch V
Juneau, Alaska 99801

Dear Representative Miller;

Unsuccessfully, I attempted to reach you by telephone on Monday evening, March 1st and Tuesday, March 2nd, prior to the hearing by your Local Government Committee on HB 158 entitled "An Act relating to municipal garbage collection and disposal service in annexed areas". I am assuming that it is still timely to pass my thoughts on to you concerning this bill.

I see nothing objectionable to the amendments proposed in HB 158, however, it appears to me that the proposed revisions, dated February 19th, would be a bit more acceptable than HB 158 as originally written, which drops the proviso that cities not charge less than a common carrier holding a permit. I feel strongly that municipalities should have to play by the same rules as private enterprise for like services rendered. After all, if private enterprise has built up a public service business prior to municipal government desiring to, or being in a position to, offer that service than the government has no right to move in and provide it or duplicate that service without due consideration and compensation for the businessman that was there first.

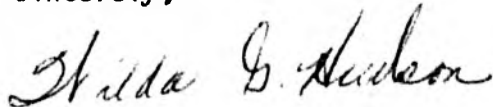
The question does come to my mind whether or not the same restrictions would apply to boroughs if a new service area is formed as now applies to newly annexed areas to the city. I am assuming that it would. Perhaps this would be worthy of note, for likewise the same rules should apply to boroughs that apply to cities in such cases.

Originally it was my thought that refuse collection might more properly be regulated as a utility under the Public Utility Commission rather than under the Alaska Transportation Commission. However, after discussing this matter with Mr. Don Hall, Executive Director of the Public Utility Commission, apparently there is good argument on both sides as to whether refuse collection should be regulated by the PUC or the ATC.

I would offer this comment for consideration by your Committee, that serious consideration be given to combining the functions of the PUC and the ATC into one regulatory body. It would appear to me that there is merit and justification to combining these two Commissions and continuing under the concepts set forth last legislative session in the passing of the strong PUC bill with full time commissioners. In this manner the need would be eliminated ~~to~~ continually having to amend sections of the general law municipal code to accommodate special needs and/or interests as is the case with HB 158. It has been brought to my attention that in those states where there is a public regulatory commission that only Alaska and three other states have separate regulatory bodies. All of the remaining states have a combined commission as a regulatory body.

I would point out that the opinions expressed in this letter are those of mine as an individual assembly member and not those of the Greater Anchorage Area Borough Assembly as a whole.

Sincerely,



Wilda G. Hudson
President,
Greater Anchorage Area Borough Assembly

WGH: mc

cc: Representative Eugene Guess,
Speaker of the House

P.S. Sorry this is even later but the typist has just not had time to transcribe my letters

Alaska State Legislature



House of Representatives

February 19, 1971

Mr. Robert Rocker
Chairman
Alaska Transportation Commission
74 McKay Building,
338 Denali Street,
Anchorage, Alaska 99501

Dear Mr. Rocker:

The House Local Government Committee has been considering the enclosed House Bill 158 which was introduced by the House Commerce Committee.

Following discussion with representatives of the refuse collection industry, the Local Government Committee is also considering the revised version which is enclosed.

We would appreciate your reviewing these proposals and submitting any suggestions that you may have before 9 a.m. Tuesday, March 2nd, at which time the Committee will again be taking up the matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Miller".

Mike Miller, Representative
District 4, (Juneau)

Enclosures:

HB 158
HB 158 suggested revision

Same letter to: Mr. Don Berry, Executive Director, Alaska Municipal League; Mr. Chet Strohmeyer, Juneau; and Mr. Robert Rocker, Chairman, Alaska Transportation Commission, Anchorage.

REPRESENTATIVE MIKE MILLER

COMMITTEES
CHAIRMAN, LOCAL GOVERNMENT COMMITTEE
MEMBER, RULES AND STATE AFFAIRS COMMITTEE

Alaska State Legislature



House of Representatives

February 19, 1971

Mr. Jack J. Greene
Manager,
City of Homer
Box 335
Homer, Alaska 99603

Dear Mr. Greene:

The House Local Government Committee has been considering the enclosed House Bill 158 which was introduced by the House Commerce Committee.

Following discussion with representatives of the refuse collection industry, the Local Government Committee is also considering the revised version which is enclosed.

We would appreciate your reviewing these proposals and submitting any suggestion that you may have before 9 a.m. Tuesday, March 2nd, at which time the Committee will again be taking up the matter. Assuming you may be in Juneau for the City Manager's meeting, we would, of course, be pleased to hear personal testimony.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mike Miller".

Mike Miller, Representative
District 4, (Juneau)

Enclosures:

HB 158
HB 158 suggested revision

Same letter to: Hon. Les, Shepard, Mayor, Sitka; Mr. Wm.E. Curtis, Manager, City of Palmer; Mr. Wallis C. Droz, Manager, City of Fairbanks; Mr. Robert E. Sharp, Manager, City of Anchorage; Mr. Ronald L. Usher, Manager, City and Borough of Juneau; Mr. James R. Eide, Manager, City of Ketchikan; and Mr. Jack J. Greene, Manager, City of Homer

REPRESENTATIVE MIKE MILLER

COMMITTEES

CHAIRMAN, LOCAL GOVERNMENT COMMITTEE
MEMBER, RULES AND STATE AFFAIRS COMMITTEE

Sitka, Alaska
March 4, 1971

File

Rep. Mike Miller
Alaska State Legislature
Juneau, Alaska 99801

Dear Rep. Miller

I am writing in regards to HB 158
and would like to go on record as endorsing and
heartily supporting passage of this bill. I understand
a petition supporting this bill has been presented
to you and would like my name added to it through
this letter. Thank you for your consideration and in
closing I remain

Respectfully Yours

Albert Martin Jr.
dba

Martin's Sitka Disposal Service
Box 865
Sitka, Alaska 99835

Pursued out

IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to municipal garbage collection and disposal services in annexed areas."

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

*Section 1. AS 29.10.156(b) is amended to read:

(b) The council may not prohibit a person holding a valid permit from the Alaska Transportation Commission from collecting and disposing of Garbage and providing other related services in an area annexed by the city if the permit authorized the collection and disposal of garbage and the providing of other services in the area annexed by the city and the permit was originally issued before the area was annexed by the city. A city is prohibited from providing for a garbage collection and disposal system in an area annexed after the effective date of this Act, which is within the scope of operating authority of a person possessing a valid permit from the Alaska Transportation Commission authorizing him to provide for garbage collection and disposal services in the annexed area. This section does not prohibit the operation of a sanitary land fill by

the city within the annexed areas. If a city provides for a garbage collection and disposal system in an area annexed prior to the effective date of this Act wherein such services are offered by a person holding a valid permit from the Alaska Transportation Commission to provide such services, the city may not charge less than the rate set for garbage collection and disposal by the Alaska Transportation Commission for common carriers.

Sec. 2. AS 29.10.156(c) is amended to read:

(c) If the council determines that it is not in the public interest for the city to provide garbage collection and disposal and related services under the restrictions of part (b) of this section, it may negotiate for and purchase or exercise the power of eminent domain to acquire, at the fair market value, from the person providing the services, that portion of the operating authority representing the services in the city. The "fair market value" shall be the amount a willing buyer would pay and a willing seller accept as the purchase price without threat of eminent domain or other compulsion with the premise that the refuse service would be continued for a reasonable period of time in the future. If an eminent domain proceeding is instituted, the person holding a valid permit may continue

operating under the authority of such permit until final judgment has been rendered and compensation has been paid to the person from whom the operating authority is to be acquired and the city shall not furnish service in such area until the compensation has been paid to the permit holder.

PETITION FOR NEW LEGISLATION

We, the undersigned, being State Certificated garbage collection and disposal operators with significant investments in routes and facilities in geographical areas adjacent to municipalities which have the power to annex these areas or which have already started to annex these areas, hereby petition the Legislature to adopt the proposed legislation attached hereto.

We believe that this legislation is essential in order to preserve the existing State certificated garbage collection and disposal industry from losing the value of the investment it has made through the years in areas adjacent to these municipalities, and even the destruction of the industry itself.

The purpose of the legislation is to permit us to continue to serve our customers as we have in the past when home rule cities and boroughs did not serve the general public in these areas.

NAME	COMPANY	LOCATION
<u>Sumner Lewis</u>	<u>Seward Service</u>	<u>Seward Alaska</u>
<u>Thomas W. Cushman</u>	<u>Anchorage Refuse</u>	<u>Anchorage</u>
<u>Byron A. Anderson</u>	<u>Anderson Garbage Service</u>	<u>Palmer</u>
<u>Bernard Kopf</u>	<u>Fun North Sanitation</u>	<u>Ft. Belknap</u>
<u>Robert E. Cooper</u>	<u>Home Transfer Co.</u>	<u>Home</u>
<u>Cluster A. Stralinger</u>	<u>Acme Refuse Service</u>	<u>Duncan</u>

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.

PHONE 588-7477

JUNEAU, ALASKA 99801

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ANCHORAGE ALASKA 1

HONORABLE MIKE MILLER, HOUSE OF REPRESENTATIVES

ALASKA LEGISLATURE JUN

THIS IS IN RESPONSE TO YOUR INQUIRY CONCERNING HB NO
158. THE CITY OF ANCHORAGE IS OPPOSED TO THIS BILL

IN OUR VIEW THE ALASKA TRANSPORTATION COMMISSION IS
NOT THE PROPER REGULATORY AGENCY TO CONTROL GARBAGE COLLECTION
AND DISPOSAL. WE FEEL THE REGULATION OF THIS SERVICE SHOULD
BE VESTED IN THE APPLICABLE LOCAL GOVERNMENT UNIT.
CERTAINLY IF THE STATE IS TO REGULATE IN THIS FIELD,
THE ALASKA PUBLIC UTILITY COMMISSION WOULD BE THE MORE
APPROPRIATE REGULATORY AGENCY.

IF THE CITY AND/OR BOROUGH IN THIS AREA DID NOT OPERATE
SANITARY LAND FILLS AND ALLOW USE BY SUCH PRIVATE GARBAGE
COLLECTION FIRMS, I DOUBT VERY SERIOUSLY AND OF THESE
FIRMS WOULD BE IN BUSINESS.

THE CITY OF ANCHORAGE RECOGNIZED THAT WHERE A PRIVATE
FIRM HAS A ROUTE IN A NEWLY ANNEXED AREA THAT A CITY SHOULD
BEFORE SERVING THE AREA, ACQUIRE THE EQUIPMENT AND
FACILITIES EMPLOYED BY THE PRIVATE FIRM IN SERVING THE
AREA. HOWEVER, WE FEEL STRONGLY THAT CITIES SHOULD NOT
BE PROHIBITED FROM PROVIDING GARBAGE COLLECTION AND
DISPOSAL SERVICE TO ANY OF ITS RESIDENTS

I PLAN TO BE IN JUNEAU LATER THIS WEEK AND HOPE WE MAY
FURTHER DISCUSS THIS BILL THEN.

ROBERT E SHARP, CITY MANAGER CITY OF ANCHORAGE

HE 158.

THE CITY AND BOROUGH OF JUNEAU
CAPITAL OF ALASKA

February 26, 1971

Mike Miller, Representative
District 4, (Juneau)
Alaska State Legislature
House of Representatives
Juneau, Alaska 99801

Subject: HB 158

Dear Mike:

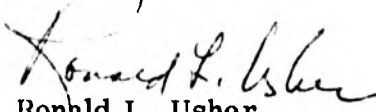
Thank you for inviting me to submit comments on House Bill 158 and the suggested revision.

In my view, both of these bills are undesirable. Although it is customary for municipalities to provide garbage collection and disposal services through contracts, these services nevertheless are basically public necessities. Any legislation which inhibits the ability of local government to provide a necessary public service is disadvantageous.

House Bill 158 restricts the ability of a city to provide garbage collection and disposal services in annexed areas. The suggested revision to House Bill 158 has the same effect of keeping the City from furnishing service pending settlement with the prior permittee. Additionally, the suggested revision provides for a disadvantageous use of Eminent Domain authority, in my opinion.

It seems to me that the basic consideration here is the purpose for which the garbage collection and disposal service is provided. Obviously, in urban areas it is deemed a public necessity for health and sanitation reasons. Therefore, service to the public by its responsible local government must be considered of primary concern, overriding the issue of protection of private businesses that contract to perform this work.

Very truly yours,



Ronald L. Usher
City-Borough Manager

RLU:pw

Introduced: 2/8/71
Referred: Local Government

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 HOUSE BILL NO. 158

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal garbage collection and
7 disposal services in annexed areas."

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

9 * Section 1. AS 29.10.156(b) is amended to read:

10 (b) The council may not prohibit a person holding a valid permit
11 from the Alaska Transportation Commission from continuing to collect
12 and dispose of garbage and provide other related services in an area
13 annexed by the city if the permit authorizes the collection and
14 disposal of garbage and the providing of other services in the area
15 annexed by the city and the permit was originally issued before the
16 area was annexed by the city. A city is prohibited from providing
17 for a garbage collection and disposal system in an annexed area which
18 is within the scope of operating authority of a person possessing
19 a valid permit from the Alaska Transportation Commission authorizing
20 him to provide for garbage collection and disposal services in the
21 annexed area. This section does not prohibit the operation of a
22 sanitary land fill by the city within the annexed areas [IF A CITY
23 PROVIDES FOR A GARBAGE COLLECTION AND DISPOSAL SYSTEM IN AN ANNEXED
24 AREA ALREADY SERVICED BY A PERSON ALLOWED TO CONTINUE UNDER THIS
25 SUBSECTION, THE CITY MAY NOT CHARGE LESS THAN THE RATE SET FOR GARBAGE
26 COLLECTION AND DISPOSAL BY THE ALASKA TRANSPORTATION COMMISSION FOR
27 COMMON CARRIERS].

28 * Sec. 2. AS 29.10.156(c) is amended to read:

29 (c) If the council determines that it is not in the public

*Permit by
A.T.C. →
in city.*

Rep. Whitaker

MEMORANDUM IN SUPPORT OF AMENDMENT
TO AS 10.29.156

Purpose of this Memorandum. This memorandum is prepared in support of an Amendment to AS 29.10.156. This statute presently provides for the acquisition of the business of a private refuse carrier through the exercise of eminent domain power. It would appear that in its present form, the statute is ambiguous in that it does not clearly provide for the fair measure of damages intended by the Legislature. It is submitted that this section can be amended in a manner that will more clearly effectuate the intention of the Legislature to adequately compensate a private carrier whose operating authority is condemned.

Background. In recent years the rapid growth of populated areas in Alaska has created a need for modern and effective refuse collection services. This need has been met by private carriers operating within the free enterprise system who now operate under permits issued in accordance with the Alaska Motor Freight Carrier Act (AS 42.10.010-430).

These private carriers have invested considerable amounts of capital and their own time and effort in developing an efficient refuse collection service designed to protect the public health and serve the public convenience. As in many other businesses, these men suffered considerable initial losses before becoming well established. This is particularly true because a private carrier must commit himself to serve an area and obtain a permit to serve it at an early point in its development. This means that trucks may be run over a large

area of underpopulated territory at an initial loss and that the operation only becomes profitable in ensuing years as the population increases.

The particular concern of these private businessmen in recent years has been the rapid growth, by annexation, of certain cities such as Anchorage and Fairbanks. In some cities refuse collection is for all practical purposes a municipal monopoly within the city limits. For example, in Anchorage there is a tie-in arrangement whereby residents within the city limits must subscribe to the city telephone, electricity, water system, sewerage and refuse system and must pay for all of these services in order to receive any of them. Therefore, once an area is annexed by a city, the private refuse collector is shut out and the business which he has developed at great expenditure of time, effort and capital is totally lost.

Present Statute and Applicable Case Law. In recognition of this injustice to the private businessman, the Alaska Legislature in its last session passed certain amendments to AS 29.10.156 which were intended to protect the private carrier. These amendments provided that a private carrier could continue to operate within the city limits and the city would have to charge the same rates as the private carrier and it further provided that if the city chose to exclude the private carrier then it could only do so by an exercise of the power of eminent domain which would provide just compensation to him. Unfortunately, the tie-in arrangement such as is practiced in Anchorage has meant that a private carrier cannot hope to compete with the city.

LAW OFFICES
HUGHES,
THORNBESS, LOWE,
GANZ & CLARK
807 G STREET
PHONE 278-4822
ANCHORAGE,
ALASKA

It is, therefore, submitted that this competition provision be eliminated from the statute and that it simply be provided that if a city wishes to service an annexed area, then it must condemn the private carrier's operating authority and compensate him for his loss.

However, even if the city or other local authority is obliged to exercise the power of eminent domain, it would appear that the present statute is ambiguous in that it might not provide for an adequate measure of damages. It is clear that the legislature intended that the private carrier receive "the fair market value" of the operating authority taken from him. However, the peculiar nature of the applicable case law and the special situation of the refuse collection business makes it doubtful that a court would carry out the clear intent of the Legislature.

The special problem is that what the private carrier loses is his authority to operate within a given area. He does not lose, in most cases, his equipment or physical plant. Nevertheless, it is perfectly clear that the private carrier has a large investment of his personal time, effort and money in having developed his business within that area. Unfortunately, there are numerous judicial decisions which indicate that courts will not look to anything other than physical assets in determining the value of condemned property. For example, in a Nevada Case where a private businessman had a certificate to provide water to a particular area, he was held to be entitled to no compensation when the city forced him out of business despite the fact that he had made a large investment in developing business goodwill and lost considerable amounts of future profit.

Las Vegas Water Valley Dist. v. Michelas, 360 P.2d 1041.

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With very few exceptions, the case law supports the conclusion that the loss of an established business franchise or license is not compensable in an eminent domain proceeding. Knoxville Water Co. v. Knoxville, 200 U.S. 22; Volunteer Elec. Coop. v. TVA, 139 F.Supp. 27. See 68 A.L.R.2d 392 for summary of cases to similar effect. A few cases have taken a more enlightened view toward the businessman who has put vast effort and investment into developing a business route. For example, the U.S. Supreme Court held that a laundry company which had been condemned could include in its damages the value of the established laundry service route. Kimball Laundry Co. v. U.S. 338, U.S. 1. However, even in the Kimball Case, the value of the route was only used in computing the value of the physical assets taken.

As can be readily seen, the private refuse carriers of Alaska can take little comfort even in so enlightened an opinion as the Kimball Decision. Kimball merely used the value of the lost trade route to help compute the value of the physical laundry plant which was condemned. It is unlikely that any local government unit will ever exercise power of eminent domain over the physical assets of a refuse collection company, since such physical assets consist primarily of equipment such as trucks and compactors and perhaps a refuse disposal area. Nevertheless, it is obvious that such physical facilities and equipment are useless if the operating authority of the refuse collector is taken from him.

Proposed Amendment. The proposed amendment supported by this memorandum would merely clarify the statute so as to insure that the intent of the Legislature is realized. It would prohibit a local governmental unit from unfairly competing with a private carrier by annexing the areas served by him and require that

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adequate compensation be paid to the private carrier if his authority is condemned. In computing damages, the statute would require that the court explicitly consider such losses as goodwill, business relocation and future profits. These are the very areas which other courts under similar statutes have refused to recognize. Roberts v. New York, 295 U.S. 264; United States v. Boston C.C. & N.Y. Canal Co., 271 F. 877; Calcasieu Sanitation Serv., Inc. v. City of Lake Charles, 118 S.2d 179; Kennebec Water Dist. v. Waterville, 44 Atl. 6.

Such cases as those mentioned above are clearly wrong in that they do not permit a fair measure of damages to the condemned property owner. They have been widely criticized by the most distinguished commentators in this area of the law. See 48 Va. L.R. 437; 67 Yale L.J. 61. It would be hoped that even under the present statute the Alaska courts would not follow the restrictive and old-fashioned holdings of these cases. For example, the Alaska Supreme Court has apparently recognized that the operating authority of an electric company does have real value that should be recognized by the courts. City of Fairbanks v. Elec. Dist. Sys. 413 P.2d 166.

However, the considerable body of case law in other states and the fact that this would be a case of first impression in the State of Alaska raises unnecessary hazards for the private refuse collectors. These hazards can be readily eliminated by enacting the proposed amendment to AS 29.10.156.

The measure of damages established by the proposed amendment is in no way unfair or unreasonable from the point of view of the condemning authority. The clear intent of the statute is that such authority should pay the fair market value

of the condemned property. A consideration of future profits and business growth would be the primary criterion used by a private businessman who wished to purchase a refuse collection business. The fair market value, as between a willing buyer and seller, has been followed in a few states and should be explicitly adopted in Alaska. See City of Jackson v. Creston Hills, Inc., 1970 So.2d 2150. A capitalization of earnings, making due allowance for future growth of the business, is precisely the correct manner to evaluate a private business of this nature.

Obviously, future earnings must be discounted to present value and one would not expect the court simply to take present earnings and multiply by 20 or some other arbitrary figure. But a court seeking to determine the fair market value of the operating authority should consider present earnings and the likely future growth of those earnings with the probable increase in population and business for a considerable period into the future and then determine the fair present price of the operation. A period of 20 years has been suggested in order that there be some limit to the range of factors for the court to consider. However, it is believed that consideration of future profits and growth for a reasonable period would be satisfactory so long as the condemning authority considered the full worth of the operation as a private buyer would do. It should be clear that if a sparsely populated area with great growth potential is annexed, then the refuse carrier should be compensated for the lost future profits he could reasonably anticipate.

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It is, therefore, submitted that the statutory amendment proposed is completely fair to both local government units and to private carriers. To leave the statute in its present ambiguous state would simply add an unnecessary degree of risk and uncertainty to a business of considerable public importance, which is already highly risky. It would be contrary to the public interest and would discourage the continued development of sound refuse collection to leave the law in its present form. The ambiguities of the present statute also invite expensive and drawn out litigation which would have a detrimental effect on both private carriers and local government authorities. The Legislature is therefore urged to amend the statute to provide the maximum possible clarity and fairness.

Respectfully submitted,

HUGHES, THORSNESS, LOWE, GANTZ &
CLARK

By


Robert C. Lowe

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EXPLANATION OF DRAFT LEGISLATION

The purpose of the legislation is to protect pre-existing state certificated garbage collection and disposal carriers from losing the value of the investment they have made in geographical areas adjacent to municipalities which may be or have been annexed by the municipality.

If large sections of the areas currently served by the State certificated carrier are annexed and municipal garbage disposal services are furnished in those annexed areas, the result is a continuing financial loss, perhaps a fatal financial loss, to the permit holder each time a new area is annexed.

Therefore, in order to avoid this problem which will lead inevitably to the eventual death of the State certificated carriers furnishing garbage collection and disposal services in these areas, the private State certificated garbage collection and disposal industry is submitting this proposed legislation to prohibit the annexing municipality from furnishing garbage collection and disposal services to the residents of the annexed areas.

This legislation would have no adverse effect on the service to the customers in those areas adjacent to the annexing municipality as the quality and quantity of service would not change but would continue to be provided by the State certificated carriers. In addition, the existing permit holders are regulated by the Alaska Transportation Commission as to the rates charged and the quality of their services. Therefore, adequate protection exists for the individuals and businesses requiring garbage collection and disposal services in these areas.

The private refuse collection industry cannot compete against a municipally operated refuse collection service because the municipal service is financed on a tax base and is exempt from income taxes, weight fees, license fees, excise taxes, and other costs of operation which the private refuse collectors must incur.

This legislation will also permit the private refuse collection industry to continue paying its fair share of State taxes.

2-19-71

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to municipal garbage collection and disposal services in annexed areas."

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

*Section 1. AS 29.10.156(b) is amended to read:

(b) The council may not prohibit a person holding a valid permit from the Alaska Transportation Commission from collecting and disposing of Garbage and providing other related services in an area annexed by the city if the permit authorized the collection and disposal of garbage and the providing of other services in the area annexed by the city and the permit was originally issued before the area was annexed by the city. A city is prohibited from providing for a garbage collection and disposal system in an area annexed after the effective date of this Act, which is within the scope of operating authority of a person possessing a valid permit from the Alaska Transportation Commission authorizing him to provide for garbage collection and disposal services in the annexed area. This section does not prohibit the operation of a sanitary land fill by

the city within the annexed areas. If a city provides for a garbage collection and disposal system in an area annexed prior to the effective date of this Act wherein such services are offered by a person holding a valid permit from the Alaska Transportation Commission to provide such services, the city may not charge less than the rate set for garbage collection and disposal by the Alaska Transportation Commission for common carriers.

Sec. 2. AS 29.10.156(c) is amended to read:

(c) If the council determines that it is not in the public interest for the city to provide garbage collection and disposal and related services under the restrictions of part (b) of this section, it may negotiate for and purchase or exercise the power of eminent domain to acquire, at the fair market value, from the person providing the services, that portion of the operating authority representing the services in the city. The "fair market value" shall be the amount a willing buyer would pay and a willing seller accept as the purchase price without threat of eminent domain or other compulsion with the proviso that the refuse service would be continued for a reasonable period of time in the future. If an eminent domain proceeding is instituted, the person holding a valid permit may continue

operating under the authority of such permit until final judgment has been rendered and compensation has been paid to the person from whom the operating authority is to be acquired and shall not furnish service in such area until the compensation has been paid to the permit holder.

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*City Buyer
Aseller*

years after commencement of the eminent domain proceeding.

If an eminent domain proceeding is instituted, the person holding a valid permit may continue operating under the authority of such permit until final judgment has been rendered and compensation has been paid to the person from whom the operating authority is to be acquired and shall not furnish service in such area until the compensation has been paid to the permit holder.

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operating under the authority of such permit until final judgment has been rendered and compensation has been paid to the person from whom the operating authority is to be acquired and the city shall not furnish service in such area until the compensation has been paid to the permit holder.

PROPOSED AMENDMENT TO ALASKA STATUTE

29.10.156(b)

Alaska Statute 29.10.156(b) is amended to read:

(b) Except as provided in (c) of this section, the Council may not prohibit a person holding a valid permit from the Alaska Transportation Commission from continuing to collect and dispose of garbage and provide other related services in an area annexed by the City if the permit authorizes the collection and disposal of garbage and the providing of other services in the area annexed by the City and the permit was originally issued before the area was annexed by the City. [If a City provides for a garbage collection and disposal system in an annexed area already serviced by a person allowed to continue under this subsection, the City may not charge less than the rates set for garbage collection and disposal by the Alaska Transportation Commission for common carriers.] A City is prohibited from providing for a garbage and disposal system in an annexed area which is within the scope of the operating authority of a person possessing a valid permit from the Alaska Transportation Commission authorizing him to provide for garbage collection and disposal services in the annexed area. A City shall terminate such services in any area annexed after the date of issuance of a valid permit even though the annexation occurred prior to the date of this statute. This section does not prohibit the operation of a sanitary land fill by the City within the annexed area.

PROPOSED AMENDMENT TO ALASKA STATUTE
29.10.156(c)

Alaska Statute 29.10.156(c) is amended to read:

(c) If the Council determines that it is [not] in the public interest [for the City to provide garbage collection and disposal and related services under the restrictions of (b) of this section] to prohibit a person otherwise protected by (b) of this section from servicing an annexed area, it may exercise the power of eminent domain to acquire, at the fair market value, from the person providing the services, that portion of the operating authority representing the services in the City. The fair market value shall be based on the economic loss to the permit holder[.], including incidental losses such as good will, business relocation and future profits. The value of future profits shall be determined by assuming continuous operation by the permit holder and any potential for future growth of the business for a period of twenty years. If an eminent domain proceeding is instituted, the Council may [exercise the power through the filing of a declaration of taking with the complaint or at any time after the filing of the complaint but before judgment.] not exercise the power to take the operating authority through the filing of a declaration of taking with a complaint or at any time after the filing of a complaint, but only after judgment has been rendered and compensation has been paid to the person from whom the operating authority has been acquired. The furnishing of garbage collection, disposal and related services by the City in the annexed area is prohibited until compensation has been paid to the permit holder.

HB

161

TO: Mr. Miller, Chairman
House Local Government Committee

DATE: March 6, 1971

FROM: James B. Rhode
Administrative Assistant

SUBJECT: Local Government in the Unorganized Borough
HB 81, Introduced 1/19/71 by Whittaker
HB 161, Introduced 2/9/71 by Request of the Governor

Both of these bills establish quasi-municipal governments in the Unorganized Borough. They differ sharply on the boundaries, governing body, powers, and financing these new entities shall or may have.

Representative Whittaker's bill directs the commissioner of a new "Department of Regional and Community Affairs" to divide the Unorganized Borough into "certain unorganized boroughs", although the residents of the proposed boroughs participate for an election on the boundaries. The commissioner will abide by the statute unless it would be "...inconclusive, arbitrary, capricious, or inconsistent with the standards laid down..." in the act. Under the Governor's bill, the boundaries of "regional service areas" will be drawn by the Director of the Local Affairs Agency, period. (The Local Boundary Commission is not mentioned in either bill.)

Under the Whittaker bill, each of the boroughs will vote on whether to have an elected "regional council" whose members will have staggered terms. Under the Governor's bill, each regional service area will have a "commission". The residents can have an elected commission through petition and referendum procedure. If a commission will be appointed from among them.

As to the powers of these quasi-governments, there is, first, some doubt as to whether the Legislature is free, under Art. X, Sec. 6 of the State Constitution, to delegate any powers to them, as distinct from delegating administration of a power. Under Sec. 6, "Unorganized Boroughs. 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 [the legislature] may exercise any power or function which the assembly may exercise in an organized borough."

Regardless, both of these bills call on their quasi-governments to initiate projects to foster economic growth. The Whittaker bill expressly permits the regional boroughs the same functions as service areas have in an organized borough. The Governor's bill merely implies this.

As to other powers, the bills differ in that Whittaker authorizes his regional councils to select lands as the organized boroughs do today and to zone. The Governor's bill omits these powers. Another difference is that Whittaker permits his regional councils to request the department he creates to prepare and/or administer council budgets, subject to local approval. When a borough does not want a council the department, of course, will bear all responsibility for the budget. The Governor's commission, on the other hand, will act on their own, though with State assistance.

Bills Pertaining to Local Government in the Unorganized Borough, CONT

But the greatest difference in these bills is that Whittaker requires his councils to "review and approve [emphasis added] all state agency plans which affect the development and welfare of the borough". (Page 5, lines 21-22) This gives these councils a veto over virtually all state policy in their areas. This is a power without precedent in the history of local government in Alaska.

Finally, neither of these bills provides for these councils/commissions to sign agreements with the Federal Government. And there does not appear to be a simple way to do so. The legal status of these entities is not clear. Would the Federal Government have recourse against them or the State for breach of agreements, wrongdoing, and the mismanagement of Federal funds or property. The Committee is reminded that the Federal Government required villages wishing to participate in the rural REA program to become fourth class cities.

As for the revenues of these quasi-governments, both of these bills permit them to receive State aid. (No discussion will be offered here on the plan in the Whittaker bill to share 40% of all State revenues from natural resources, apart from taxes on such resources, between the Unorganized Borough and the organized boroughs and cities.) State aid for the Unorganized Borough raises two legal questions. First, are these new entities eligible for existing State aid to local governments? The answer would seem to be "No, except as these aid programs are amended." Secondly, could there be different amounts or kinds of aid to different regional boroughs/service areas? The answer would appear to be "Yes, so long as the differences are based on 'reasonable distinctions' of need".

There remains the question as to whether these new entities can lay and collect taxes. The Whittaker bill forbids it; the Governor's bill is silent on this, although it might be construed as implying it. The State Constitution and the minutes of the Convention appear to be on the side of the Whittaker bill: "...The State may delegate taxing powers to organized boroughs and cities only..." Art. X, Sec 2. It would seem the Legislature can either lay taxes on the Unorganized Borough directly or have the Executive do so provided that some kind of limits are placed on the Executive. In short, the Legislature sits as the assembly of the Unorganized Borough, but no assembly is free to allow service areas to lay and collect taxes on their own.

HB

175

COPY OF STRAIGHT WIRE SENT APRIL 12, 1971 TO:

MR. JOHN E. LONGWORTH
PETERSBURG, ALASKA
PHONE NO. 772-4623

The Municipal Code was reported out of committee Saturday which clears our decks to consider additional worthwhile legislation. If you wish to appear before Local Government committee Thursday or Friday, we'll be happy to consider HB 175 at that time. Please advise.

Representative Mike Miller

Charged to 586-5460
House Local Government Committee

MEMORANDUM**State of Alaska**

TO: The Honorable Mike Miller
 Chairman, House Local Government Committee
 Alaska State Legislator

DATE : April 16, 1971

FROM: S. Robert Dozier *SRD*
 State Assessor
 Local Affairs Agency

SUBJECT: Comments on H. B. 175, introduced
 by E. J. Haugen 1/12/71

Enables boroughs and cities to establish on a voluntary basis separate rates of levy for land, improvements and personal property and permits a city of any class to exempt personal property, land or improvements from taxation. Alaska Statutes permits home rule cities to classify and exempt from taxation any class or all personal property. Alaska Statutes does not permit a borough or a city of any class to classify and exempt from taxation land or improvements.

H. B. 175 may be considered superfluous and unnecessary because of the apparent passage of C S for House Bill 208, a Revision of the Municipal Code Title 29. This Bill passed the House by a wide majority and is now before the Senate for approval.

C S For H. B. 208 permits municipalities to establish differential Tax Zones according to the various levels of services provided by the municipality.

For example: The Boat Harbor including all boats and vessels generally receives a different level of service and may be taxed at a different rate than that of other areas of the municipality.

There has been considerable research on the pro's and con's of the graded tax plan concept. Graded tax plan theory is to encourage residential and commercial development within a community through manipulation of the property tax rate.

There is no doubt that a high rate of tax on land will force land owners to put it to a higher use if possible, however, when a number of voters within a pilot city are adversely affected, as would be the case of ownership in open space tracts of land, legislators will be under pressure to exempt from general taxation certain classes of real property; homesteads, homesites, farms, grazing land, and privately owned open space holdings of important individuals and organizations.

As the property tax is reserved for use by municipalities for extracting local revenue and for balancing the budget, the tax base should not be further restricted by general law. Senate Bill 79 introduced 1/28/71 by the Legislative Council is an example of an attempt to further restrict the tax base of boroughs and cities by exempting business inventories from general taxation. The effect of this exemption, depending upon the definition could exclude as much as 30% of a borough or cities tax base.

Memo to:
The Honorable Mike Miller

-2-

April 16, 1971

The property tax is a major factor when considering a real estate investment. Changing the ground rules by lowering the tax rate on improvements and raising the tax rate on land may upset the established balance of existing financing.

A community will usually develop in proportion to the economic demand for facilities. Changing the ground rules may result in increased development of property which should be developed. On the other hand the owner of vacant or underdeveloped property which is not economically feasible, at the time, to develop, may be forced to sell at a loss or lose it for taxes. The owner must:

1. Pray for open space exemption.
2. Develop normal residential improvements.
3. Develop income producing improvements.
4. Sell to land speculators with substantial capital reserves.
5. Let the property revert to the municipality through foreclosure.

Highly developed properties usually demand the highest degree of municipal services and are in a better position to pay taxes, than is vacant or underdeveloped properties. It would seem that the graded tax plan is a legal method for large land holding companies to increase their tax loss open space holdings.

The following example is intended to point out the effect of a one mill decrease on improvement value compensated with an appropriate mill rate increase on land to produce the same amount of revenue.

Example 1, Petersburg: Petersburg has an overall land to building ratio of one (1) to five (5). A one mill decrease in the mill rate on buildings must be compensated by a five mill rate increase on land value to produce the same amount of revenue.

- A. A typical new single family home has a one (1) to five (5) land to building ratio. Therefore, the tax bill will remain unchanged.
- B. An older single family home with a land to building ratio of one (1) to two (2), the tax bill will increase 3%.
- C. A special use or under improved property with a land to building ratio of seven (7) to one (1), the tax bill will increase 24%.
- D. On vacant unimproved property, the tax rate would increase 28.5%.

SRD:cen

March 4, 1971

MEMORANDUM

TO: Joseph A. McLenn - Mayor

FROM: Billy G. Berrier & Attorney

RE: Amendment to Municipal Code (SB 113) Allowing Classification For Property For Tax Purposes.

You have requested that I prepare a suggested amendment to the revised Municipal Code (Senate Bill 113) to make it possible to tax land and improvements at different rates should the assembly decide it was good public policy to do so. You also pointed out that the 3% levy limitation applied to each class would seriously and unnecessarily restrict the policy alternatives available to the assembly. In order to accomplish these goals, I would suggest the following amendments:

1. Add language to 29.53.010 allowing three classes for purposes of taxation. Such section would then read:

Sec. 29.53.010. GENERAL PROPERTY TAX. Home rule and general law boroughs may levy (1) an areawide property tax for areawide functions, and (2) a property tax limited to the area outside cities for functions limited to the area outside cities. A property tax if levied must be assessed, levied and collected on real and personal property as provided in this chapter. The assembly or council may establish three classes of property for purposes of taxation: land, buildings and fixtures permanently affixed to the land, and personal property. The council may establish a separate rate of taxation for each class. Each class may be taxed at any rate, subject to the restriction on total amount of levy provided in AS 29.53.050. All property within each class must be taxed at the same rate.

2. Add language to 29.53.050 making the 3% limitation applicable only to the aggregate but not to each of the classes. Such section to read:

Sec. 29.53.050. TAX LIMITATION. Home rule and general law municipalities may levy property taxes to pay or secure the payment of principal and interest on general obligation bonds without limitation as to rate or amount. They may not levy property taxes

Joseph A. McLean

Page 2

March 4, 1971

for other purposes in excess of 3% of the assessed property valuation but if property is classified for purposes of taxation the levy on any class may exceed 3% of the assessed valuation for that class provided the aggregate levy does not exceed 3% of the total assessed valuation for all classes.

March 4, 1971

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TO: Joseph A. McLean - Mayor

FROM: Billy G. Berrier @ Attorney

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Joseph A. McLean

Page 2

March 2, 1971

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1. Add language to 29.53.010 allowing three classes for purposes of taxation. Such section would then read:

Sec. 29.53.010. GENERAL PROPERTY TAX. Home rule and general law boroughs may levy (1) an areawide property tax for areawide functions, and (2) a property tax limited to the area outside cities for functions limited to the area outside cities. A property tax if levied must be assessed, levied and collected on real and personal property as provided in this chapter. The assembly or council may establish three classes of property for purposes of taxation: land, buildings and fixtures permanently fixed to the land, and personal property. The council may establish a separate rate of taxation for each class. Each class may be taxed at any rate, subject to the restriction on total amount of levy provided in AS 29.53.050. All property within each class must be taxed at the same rate.

2. Add language to 29.53.050 making the 5% limitation applicable only to the aggregate but not to each of the classes. Such section to read:

Sec. 29.53.050. TAX LIMITATION. Home rule and general law municipalities may levy property taxes to pay or secure the payment of principal and interest on general obligation bonds without limitation as to rate or amount. They may not levy property taxes

Joseph A. McLean

Page 2

March 4, 1921

for other purposes in excess of 3% of the assessed property valuation but if property is classified for purposes of taxation the levy on any class may exceed 3% of the assessed valuation for that class provided the aggregate levy does not exceed 3% of the total assessed valuation for all classes.

C O P Y of straight wire sent to Mr. John Longworth, Petersburg
4/16/71

John - have scheduled House Bill 175 for consideration tomorrow.
If you wish to appear but tomorrow inconvenient, let me know
and I'll reschedule.

Regards,

Mike

HB

182

Pouch V,
State Capitol Bldg.
Juneau, Alaska 99801
March 29, 1971

Miss Marion Kempf
Box 503,
Kenai, Alaska

Dear Miss Kempf:

Just a short note to thank you for your letter of March 17th supporting House Bill 182. I hope that you advised your Kenai Peninsula legislators of your support of this bill.

Again, thanks so much for writing.

Sincerely,

Mike Miller, Representative
District Four, (Juneau)



Kenai Art
~~ARTISANS~~ GUILD

BOX 1387
KENAI, ALASKA

Box 503
Kenai Ak.
March 17, 71

Mike Miller
Kenai 99801

Dear Mr. Miller;

As an active member of several Art oriented groups I appreciate your introduction of H.B. 182. This is an important piece of legislation for the Arts in Alaska.

Thank you
Marion Kempf

Pouch V
Juneau, Alaska 99801
March 1, 1971

Mrs. Mary Hale, Chairman
Council on the Arts
2533 Providence Ave.
Anchorage, Alaska 99504

Dear Mary:

As you are no doubt aware, I introduced legislation on February 17, 1971, which would dedicate a specified percentage of public building costs to the creation of visual art in such buildings.

I am sending a number of copies of this bill (co-sponsored, incidentally, by Banfield, Bradner, Chance, Colletta, Farrell, Guess, Kerttula, McVeigh, Meland, Moore, Naughton, Peratrovich, Specking, Swanson and Whittaker) with the thought that you may wish to provide copies to interested groups around the state.

The bill has been assigned to the House State Affairs Committee (Dick McVeigh, Chairman) after which it will also come under the jurisdiction of the House Finance Committee (George Hohman, Chairman).

Any suggestions or assistance you can provide will be greatly appreciated.

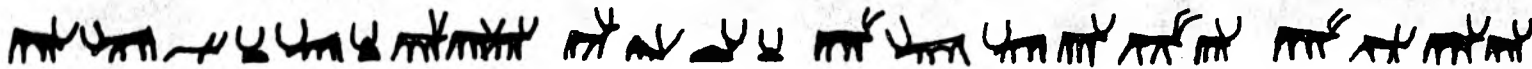
Sincerely,

Mike Miller, Representative
District Four, (Juneau)

Enclosures:

6 copies of HB 182

ALASKA STATE COUNCIL ON THE ARTS



STATE OF ALASKA
OFFICE OF THE GOVERNOR
WILLIAM A. EGAN, GOVERNOR
2533 PROVIDENCE AVENUE
ANCHORAGE, ALASKA 99504

4 March 1971

File

The Honorable Mike Miller
Alaska State Legislature
House of Representatives
Pouch V
Juneau, Alaska 99801

Dear Mike:

Many thanks for your letter of March 1 and the enclosed copies of HB 182. I am delighted to know that this legislation has now been introduced, and I anticipate its support from a majority of legislators.

Today we are sending copies of this bill to community arts councils, arts committees and liaison people in 25 communities throughout the State, with the request that they and their membership write to Dick McVeigh, Chairman of the House State Affairs Committee, and to George Hohman, Chairman of the House Finance Committee. We are also listing for them the co-sponsors of the Bill and asking that they drop a note of thanks to their particular representative for his support of this important legislation. We are also supplying each of our Council members with a copy of this bill and asking them also to express their support in writing to Dick and to George.

If there is any other move which I should make in support of this legislation, please let me know right away. You may be sure of my personal gratitude for your action in regard to this legislation at this time.

Sincerely,

Mary Hale, Chairman

MH:df



alaskan arts & crafts

incorporated

Box 863

Juneau, Alaska 99801

PAGEBASE BOND
SOUTHWORTH COTTON
25% COTTON FIBER
March 4, 1971

Representative Mike Miller
House Representative
State Capitol
Juneau, Alaska

File

Dear Mr. Miller:

In reference to your House Bill 182. Alaska Arts and Crafts is in favor and would be pleased to aid the passage of this bill in any way possible.

Yours truly,

Bryan Grove
President, A.A.C., Inc.

H B

187

FJ

FAIRBANKS NORTH STAR BOROUGH

Box 1267, Fairbanks, Alaska 99701

March 11, 1971

The Honorable Mike Miller
Chairman
House Local Government
Pouch "V" State Capitol Building
Juneau, Alaska 99801

Re: House Bill No. 187

Dear Mike:

AS Sec. 07.15.330 provides that each organized borough shall establish, maintain and operate a system of public schools on an areawide basis.

The Fairbanks North Star Borough is fortunate in that an excellent working relationship exists between the borough administration and the school administration. Our joint treasury allows flexibility in investments of funds to the greatest advantage. As we are presently looking forward to increased cooperation and, possibly, a unification of local governments resulting in better coordination and a less expensive operation, passage of House Bill No. 187 would be a step backward to an autonomous school district.

I can only oppose this bill as presently written.

Very truly yours,

John A. Carlson
John A. Carlson
Chairman

JAC/gml

cc: Mr. Don Berry
Members of Fairbanks legislative delegation

HB

1911

MARCH 31, 1971

RESOURCES COMMITTEE REPORT ON
HOUSE BILL 191

The committee has heard testimony from representatives of the Department of Fish and Game and the Department of Revenue, and has determined under the present law, the ability of individuals to acquire commercial fishing gear licenses by mail, without appearing in person, has impede the efficient and effective regulation and management of the fishery resource.

The existing law has allowed far more gear to be licensed in each fishing area than is actually utilized during each fishing season. This creates difficulties for the Department of Fish and Game in estimating the fishing effort expected in various registration areas of the state. The requirement that individuals appear in person to obtain gear licenses would make the actual number of licenses issued a useful tool in gaging the fishing effort to be expected in registration areas, and thus assist the Department of Fish and Game in its efforts to match (by field regulation) the fishing effort with the optimum allowable catch.

In addition, the committee believes it may be desireable to ascertain at a time of issuing a gear license, whether or not the individual acquiring such license is capable of efficiently and safely operating such gear.

Finally, it has come to the committee's attention that certain individuals may have fraudently obtained licenses for gear under assumed names in order to avoid prosecution for fish and game offenses committed in previous years. It is expected that the requiring an applicant to appear in person will substantially reduce the possibility of such fraud.

HPB

2041



Alaska State Legislature

Senate

JUNEAU ALASKA

February 11, 1972

Eric E. Wohlforth, Commissioner
Department of Revenue
Pouch S
Juneau, Alaska 99801

Dear Commissioner Wohlforth:

Enclosed is a copy of HB 204 relating to conflicts of interest of financial advisors to public bodies.

Per your earlier request to be informed, this letter is to advise you that the Senate Local Government Committee has scheduled a hearing on the bill for March 7, at 1:30 P.M., Room 5, Capitol Building. You are invited to appear at that time and place, in person or through a representative, and submit oral or written testimony, comments or opinions, as you deem appropriate.

Because this bill may affect relations of the state and local governments with their financial advisors, we are very anxious to have the opinions of all concerned before taking action on the measure.

Sincerely,

John L. Rader,
Senator

JLR:gw
Enc. 1

cc: Gov. Wm. A. Egan
Rep. Mike Miller
Dick Sassara
Rep. Gene Guess



JUNEAU ALASKA

Alaska State Legislature
House

March 9, 1971

Mr. Byron Mallott
Director,
Local Affairs Agency
Goldstein Building
Juneau, Alaska 99801

Dear Mr. Mallott:

The House Local Government Committee has passed out House Bill 204, which prohibits fiscal advisers from bidding or negotiating governmental bonds for which they have rendered advice.

It is the feeling of the committee that the smaller communities of Alaska will suffer hardship under this bill unless the Local Affairs Agency is able to render fiscal advice and assistance as the bond advisers have been doing.

The Committee understands that your budget has been severely trimmed and there is no provision for a fiscal adviser position in the Agency at this time. It is the Committee's opinion that there should be and this is badly needed.

The Committee has requested that you appear before it at your earliest convenience to discuss this matter with the committee and we would appreciate you contacting the Committee Chairman in regard to a convenient time.

Sincerely,

Rep. Richard Whittaker
Vice Chairman
House Local Government
Committee

RW:kp

Copy to Hon. Gene Guess,
Speaker
House of Representatives

HB

207

CITY OF CORDOVA

Box 938

CORDOVA, ALASKA 99574

"The Friendly City"

Phone GA 4-3237
or GA 4-3238

March 11, 1971

The Honorable Mike Rose
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99801

Re: HB 207

Dear Mike:

On February 22, 1971, you, along with co-sponsors Barber, Bowman, Bradner, Ferguson, Fischer, Hillstrand and Huber, introduced House Bill No. 207 which removes the present exemption of public utilities, in non-competing jurisdictions, from regulation by the Public Utilities Commission of the State of Alaska.

The City of Cordova, through the Cordova Public Utilities, supplies citizens both in and outside the City of Cordova, with water, electricity, and telephone service. The City does not compete with any other public or private operator and it appears that it would be many years before any other public or private utility would be interested in setting up competition with the City of Cordova.

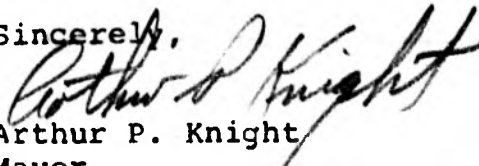
The citizens of Cordova elect annually members of the Cordova Public Utility Board which, along with the City Council, establishes rates, receives complaints, and takes actions upon those complaints. As added protection to the utility consumer, the full range of local and state wide courts are available should his particular complaint not be resolved to his satisfaction by the locally elected Board or Council.

There is no defensible argument to the concept that local non-competing public utilities should be regulated by a state Public Utilities Commission. The idea of the State interfering in the affairs of a local government, where that local government is not in conflict with any other local government or private utility, is completely contrary to the concept of "Home Rule" government. Further, regulation by the Alaska Public Utilities Commission can only provide an additional financial burden upon the local utility consumer -- a burden which is totally unnecessary.

The Honorable Mike Rose
March 11, 1971
Page 2

We urgently solicit your reconsideration of this bill and can only strongly encourage that its makers quit attempting to solve problems relating to competing jurisdictions by placing additional hardships upon local non-competing public utilities.

Sincerely,


Arthur P. Knight
Mayor

APK/d

cc: City Council
Local Government Committee, House of Representatives
Local Government Committee, Senate
The Honorable Robert H. Ziegler, Sr.
The Honorable Jan Koslosky, Alaska State Senate
The Honorable Robert Ditman, House of Representatives

HB

224

DEPARTMENT OF HEALTH AND WELFARE

POSITION PAPER ON HOUSE BILL 224

The Department of Health and Welfare has reviewed Committee Substitute for House Bill 224 and supports the concept of providing legislation which would stimulate local planning for the delivery of social services at the local level.

There is some question concerning the relationship between grants which would be awarded under Article 1 of the Bill and the purchase of services from local corporations by the Department. Section 47.41.010(a)(2) provides for grants to meet the cost of first-year operations while (3) provides for grants to meet continuing costs of providing selected services.

In Article 2, Section 47.41.040(b) there are provisions for the purchase of services under the provisions of AS 47.40. This statute provides that when the Department purchases services for persons for whom the State has assumed responsibility it shall pay all expenses related directly to the full cost of services. The items listed in the statute which may be excluded from the full cost determination do not suggest the exclusion of the grants contemplated by House Bill 224. It is not considered that it is intended that this legislation provide on the one hand grants to meet the cost of first-year operation and/or grants for continuing costs of operation while on the other hand requiring purchase of services by the State based upon the full cost concept outlined in AS 47.40.

This Department would suggest that Section 47.41.040(b) be amended by adding language substantially as follows:

Handwritten initials: J. W. P. 2/11

"except that full cost of services determined under 47.40.040 shall be reduced by an amount equal to the total amount of grants awarded under 47.41.010(2) and (3) for the year or years that the grant is effective."

It is understood that no attempt will be made to fund this legislation during this session; therefore, a fiscal note is not appropriate. If the legislation is enacted, a realistic cost appraisal could be developed for consideration in the next session, based upon planning and grant proposals which are developed in the coming year.

HB

229

Pouch V,
State Capitol
Juneau, Alaska 99801
March 11, 1971

Miss Claudia Mullen
#27 Channel Apts.
Juneau, Alaska

Dear Miss Mullen:

Thanks so much for your letter of March 4th relative to House Bill 229. I appreciate not only your interest in this bill but your willingness to support it as well with letters to various legislators.

It is difficult so far to determine exactly who the dissenters will be. Rather than writing to the dissenter, in any case, it might be more useful to write to the members of the committees to which this bill has been assigned - namely, the House Resources and Judiciary Committees.

The Chairman of the House Resources Committee is Rep. Marty Farrell, (D-Anchorage) and Resource Committee members include: Rep. Joe McGill, (D-Dillingham) Vice Chairman; Rep. John Huber, (D-Fairbanks); Rep. Pete Meland, (D-Sitka); Rep. Martin Moore, (D-Emmonak); Rep. Ed Naughton, (D-Kodiak); Rep. Frank Peratrovich, (D-Klawock); Rep. Morgan Reed, (D-Skagway); Rep. L. E. Swanson, (D-Nenana); Rep. Mike Colletta, (R-Anchorage); Rep. John Holm, (R-Fairbanks); Rep. Keith Specking, (R-Hope) and Rep. Clem Tillion, (R-Halibut Cove).

The Chairman of the House Judiciary Committee is Rep. Wm. Moran, (D-Anchorage); Rep. Mike Rose, (D-Anchorage) Vice Chairman; Rep. Ed Barbar, (D-Anchorage); Rep. Earl Hillstrand, (D-Anchorage); Rep. Pete Meland, (D-Sitka); Rep. Mildred Banfield, (R-Juneau) and Rep. Jess Harris, (R-Anchorage).

I think letters from constituents to these members might prove very beneficial. Again, many thanks.

Sincerely,

Mike Miller, Representative
District Four, (Juneau)

March 4, 1971

State Representative
Mike Miller
State Capitol Bldg.
Juneau, Ak.

Dear Sir:

I was one of those in attendance at the discussion last night at the museum. I was particularly interested in your "pesticide bill" # 229 (?). As this issue has for some time been of particular interest to me I would like to do what I can to lend support to your views on this vital matter.

Would you please send me a list of those legislators who are dissenting, and their districts? I plan to bring the bill and/or issue to the attention of the people within the various districts with a request that they write a letter to their representatives in government which indicates their desire for the approval of the bill.

Thank you for your time both in coming to the museum to participate in what I'm sure was a stimulating evening for all those in attendance and, in advance, for answering this letter.

Sincerely,

Claudia Mullen
Claudia Mullen
27 Channel Apts.
Juneau, Ak. 99801



EISENHOWER • USA

Mr. Mike Miller
State Representative
State Capitol Bldg.
Juneau, Ak. 99801