

1975-1976

HOUSE COMMUNITY & REGIONAL AFFAIRS

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HOUSE COMMUNITY & REGIONAL AFFAIRS

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HOUSE COMMUNITY & REGIONAL AFFAIRS

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HOUSE COMMUNITY & REGIONAL AFFAIRS

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HCRA

HB

3

-

HB

65

148

H1B-3

COMMITTEE REPORT

HOUSE

*Return
CPLA to*

3/13/74

Volunteer

Mr. Speaker:

Date 1/12/75

The Committee on C.R.B.A. has had HR 2

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR HR 3 AND THAT
CS FOR HR 2 DO PASS

"and" recommends it BE REFERRED TO THE _____
COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman



REALTOR[®]

HOME OFFICE:
2223 SPENARD ROAD
ANCHORAGE, ALASKA 99501



April 24, 1975

Honorable Sam Cotten
House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Sam:

Thank you for your answer to our letter regarding our opposition to HB 3. We have received replies from many of your fellow House members and feel it would be helpful if we clarified our position further.

First, we wish to repeat that we believe HB 140, if enacted, is the proper, equitable way to approach the problems of open space, park and recreation area.

We realize, also, that HB 3 would not mandate that municipalities utilize this method of taxation. Only that they could do so.

I believe, however, that you will agree with me that if past experience is a true criteria, when laws are passed by the state granting the municipalities certain powers not formerly held, the municipality loses little time in taking advantage of the power so granted.

The amendments proposed by the House Community and Regional Affairs Committee does improve the bill considerably by bringing it closer to the concept of HB 140, but it does not remove the prime result of the bill, which is to unfairly tax a few people in order to enhance the environment of the public at large.

The belief of many people is that the cost incurred by the subdivider will be passed on to the purchaser of the lots and therefore, this would, in fact, be an equitable tax. True, it would be passed on to the purchaser, but not true is it an equitable tax. It only provides that the purchasers (still a relatively small number of people) would be carrying the burden for the public at large; and while it is true that the location of the amenities for which he is paying, if they are located in the near vicinity of his property, is an asset to him and

1975 PRESIDENT
ANNA GROFF
P. O. BOX 927
FAIRBANKS, ALASKA 99707
452-1811

1975 SECRETARY-TREASURER
FRANK GEIGER
P. O. BOX 2533
FAIRBANKS, ALASKA 99707
456-4362

he may well be willing, and hopefully able, to pay for it. Should he then be compelled to pay several thousand dollars for this "privilege" while his neighbor outside the subdivision enjoys the same "privilege" at no cost?

Many of our problems arise because of the young age of our municipalities and the lack of planning for parks and open space in the past. But surely we should not now require that new property owners pay to provide these amenities for those who did not provide for them in the past. It could easily cost a lot purchaser, after implementation of this act, several thousand dollars more in increased price to provide the required space for public use. If this cost was spread amongst all the beneficiaries, it would be a small, possibly justifiable sum for each. Comments have been made to me that the present property owners, through taxes, have already paid for those amenities presently provided and that new owners should pay for future amenities. This is not true. Property being subdivided has, in the past, been taxed at the same rate and the money used for the same purposes as other property. There is no justification for changing this equitable system.

The true intent of this bill, and the most objectional portion, is evident in the provision for "payments in lieu of dedication". Is there any way you can construe this to mean anything other than taxation of the few to provide amenities for others? If we are all going to benefit, let us all pay!

We would not object to this bill if it was limited to those residential subdivisions of sufficient size wherein the land dedicated would be for the use and enjoyment of those people living within the area subdivided. We are unalterably opposed to the "payments in lieu of dedication" portion.

We have all seen the "bad" subdivisions where land was stripped of vegetation prior to building and possibly this still may be a factor to consider in some parts of our state. We do not believe it is that kind of a problem in the municipalities now holding parks and recreation powers. I know of no small lot residential subdivisions of any appreciable size in the Greater Anchorage Area Borough that has not provided for "green" and/or open areas in the past few years. It is difficult, if not impossible, to gain plat approval of the Borough committees and Assembly of any plat not providing such amenities.

We join with you in the desire to provide parks and open space for the use and enjoyment of us all. HB 3 is not an equitable way to provide it.

Sincerely,



Audie L. Moore, Co-Chairman
Legislative Committee
Alaska Association of Realtors
3300 C Street
Anchorage, Alaska 99503

ALM/skl

AMENDMENT # 1

OFFERED IN THE HOUSE:

House
Community & regional
BY: Affairs Committee

To: Community and
Regional Affairs
Amend

HOUSE BILL No. 3

SENATE BILL No. _____

PAGE: 1

LINE: 10, 20, 26

On page 1, line 10, after the word 'municipality' add the words " with parks and recreation powers".

On page 1, line 20, after the word 'division' add the sentence "The Legislative body shall adopt a general plan containing a recreation element, and the park recreation facilities shall be in accordance with definite principles and standards contained therein."

On page 1, line 26, add subsection (d) "Any land to be dedicated shall be reasonably adaptable for use for active park and recreational services and shall be at a location convenient to the people to be served. Factors used in evaluating the adequacy of the proposed park and recreational areas shall include size, shape, topography, geology, tree cover, access, and location."

AMENDMENT #2

OFFERED IN THE HOUSE:

By: Finance

To: _____ HOUSE BILL No. HR 3

SENATE BILL No. _____

PAGE: _____

LINE: _____

page 1 line 10 - delete "regulation" and
insert "ordinance"; delete
"all".

line 12: delete "regulation" and
insert "requirement".

HB 3 (last year's HB 445)

Supported by LWR, ski clubs

Permissive - allows municip. to create ordinances

Larry Kimball submitted some changes, Smith would support it as CS10B

Formula - payments in lieu are at the going rate for land in the subdivision

2/13/75 Kevin Waring

Hackney's point - shouldn't municipalities have to have powers of pks & rec
(add that language) so they can expend the funds (in lieu of land)

K - It would be good planning for even those boroughs w/out the powers to get the land now instead of having to buy it later

Add to municipalities: who ~~have~~ assumed ^{with} the pks & rec powers'

Amendment: The legislative body ~~has~~ ^{shall} adopt ... pks. rec. facilities
~~shall~~ must be in accordance.

Subsection (c) becomes (d)

HB 85

Doric - the property value - if there's an easement will already be diminished, so why grant tax exemption

H B 15

CITY OF KOTZEBUE

P.O. BOX 46
KOTZEBUE, ALASKA 99752
907-442-3571

February 12, 1975

Rep. Sam Cotten, Chairman
House Community & Regional Affairs Committee
Pouch V
Juneau, Alaska 99811

Dear Representative Cotten:

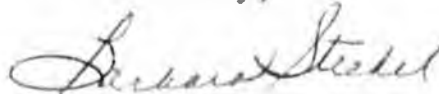
I am writing to you to express the very real interest our community has in seeing passage of H.B. 15 and H.B. 16 regarding an increase in shared revenue for fire protection and earmarking that revenue specifically for the fire service.

Over the past three years we have built a new two and a half bay fire station, designed and had delivered a new tracked 750 G.P.M. pumper/tanker, hired a paid Fire Chief and have just gotten our first paid fire-fighter under the PEP/CETA program. All of this has been done with local funds on a pay-as-you-go basis with our total expenditures currently exceeding \$140,000. This has also resulted in our fire insurance rating being lowered from a Class 10 city to a Class 8 city and a 25% reduction in insurance premiums.

The fire service is one of the few fields in municipal government where a hierarchy of support (both for funding and for logistical support) does not exist. There are no Federal agencies providing direct assistance in fire protection as say LEAA does for local police protection.

If we are to continue making the kind of strides we have achieved over the past few years, we must have adequate funding for such an effort. We like the idea of having to earmark the funding and the State has the right to expect that kind of cooperation in this field. We urge you and your committee members to seriously consider increasing the per capita revenue sharing to \$15 from the present \$5.

Sincerely,



Barbara Steckel
City Manager

BS:sh
cc: Committee members

"GATEWAY TO NORTHWEST ALASKA"

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 5, 1975

Meeting was called to order at 9:00 to discuss HB 15, CSSB 43am.

Rep. Cotten	Gordon Brunton, Regional fire Chief
Rep. Freeman	Allen Judson, Ak. St. Firefighters Assoc.
Rep. Davis	Rep. Duncan, Sponsor
Rep. Hackney	Bill Hagby, Fire trainer
Barbara Englert Thomas, Staff	Don Berry, Municipal League
Andrea Guernsey, Staff	Jack Chenoweth, director, Local Gov't

ALLEN JUDSON

Mr. Judson said the Alaska State firefighters were in support of CSSB 43. Over the last three years fire money is being spent for other things. For example Hoonah has been using it for their generator problems. he read a letter from Dawson and Company stating that if the fire facilities across the State were upgraded it would reduce insurance rates. The fire underwriters grade each community for insurance premiums but the overall picture is taken statewide.

HOONAH

Hackney asked what sort of equipment Hoonah has? and what their fire loss is? They have a 500 gal pumper but don't know the fire loss in dollars. Rep. Hackney thinks the people in the communities should set the priorities instead of having the State step in and say how to spend the money. Cotten pointed out that SB 43 says the money could be spent elsewhere if the community can show adequate fire protection. Mr. Brunton said Hoonah has 5-10 working fires each year. 80% of these are total losses. This is typical of the rest of AK. in that it is double that of the rest of the U.S. Rep. Freeman asked if Hoonah had a tax base? They have sales tax. He also asked what the city council thought. Judson said they were opposed to the bill because they want to use the money for the electrical system. Cotten said the community had to make its priorities.

M.L. POSITION

Freeman asked Mr. Berry for the Leagues opinion. Don said they were in opposition. It was not originally an idea of shared revenue to earmark the funds. They compromised with SB 43 by saying that the funds could be used elsewhere in original which was later amended out.

TAPE #12
side 2
1405-end

TAPE #13
side 1
0-412

HB 15, CSSB 43am
May 5, 1975

C&RA POSITION

Jack said hs dept. was in favor with the League's position.

Mr. Brunton suggested disqualifying the title of "fire protection". Don't want to increase fire money to be spent on something else. But some communities only get fire shared revenue, Cotten said.

After further discussion meeting was adjourned at 10:00.

HOUSE BILL 15

Notified Present Testified

5/1

Tom Georganna, Katzeck & Assoc. (586-3227)

Renowick

Duncan

R

X

X

X

X

X

X

HB - 16

3/20/75

COMMITTEE REPORT

Finance

HOUSE

Mr. Speaker:

Date 3/20/75

The Committee on GOV has had HOUSE BILL 16

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____
COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

_____ Chairman

Alaska State Legislature

REPRESENTATIVE
SAM R. COTTEN
P.O. BOX 296
EAGLE RIVER, ALASKA 99577

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811



CHAIRMAN
COMMUNITY & REGIONAL
AFFAIRS COMMITTEE

MEMBER
JUDICIARY COMMITTEE

House of Representatives

February 4, 1975

John T. Hynes, President
Anchorage Area Fire Chief's Assoc.
4350 MacInnes road
Anchorage, Alaska 99504

Dear Mr. Hynes:

I too am sorry that I missed your meeting. I am aware that your problems do demand immediate attention.

The Committee on Community and Regional Affairs has been handling bills in the field of increased fire protection money.

As I'll be in Juneau for the remainder of the session, I'll be unable to meet with you in Anchorage. However, please send me any information on the many problems you face and your recommendations and ideas. Thank you.

Sincerely,

A handwritten signature in cursive script that reads "Sam Cotten".

Sam Cotten

SC:ag



Anchorage Area Fire Chief's Association, Inc.

January 27, 1975

Representative Sam Cotten
Box 296
Eagle River, Alaska 99577

Dear Representative Cotten:

We were most disappointed that you were unable to meet with us at our meeting called on January 18th to discuss the many serious fire protection problems, present and future that are developing in the Anchorage area as well as the rest of the State.

I am sorry to report that none of the Representatives from the Anchorage area attended this meeting. I'm sure that part of the problem was our scheduling of the meeting so close to the opening of the session. However, we feel that you should be made aware of the fire protection problems, and the fire protection of the Anchorage area. We would welcome an opportunity to discuss this subject with you individually or collectively, privately, or in Legislative Committee.


It is strongly recommended by this association that a Legislative Committee be set up to meet with our Representatives, and other "Fire Service" agencies, to identify, to discuss, and to plan for solving the critical problems in the field of fire protection facing this area and other parts of the State.

Our membership consists of Representatives from urban, suburban, rural, Federal and State Fire Protection agencies. We are confident that collectively we can assist you by presenting the multitude of problems facing our many agencies, and making pertinent recommendations toward the solutions.

I am therefore, placing myself and the membership of this Association at your disposal. Please call upon us to assist in any way.

JRH:mep

Respectfully,


John T. Hynes
President

TAPE #6
side 1
0-1022

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 21, 1975

Meeting was called to order at 9:00 for discussion of HB 16 and HB 140. Present were:

Rep. Sam Cotten, Chairman	Rep. Larry Davis
Rep. Kathryn Ostrosky	Rep. Al Ose
Rep. Oral Freeman	Rep. Mike Hershberger--absent
Rep. Glenn Hackney	
Barbara ENglert Thomas, Staff	
Andrea Guernsey, Staff	
Kevin Waring, Director, Community Planning	
Don Berry, Municipal League	
Rep. Jim Duncan, Sponsor, HB 16	
Al Judson, Firemen	

HB 16

Duncan said this was the same bill as in the Senate, only the figures were different.

(53) Mr. Judson gave a small dissertation on why fire protection needed more money: shortages, all costs have gone up tremendously.

(166) Rep. Freeman asked if communities are required to spend X dollars for fire protection out of revenue? Not now, Duncan said, but HB 15 would earmark for fire.

(203) Freeman-If there is a village that gets only fire protection revenue sharing the increase from \$5 to \$15 would mean a lot of change, but for Anchorage the money would be the same but percentage wise would be smaller.

(368) Ose explains. If they raise fire protection to \$15 the increase would be \$300 but Anchorage would have to take a decrease in other areas. (400) the top figure would have to go up equally.

(536) Mr. Berry suggests a committee substitute for the Senate bill.

(643) Freeman has reservations but moves to report HB 16 and SB 40 out.

The Committee amended SB 40 to \$15 and moved it and HB 16 out of committee.

HB 140

(873) Rep. Ostrosky moves to untable. Suggested amendments: line 12-change shall to may, delete "an", add an "s" to map. After map add "of cities and townsites". Line 23-add after "building", "or other structure located within a bed of a".

She asked Mr. Waring for comments but he had none.

(967) Freeman would rather see a committee substitute.

CSSB 111am

Committee moved the bill out. (Eagle River) (1026)

	HB 16	Notified Present	Present	Testified
1/28/75	Jack Chenoweth, CRA	x	x	x
	Marilyn Miller, Municipal League	x	x	x
	Commissioner Lee Mc Anerney, CRA	x	x	
1/30/75	Allen Judson, Alaska ^{State} Fire Fighters Assoc.	x	x	x
	Don Berry, Ak. Municipal League	x	x	
	Richard Tucker, Fish Packers Unions	x		
	Jack Chenoweth, CRA	x	x	x
	Rep. Jim Duncan	x	x	
	Virginia Kline, Juneau Assemblywoman, AML Pres		x	
	Ron Hendrie, State Fire Marshall	x		
	Tom Georganna, Katzeck & Assoc (586-3227)	x		
	M. J. [unclear]	x		
	[unclear] CRA	x		
	[unclear]	x		

HB-21

"An Act relating to revenue sharing with local governments for providing certain mass transit facilities or services."

1/25/75

COMMITTEE REPORT

FINANCE

HOUSE

Mr. Speaker:

Date _____

The Committee on CSA has had House Bill 21

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Chairman

A M E N D M E N T

OFFERED IN THE HOUSE:

By: House Community & Regional Affairs

To: Amend HOUSE BILL No. 21

SENATE BILL No. _____

PAGE: 2

LINE: 6

On page 1, line 6, add a new subsection to read:

Sec. 9. W 43.15.150 is amended to read: SPECIFIC HOSPITALS. A municipality shall expend funds received for ~~its profit~~ and for the operation and maintenance of hospitals and health facilities and services under secs. 10 to 19 of this chapter only for these specific facilities and services.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 8, 1975

Meeting was called to order at 9:00 to discuss HB 21. Present:

Rep. Cotten, Chairman	Barbara Englert Thomas, Staff
" Ostrosky	Andrea Guernsey, Staff
" Freeman	Rep. Mike Miller, Sponsor
" Ose	Rep. Bowman
" Davis	Don Berry, Municipal League

Jack Chenwoeth, Director, Local Government
Cheryl Probst, Daily Times

Cotten said that 14.1 million had been requested by the dept. for revenue sharing. He thinks the policy will be determined by Finance instead of C&RA. Miller responded that CRA should decide if revenue sharing is a good idea and send it to Finance.

(129) Freeman asked how many cities have mass transit? Juneau, Ketchikan, Anchorage. Only Juneau and Ketchikan would be eligible because the Anchorage Borough operates theirs.

(208) How is Anchorage denied? They're already getting from State.

(253) Ostrosky-Get \$5 for harbors and airports. Additional \$5 if bill passes.

Anchorage borough not getting because the borough doesn't operate harbor or airport, city does. Borough operates mass transit.

(310) Ostrosky-making 2 categories out of 1 to encourage mass transit.

(353) Ose-Cost of mass transit in Juneau? Started with model cities then failed out. City elected to subsidize. How much revenue will \$5 bring? \$5 arbitrary figure-not based on any need.

(534) Cotten-Other conveyance? Ferries-put in to cover everything. C&RA will determine what is mass transit.

(800) Special language concerning privately owned transit? Either earmark or say that all money has to go if private.

(880) Cotten-add new section: money received by municipality under this section shall be used for mass transit.

Meeting adjourned, at 10:00 until 1:30.

1:30-Present were: Ostrosky, Ose, Cotten, Davis. Amendment was adopted and passed out with individual recommendations.

14.1

14.1
80

In the case of ^{locally approved} privately owned mass
transit facilities, the revenues the local
govts receive under this section

Hearings:

Received CFA 1/20/75

HB 21

4/8/75

CIA, Rep. Denmark
Rep. Tom Clavin - 6-3227
Alaska Municipal League
- mill

<u>Notified</u>	<u>Present</u>	<u>Testified</u>
X	X	X
X		
X	X	X
X	X	X

H/B - 39

COMMUNITIES WHICH ARE INCORPORATED AS I.R.A. CITIES, BUT
WHICH ARE NOT INCORPORATED UNDER ALASKA MUNICIPAL LAW

Atka

Kanatak

Karluk

Kasaan

~~Kwotluk~~

~~Kwinbagak~~

Kwigillingok

Metlakatla

Minto

Nikolski

Noatak

Nunapitchuk

perryville

Point Lay

Stevens Village

Tanacross

Tatitlek

Tetlin

~~Tuvanak~~

Tyonek

Venetie

THE FOLLOWING DOCUMENT(S) MAY NOT FILM
LEGIBLY BECAUSE OF POOR QUALITY OF THE
ORIGINAL.

ALASKA

REGISTRATION

COMMUNITIES ORGANIZED UNDER I.R.A.

REGISTERED

CHARTER

DATE

DATE

		REGISTERED	CHARTER
		DATE	DATE
1.	AKIACHAK	12-2-39	12-3-43
2.	AKIAK	11-21-39	11-21-49
3.	ANGOON	11-15-39	11-15-39
4.	ATKA	4-23-39	4-23-39
5.	BARROW	3-21-39	3-21-49
6.	BUCKLAND	12-30-39	12-30-50
7.	CHANEGA	2-3-40	2-3-40
8.	CRAIG	10-8-38	10-8-38
9.	DEERING	10-26-45	10-26-45
10.	DIOMEDE	1-31-40	1-31-40
11.	DOUGLAS	11-24-41	11-24-41
12.	ELIM	11-24-39	11-24-39
13.	FORT YUKON	1-2-40	1-2-40
14.	CAMBELL	12-31-39	12-31-39
15.	PAINES	12-5-41	12-5-41
16.	HOGNAH	10-23-39	10-23-39
17.	HOLIKACHUK	9-10-43	9-10-43
18.	HYDABURG	4-14-38	4-14-38
19.	KAKE	1-27-48	1-27-48
20.	KANATAK	3-1-41	3-1-41
21.	KARLUK	8-23-39	8-23-39
22.	KASAAN	10-15-38	10-15-38
23.	KETCHIKAN	1-27-49	1-27-49
24.	KING ISLAND	1-31-39	1-31-39
25.	KIVALINA	2-7-49	2-7-49
26.	KLAWOCK	10-4-38	10-4-38
27.	KLUKWAN	3-27-41	3-27-41
28.	KOTZEBUE	4-5-47	4-5-47
29.	KOYUK	8-16-46	8-16-46
30.	KUETHLUK	1-11-40	1-11-40
31.	KUENBAGAK	8-7-48	8-7-48
32.	KRUGILLIGOR	11-25-49	11-25-49
33.	HEROYUE	8-24-40	8-24-40
34.	METLAKATLA	12-19-44	12-19-44
35.	HINTO	12-30-39	12-30-39
36.	NAPAKIAK	7-29-46	7-29-46
37.	NIKOLSKI	6-12-39	6-12-39
38.	NOATAK	12-28-39	12-28-39
39.	NOME	11-23-39	11-23-39
40.	NOORVIE	12-27-39	12-27-39
41.	BUSAPITCHUK	1-2-40	1-2-40
42.	PERRYVILLE	9-1-50	9-1-50
43.	PETERSBURG	5-21-43	5-21-43
44.	POINT HOPE	2-20-40	2-20-40
45.	POINT LAY	3-22-46	3-22-46

ALASKA COMMUNITIES ORGANIZED UNDER I.R.A.		CONSTITUTION RATIFIED DATE	CHARTER RATIFIED
-46.	SAINTE MICHAEL NATIVE VILLAGE OF ST MICHAEL	7-11-40	7-31-48
-47.	SAVOONGA NATIVE VILLAGE OF SAVOONGA	4-19-40	4-10-40
-48.	SAXMAN ORGANIZED VILLAGE OF SAXMAN	1-15-41	1-14-41
-49.	SELALICK NATIVE VILLAGE OF SELALICK	3-15-40	3-15-40
-50.	SHAGELUK SHAGELUK NATIVE VILLAGE	11-1-40	11-1-40
-51.	SHARTOOLIK NATIVE VILLAGE OF SHARTOOLIK	1-27-40	1-27-40
-52.	SHISHNAREF NATIVE VILLAGE OF SHISHNAREF	8-2-39	8-2-39
-53.	SHUNGNAK NATIVE VILLAGE OF SHUNGNAK	7-24-46	7-24-46
-54.	SITKA SITKA COMMUNITY ASSOC OF ALASKA	10-11-38	10-11-38
-55.	STEBBINS STEBBINS COMMUNITY ASSOC	12-5-39	12-5-39
1456.	STEVENS VILLAGE NATIVE VILLAGE OF STEVENS ALASKA	12-30-39	12-30-39
8457.	TALACROSS NATIVE VILLAGE OF TALACROSS	1-5-42	1-5-42
-58.	TANANA NATIVE VILLAGE OF TANANA	4-5-47	4-5-47
11159.	TATITLEK NATIVE VILLAGE OF TATITLEK	12-31-47	12-31-47
11460.	TETLEN NATIVE VILLAGE OF TETLEN	3-26-40	3-26-40
27461.	TUNGNAK NATIVE VILLAGE OF TUNGNAK	1-29-47	1-29-47
-62.	TULUKSAK TULUKSAK NATIVE COMMUNITY	1-5-50	1-5-50
23263.	TYONEK NATIVE VILLAGE OF TYONEK	11-27-39	11-27-39
-64.	UNALARLEET NATIVE VILLAGE OF UNALARLEET	12-30-39	12-30-39
11265.	VENETIE NATIVE VILLAGE OF VENETIE	1-25-40	1-25-40
-66.	WALES NATIVE VILLAGE OF WALES	7-29-39	7-29-39
-67.	WHITE MOUNTAIN NATIVE VILLAGE OF WHITE MOUNTAIN	11-25-39	11-25-39
-68.	WRANGELL WRANGELL COOPERATIVE ASSOC	2-27-47	2-27-47
-69.	ST PAUL ISLAND ALEUT COMMUNITY OF ST. PAUL ISLAND	6-12-50	6-12-50

ALASKA NATIVE ORGANIZATIONS ORGANIZED UNDER I.R.A.

KENAITZE INDIAN TRIBE - Ratified August 1, 1971 - no Charter

INUPIAT COMMUNITY OF
THE ARCTIC SLOPE - Ratified August 26, 1971 - no Charter

THE PRECEDING DOCUMENT(S) MAY NOT FILM
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ORIGINAL.

Unified Municipalities

Juneau, City and Borough of	(17,356)
Sitka, City and Borough of	(6,700)

Boroughs

Bristol Bay Borough	(1,147)
Fairbanks North Star Borough	(50,312)
Greater Anchorage Area Borough	(162,499)
Haines Borough	(1,980)
Kenai Peninsula Borough	(16,254)
Ketchikan Gateway Borough	(10,587)
Kodiak Island Borough	(6,627)
Matanuska-Susitna Borough	(9,600)
North Slope Borough	()

42,479 - Re-sharing
 34,124 32,538 - Re-sharing '73
 H.I.: 7833

Cities

(1)	Anchorage	(78,929)	incl. mil.
(2)	Barrow	(2,307)	
(3)	Bethel	(2,921)	
(4)	Cordova*	(2,114)	
(5)	Craig*	(467)	
(6)	Dillingham*	(1,025)	
(7)	Fairbanks	(32,975)	
(8)	Galena*	(442)	
(9)	Girdwood	(210)	
(10)	Haines	(1,366)	
(11)	Homer	(1,243)	
(12)	Hoonah*	(770)	
(13)	Hydaburg*	(260)	
(14)	Kake*	(551)	
(15)	Kenai	(4,028)	
(16)	Ketchikan	()	
(17)	King Cove*	(338)	
(18)	Klawock*	(290)	
(19)	Kodiak	(3,923)	
(20)	Kotzebue	(2,125)	
(21)	Nenana*	(469)	
(22)	Nome*	(2,488)	
(23)	North Pole	(265)	
(24)	Palmer	(1,409)	
(25)	Pelican*	(109)	
(26)	Petersburg*	(2,126)	
(27)	St. Mary's*	(384)	
(28)	Selawik*	(458)	
(29)	Seldovia	(612)	
(30)	Seward	(1,823)	
(31)	Skagway*	(695)	
(32)	Soldotna	(1,202)	
(33)	Unalaska*	(510)	
(34)	Wrangell*	(2,029)	
(35)	Valdez*	(2,271)	
(36)	Yakutat*	(351)	

HB 39

5/1 Tom ~~Chenoweth~~ ^{Georgiana}, Katrek & Assoc (S86-3227)
Chenoweth

Notified,

Present Testified

X

X

Sam -

There are roughly 3000 in these communities. If you assume that each qualifies for aid under police and fire protection (which all would), and you allow for the 10% cost of services increase most will receive, the total cost of this shouldn't exceed \$66,000.

- | | |
|-------------------|---------------------|
| Alachua | St Johns Village 15 |
| Alford 96 | Talmer 84 |
| Kanatah | Tatitlek |
| Chimney | Tetlin 111 |
| Hol. Kachuk | Township |
| Kasarin 36 | Tyrone (Kinsler) 32 |
| King Island Point | Venetie 112 |
| Koolthluk | |
| Kwintagok | |
| Kwigillingok 148 | HB 39 |
| Methakutta 105 | Extending Mamm |
| Minto 185 | Reu Shav. ng |
| Nikelshi 57 | (approx) |
| Norlak 250 | X 10% cost |
| Nunapitchuk | 2,200 |
| Peroville 101 | |
| Saint Lay | |

HB - 47

Joint House and Senate

COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 28, 1975
9:00 am

Meeting was called to order at 9:10 by Chairman Cotten for a presentation on Revenue Sharing. Present were:

Rep. Sam Cotten, Chairman	Senator Pat Rodey, Chairman
Rep. Oral Freeman	Senator Orsini
Rep. Al Ose	Senator Bradley
Rep. Glenn Hackney	Pat Corbett, Staff
Rep. Kathryn Ostrosky	Katy Straube, Staff
Rep. Larry Davis	Barbara Englert Thomas, Staff
Rep. Mike Hershberger	Andrea Guernsey, Staff
Gary Thurlow, Anchorage Borough Atty.	
John Spencer,	
Annette Viertel, City of Haines	
Donna Sherby, City of Cordova	
Werley M. Howe, Mat-Su Borough	
Jessie L. Dorkin, GAAB	
Cheryl Probst, Anchorage Daily Times	
Edward A. Stahla, city of Ketchikan	
Peg Benkert, City of Anchorage	
Ginny Kline, President, Municipal League	
Randy Phillips, House Minority	

(0-701) Mr. Thurlow started the presentation by passing out a statement on revenue sharing. His talk is going to show how state shared revenue program affects the Anchorage area right now and then how it affects other municipalities. The Anchorage area is broken up into service areas—Anchorage, Glenn Allen, Girdwood. State shared revenues can be distributed according to municipality and according to borough revenues instead of just within a municipality. Tax relief in Anchorage area now—for every dollar Spenard tax payers pay in taxes to local governments, the State puts up 20¢; Sand Lake—15¢; Glen Alps—\$1.45; Girdwood—73¢; City of Anchorage—26¢; Hillside—18¢. (The average is about 22¢). The Alaska Municipal League proposal would change these figures and substitute 50¢ for everybody, so every tax payer gets the same amount of tax relief.

Tax relief to local tax payer is one theory of revenue sharing. Under the existing law the municipality has to send the taxpayer notice indicating what the mill levy equivalent of State shared revenues is. The implication is the State is reducing his tax bill by so much. If it weren't for shared revenue in Spenard, for instance, the mill levy would be 21.68 instead of 19.68.

The other theory is to forget the tax payer and tax relief and look at how much goes out in per capita. (From \$9 in Chugiak [1973 figures] to 253 in Glen Alps per person). Mr. Thurlow said that on any type of revenue sharing program in order to have consistency of fairness, you either have to have the same figures in state shared revenue per capita or consistency in per capita. If you have consistency in

one you'll have it in the other. Most municipalities tax about 20 mills. The Anchorage area mill levy is 19.13 mills arrived at by dividing the total tax base into property tax revenues. Outside the Anchorage area it runs about 16-17 mills, and with a sales tax the amount is 20 or 21. The tax effort in the communities is roughly the same. You get about the same amount of money with per capita distribution as you would with matching of local tax effort. (An exception is North Pole whose tax levy is 2 1/2 mills and no sales tax.)

Revenue sharing ought to work with matching tax dollars or worked out from the stand point of getting money out to each individual. The bill to increase fire protection from \$5 to \$15 is a straight per capita revenue sharing bill because almost any municipality can qualify under it.

There are two myths that he would like to explode. The first is that Anchorage will take all the money, and that its wealthier than other parts of the State. This is not true; the per capita income in Anchorage area (1973) is \$4100 per person. Fairbanks is \$4300 and Kodiak is \$4200. The second myth is that the tax effort in Anchorage is smaller than in other areas. This only seems so because there is no sales tax.

You can't devise a revenue sharing formula based on per capita for the smaller communities. SB 105 allows communities to opt out of the standard revenue sharing formula and go off on block grant basis. The bill gives \$10,000 per community and \$30 per head. The communities with small population wouldn't come out on per capita basis. There is a lot of hit and miss with the present program particularly as it affects the smaller communities. Thurlow thinks that we're going to have to handle the smaller communities different than those in Anchorage area, which have property taxes etc.

The firefighters want the increase in fire protection to be earmarked for that purpose only. This wouldn't affect the Anchorage area because they easily spend \$15 per capita on fire protection, but the smaller communities may have some trouble. How are you going to police them if they spend the money on something else? Revenue sharing should be a tax relief for local tax payer and not categorical assistance—carry out a State program using local governments, or it should be a straight per capita distribution.

The Municipal League bill is a tax relief program. Fire protection bill is a straight per capita distribution, as simple as you can get. If you're going to have consistency in tax effort and per capita distribution you need a simple formula but when you start getting complicated someone will get left out.

The cost of government will go up a lot in the next two years. Mayor Roderick eventually hopes that oil and gas revenues will go to municipalities. Would like to see formula providing for that type of distribution for when the money gets here.

Mr. Thurlow thinks that the present program could be totally revised with the money that would be spent to increase the present one.

(701)Mr. Spencer from Anchorage wanted to make a few comments. He said the municipalities take the brunt of the problems when it comes to delivery of services, which cost more money every year. Do we want to pass on this benefit we have through natural resources to the local governments and let them handle the services to the individuals or do we want to start handling more things on the State level? His thoughts are that the municipalities can do better on the local level than the State could do for everyone. Wants as much money transferred back to the municipalities as possible. How do you transfer funds? The Municipal League formula says that for every \$1 of taxes that you pay on scenic park you get 50¢ back to government which provides those services. There is a built in check and balance--if the taxes were raised to much you'd forget it and if they were lowered too much the State wouldn't contribute shared revenue. There are block grants for smaller communities which must have built in floor.

The bills in the Senate and House are ones that all the municipalities voted on and approved. The people want a new formula. Spencer talked to the Governor, who like the idea of tying a mill rate leveling concept in it so one community didn't pay 25 mills like Seward, and another pay 2 mills and get the same amount of dollars back from the State. Spencer said this was just a minor technical thing to be worked out in the bill.

(893) Chairman Cotten asked Mr. Thurlow what program he had in mind, using the \$3,000,000 that it would cost to increase the present revenue sharing. Thurlow said if you come up with a new formula you're not in a position to cut any municipalities back. With a new program you'd have to put more money into it and he thinks the \$3,000,000 would be enough to start

(917) Mr. Cotten said that the hold harmless clause in the Municipal League bill really means that before any pro ration of the formula took place that community would be allowed at least as much as they had before and if it were to be pro rated they would in effect get less.

(925) Thurlow agreed. The cost of the hold harmless clause in the League bill is minor (\$250,000). Mr. Spencer said they can't pass any new concept that is going to hurt anybody.

(950)Rep. Freeman asked if it wasn't true that many communities get revenue sharing for fire protection that don't get it for police or other things? If you had x dollars for revenue sharing and tripled the amount for fire it comes out of someone else's skin. Yes, it would so you have to change the whole thing because no community can come up with less.

(983)Freeman said that considering the finance of the state, you could give everyone more money with a new formula but no one will get it because the money isn't available. Two years ago it was 8 million, this year it's 14.

(996) Mr. Spencer realizes this, going to cost \$28 or \$29 million to fund this. But this doesn't change the concept of the formula. Formula can be funded on 50%, nobody would get less than before. Cotten asked if this was before or after pro ration. Spencer replied that nobody would get less than before if they opted that way--even after pro ration.

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THE PRECEDING DOCUMENT(S) MAY NOT FILM
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ORIGINAL.



International

Polar air crossroads of the world

**CITY OF
ANCHORAGE**



ALASKA

POST OFFICE BOX 400
ANCHORAGE, ALASKA
99510

April 28, 1975

The Honorable Mike Bradner
Presiding Officer
State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Representative Bradner:

On March 19th of this year, the Anchorage and Fairbanks City Councils met jointly and adopted the attached resolution which urges full funding of the current Shared Revenues formulas.

The City Councils urge you to consider this resolution carefully when dealing with the new fiscal year budget.

Thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "D. G. Weiford".

Douglas G. Weiford
City Manager

Attachment:
Resolution No. A/F 2-75



ANCHORAGE -- FAIRBANKS JOINT RESOLUTION

JOINT RESOLUTION NO. A/F 2-75



A RESOLUTION SUPPORTING INCREASED STATE REVENUE SHARING.

WHEREAS, the State of Alaska has anticipated income from petroleum related activities of great magnitude; and

WHEREAS, municipalities of the state have increasing responsibilities for services to the residents of the state; and

WHEREAS, revenue sources available through taxation are limited to the municipal governments; and

WHEREAS, costs of services have increased in staggering amounts over the past few years and are anticipated to increase at even higher rates in the future,

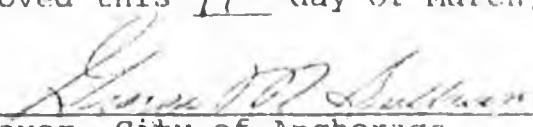
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCILS OF THE CITIES OF ANCHORAGE AND FAIRBANKS, ALASKA:

1. That they support a continuing plan of sharing of state revenues with municipal governments within the State of Alaska.

2. That the legislature be urged to fund the current shared revenue formulas fully.

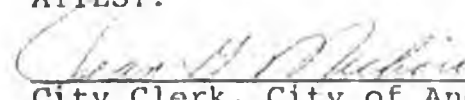
3. That a copy of this resolution be forwarded to the Honorable Jay Hammond, Governor of Alaska, and to the members of the Alaska State Legislature.

Passed and approved this 19th day of March, 1975.



Mayor, City of Anchorage

ATTEST:

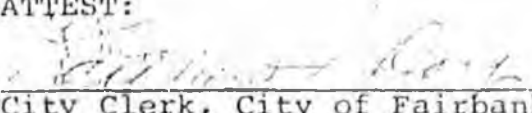


City Clerk, City of Anchorage



Mayor, City of Fairbanks

ATTEST:



City Clerk, City of Fairbanks

January 28, 1975

Samuel R. Cotten
House of Representatives
Pouch V
Juneau, Alaska 99801

Dear

Enclosed you will find a copy of House Bill 47 relating to state revenue sharing payments to municipalities. The proposed changes this legislation seeks to make could have major ramifications for your municipality.

I have written to you earlier (copy enclosed) requesting any recommendations or comments you might wish to make concerning this. Once again let me stress the importance of this bill concerning revenue sharing and ask that you send me your ideas and recommendations. Any input you might make will offer invaluable assistance in considering this bill which affects all areas of our state.

If you have any questions, or if I can be of help in any way, please don't hesitate to call on me.

Hoping to hear from you in the immediate future.

Sincerely,

Samuel R. Cotten
Representative

SRC:ASG

Enclosures (2)

Attached Letter Sent to:

Tom G. Armour
Borough Manager
Bristol Bay Borough
Nabnek, AK 99737

✓ Barbara Steckel
~~Joe P. Schaffner, Jr.~~
City Manager
Box 46
Kotzebue, AK 99752

Kenneth E. Pythor, Mayor
~~Barbara Prindle~~
~~Clerk/Treasurer~~
City of Delta Junction
Box 229
Delta Junction, AK 99737

Mr. Jack P. English
City Manager
City of Seldovia
Drawer B
Seldovia, AK 99663

Barbara Jeffingwell
Finance Director
City of Skagway
Box 715
Skagway, AK 99840

Mr. Stanley Bippus
Mayor, City of Craig
Box 12
Craig, AK 99921

✓ Mrs. Joyce Easter, City Clerk
~~Mr. H.E. Hobb~~
Acting City Manager
City of Wrangell
Wrangell, AK 99929

Wesley M. Heine
Borough Manager
Mt. Aruskuk - Susitona Borough
Box B
Palmer, AK 99645



February 28, 1975

Samuel R. Cotten
House of Representatives
Pouch V
Juneau, Alaska 99801

Re: House Bill # 47

Dear Mr. Cotten:

Thank you for your concern in your recent letter concerning HB #47, which relates to State Revenue Sharing payments to municipalities. I apologize for the delay in answering your request for our opinions concerning this house bill, but I felt that there should be adequate time on my part as well as the Council to thoroughly discuss and research the possible ramifications of the proposed HB #47. I wish to inform you that the City of Delta Junction must go on record as being opposed to the proposed HB #47. As you may or may not know, the City of Delta Junction at this point in time does not have a tax base although efforts in the past have been tried to establish a sales tax, these initiatives have been defeated. The Council at this time, is in the process of trying to develop both a proposed sales tax question and also a property tax to be brought before the people. We do not anticipate though that either tax initiative, if passed, would be in effect much before the latter part of 1975. If HB #47 were to be passed, I'm afraid this would create severe financial hardship on our municipality on this point in time.

As you may or may not know, the City is experiencing a rather considerable increase in population, primarily due to the pipeline. We are also experiencing ansuiary pipeline impact in the form of increasing crime and demands on the city services. We are at this point in time in the process of trying to develop a local police department, as well as trying to develop a full-time fire department in the form of 24 hour coverage.

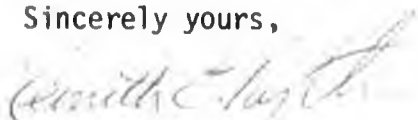
The North End of the Alaska Highway

Samuel R. Cotten
February 28, 1975
Page 2

We are anticipating using the majority of our \$379,000 that we received from the State last year for impact funding for these projects. It should be noted that the city budget for Fiscal Year 1975 increased close to \$35,000 over last year's budget. This reflects an increase in contractual services that the City has provided for in the past as well as increased administrative costs. Our budget for Fiscal Year 1975 totaled in excess of \$114,000. As you can see according to HB #47, Section 43.17.030, Titled Minimum Grants to Municipalities, the City of Delta Junction would be entitled to a \$25,000 Grant. This would not provide 1/3rd of the needed revenues that the City now requires to operate a minimal municipal function. Therefore, at this point in time until the City can establish a tax base, whether it be sales or property tax, we would be totally against the proposed bill. Possibly in the near future, if and when we get a tax base, especially a property tax with the amount of pipeline we have going through our City Limits, the proposed bill would certainly be of benefit to us having some idea of our taxable property base within our city limits.

I wish to thank you for your concern for our municipality. If I may be of future service to you, please do not hesitate to call upon me.

Sincerely yours,



KENNETH E. RYTHUR
Mayor

cc: Red Swanson

pd



Matanuska-Susitna Borough, Inc.

BOX B, PALMER, ALASKA 99645 • PHONE 745-3246

DEPARTMENT OF ADMINISTRATION

February 3, 1975

Representative Samuel R. Cotten
Alaska House of Representatives
Pouch V, State Capitol
Juneau, Alaska 99801

Dear Representative Cotten:

Thanks for your inquiry about this Borough's position with respect to proposed amendments to the State's Municipal Revenue Sharing program.

We feel that the present scheme is not adequate and the proposed changes would be a definite improvement. State aid to this Borough under the proposed legislation would increase.

I think the provisions you have referred to are contained in HB 47. We urge your support.

Yours truly,

A handwritten signature in cursive script that reads "Wesley M. Howe".

Wesley M. Howe
Borough Manager

WMH/rr

cc: Alaska Municipal League, Juneau

CITY OF WRANGELL

P.O. Box 531 ● Wrangell, Alaska 99929 ● Area Code 907 Ph. 874-2381

February 3, 1975

Samuel R. Cotten
Alaska House of Representatives
Pouch V - State Capitol
Juneau, Alaska 99801

Re: HOUSE BILL NO. 47

Dear Sir:

The City of Wrangell is aware of the proposal for the amendment and revision to the State Revenue Sharing Program. We supported the proposal at the Alaska Municipal League meeting held in Juneau in the latter part of October 1974.

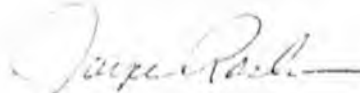
The City felt the present system was inadequate and that the proposed changes would be a great improvement. The provision of Sec. 43.17.030 would protect those municipalities which have no tax revenue sources. The increased revenue the City of Wrangell would derive from the proposed change would enable us to furnish more services which would control pollution (ie. we are presently faced with solid waste management for which no local funds are available without increased taxes and/or rates). Whether the City could expand transportation services other than the present harbor and port facilities has not been determined. A great improvement of present services would be realized through the proposed change in all areas such as police protection, etc.

One question is raised. Under the present program the entitlement based on hospitals and health facilities must be used only for the specific hospital and health facility included in the application. I find no provision in the proposed bill which mandates any specific amount for hospitals and health facilities. I assume, since they are essentially supported by the recipient government, the provision was not required.

Your support of House Bill No. 47, as written, is solicited.

Very truly yours,

CITY OF WRANGELL



Joyce Rasler (Mrs.), City Clerk
Acting City Manager

cc: Representative E. J. Haugen
Senator Pete Meland

CITY OF KOTZEBUE

P.O. BOX 46
KOTZEBUE, ALASKA 99752
907-442-3571

February 4, 1975

Samuel R. Cotten
House of Representatives
Pouch V
Juneau, AK 99801

Dear Representative Cotten:

Thank you for the copy of HB 47 relating to state revenue sharing payments.

By this time you should be in receipt of my comments to your January 4th letter. My comments remain the same. I note that HB 47 does include the provision under Sec. 3 that a community would not receive a cut in their revenue sharing for at least two years. This would appear to be fair to a community who would receive a cut and allow them sufficient time to plan accordingly, but, would prefer to see them continue to receive at the rate they are currently receiving. Would it be possible to know the communities that would receive a cut and the exact amount?

We shall continue to watch the progress of HB 47 and others that are introduced regarding revenue sharing.

IF HB 47 does not go through, we would strongly support both HB 15 & 16 relating to Fire Protection.

Sincerely,


Barbara Steckel
City Manager

BJS:dm

"GATEWAY TO NORTHWEST ALASKA"

CITY OF KOTZEBUE

P.O. BOX 46
KOTZEBUE, ALASKA 99752
907-442-3871

OFFICE OF THE CITY MANAGER

January 26, 1975

Honorable Samuel R. Cotten
Alaska House of Representatives
Pouch V
Juneau, Alaska 99811

DEar Representative Cotten:

Thank you for your interest in the proposed changes to the state revenue sharing program.

The proposals presented by the Alaska Municipal League through the City and Borough of Anchorage were discussed very thoroughly at the AML meetings in Juneau. The original proposals helped all the communities in Alaska with the exception of about 7, Kotzebue being one of the 7. If the proposal you received contained the clause that no community would receive less than they are presently receiving, then the City would have no objection. However, if the clause is not in it, we would be hurt very badly.

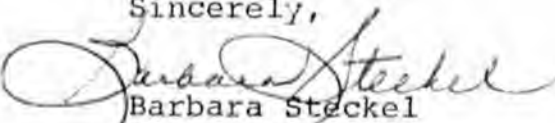
The present proposal from AML would be a definite asset to the communities who have a property tax, which we do not. Our present tax base amounts to only a 3% sales tax. Therefore, on the basis of local tax revenues, the City of Kotzebue would lose at least \$10,000 of the state shared revenue presently received. Several other small communities would be in a similar position. I do not believe the proposal had the intention of communities raising their taxes in order to get additional state shared revenue.

At the present time we are satisfied with the program, with the exception of a definite increase in the Fire Protection from the \$5 per capita presently received and there is no way that the \$1500 per mile covers our extensive snow removal and road repair.

Under the circumstances, unless we would receive the amount currently being received, we would have to disagree with the AML proposal.

Thank you for giving us the opportunity to comment.

Sincerely,


Barbara Steckel
City Manager

cc: Senator Frank Ferguson
Representative Brenda Itta

"GATEWAY TO NORTHWEST ALASKA"

Representative mill levies
and sales tax levies (1973)

<u>City</u>	<u>Mill levy</u>	<u>Sales tax</u>
<u>Anchorage</u>	20.36	
Eagle River	20.36 13.64	—
Muldoon	19.55	—
Sand Lake	19.75	—
Spennard	19.68	—
Rabbit Creek	15.81	—
<u>Cordova</u>	18.00	4%
<u>Juneau</u>	17.83	3%
<u>Homer</u>	17.00	3%
<u>Kenai</u>	15.50	4%
<u>Kodiak</u>	13.48	3%
<u>Fairbanks</u>	18.50	5%
<u>Palmer</u>	12.80	2%
<u>Petersburg</u>	17.00	5%
<u>Seward</u>	25.00	3%
<u>Sitka</u>	no info	4%
<u>Soldatna</u>	19.00	3%
<u>Skaqway</u>	15.00	2%
<u>Wrangell</u>	18.00	4%
<u>Yakutat</u>	15.00	2%
<u>Valdez</u>	13.58	4%

Alaska State Legislature

HB 47

REPRESENTATIVE
SAM R. COTTEN
P.O. BOX 296
EAGLE RIVER, ALASKA 99577

CHAIRMAN
COMMUNITY & REGIONAL
AFFAIRS COMMITTEE
MEMBER
JUDICIARY COMMITTEE



OFFICE IN BUREAU
POUCH V
JUNEAU, ALASKA 99801

House of Representatives

February 19, 1975

Robert A. Breena
Deputy Borough Attorney
Greater Anchorage Area Borough
3500 East Tudor Road
Anchorage, Alaska 99507

Dear Bob:

We are in the process of studying Revenue Sharing as a package. There have been several bills introduced concerning this matter (enclosed). Also several of the CAA legislative proposals have been introduced. I'm not sure right now if all the areas have been covered. I will find out.

The material you provided me has been very valuable in studying the Revenue Sharing program. Many others have used the same information and they extend their thank yous.

The more you are aware of our efforts to aid the law through. I'm sorry to report we haven't had all the cooperation we could use from all parties concerned. Things are moving slow and I still am not sure how things are going to work out.

Thanks for writing and you can expect to hear from me soon.

Sincerely,

Sam R. Cotten

Enclosure

HB 15, 16, 21, 23

39, 41, 65, 85, 88, 3

HB 47

GREATER ANCHORAGE AREA BOROUGH

3500 EAST TUDOR ROAD
ANCHORAGE, ALASKA 99507

February 10, 1975

DEPARTMENT OF LAW
279-8686



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Representative Sam Cotten
Chairman
Community & Regional Affairs Committee
State House of Representatives
Room 210 Assembly Building
Juneau, Alaska 99801

Dear Sam,

I am writing to inquire as to how far your Committee has progressed with any bills relating to State revenue sharing. It is my understanding that several bills have been submitted relating to this issue. I would very much appreciate it if a member of your staff could xerox any such bills and forward them to me.

I hope that the materials I have given you in our meetings have been of some assistance to you in chairing your Committee. I sincerely hope that your Committee can serve as a launching pad for a new State revenue sharing program. If I can be of any assistance in helping you develop legislation or research its impacts, please let me know. I would be happy to journey to Juneau if you ever feel it would really be beneficial to do so.

I would also like to know if you have had an opportunity to review the Borough's legislative proposals I gave you. Several of those proposals could have a strong positive impact on the new Eagle River Borough. I speak specifically of our proposals relating to local water pollution control programs, State assistance for local sewer and water supply projects, water supply and sewer construction bonds, State compliance with local planning, platting, and zoning regulations, Senior citizens property tax exemptions, vacation of public easements and right-of-ways, and our motor vehicle registration proposal. Each of these proposals would either put more

money into the hands of the new Borough, or provide it with necessary powers to handle pressing problems such as junk car removal, water pollution, sewer extensions, and land use control. I would urge you to consider these proposals carefully, for I think you would agree they could all have a positive impact in your community.

Let me thank you in advance for sending me the materials on revenue sharing. Keep up the good work and don't let the oil people steal the State treasury.

Best Regards,

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

ROBERT A. BREEZE
Deputy Borough Attorney

RAB/cro

Samuel R. Cotten
Alaska House of Representatives
Box 296
Eagle River, Alaska 99577

Jan. 4, 1975

Leo P. Schaeffer, Jr.
City Manager
Box 46
Kotzebue, Alaska 99752

Dear Sir:

I have just recently received legislative proposals from the Alaska Municipal League, Greater Anchorage area Borough, and the City of Anchorage. These proposals deal with changes in the state revenue sharing programs. I would appreciate your feelings and reactions to these proposals.

As you may know, the proposals seek to replace funding on the basis of services furnished with funding on the basis of local tax revenues, and on a per capita or minimum block grant basis for smaller municipalities. I would like to know (1) if you are satisfied with the way the existing program works, (2) if you think the proposals represent a positive change, (3) if the current scheme could be altered slightly, in the amounts granted or with minimum grants for certain services such as transportation not currently being furnished, and (4) are you in support of the proposed changes? It is important that any changes in the program equally benefit both the smaller and larger municipalities alike. Therefore municipal input for this legislation is very important.

Since this legislation is of great importance to all areas of the state, your comments and recommendations would be greatly appreciated.

Thank you for your cooperation in this matter.

Sincerely,

Samuel R. Cotten

A

Samuel R. Cotten
Alaska House of Representatives
Box 296
Eagle River, Alaska 99577

Jan. 4, 1975

Tom G. Armour
BorupuganMgnager
Bristol Bay Borough
Naknek, Alaska 99737

Dear Sir:

I have just recently received legislative proposals from the Alaska Municipal League, Greater Anchorage area Borough, and the City of Anchorage. These proposals deal with changes in the state revenue sharing program. I would appreciate your feelings and reactions to these proposals.

As you may know, the proposals seek to replace funding on the basis of services furnished with funding on the basis of local tax revenues, and on a per capita or

minimum block grant basis for smaller municipalities.

I would like to know (1) if you are satisfied with the way the existing program works, (2) if you think the proposals represent a positive change, (3) if the current scheme could be altered slightly, in the amounts granted or with minimum grants for certain services such as parking, your municipality could provide services such as parking, and recreation and transportation not currently being furnished, and (4) are you in support of the proposed changes? It is important that any changes in the program equally benefit both the smaller and larger municipalities alike, so municipal input for this legislation is very important.

Since this legislation is of great importance to all areas of the state, your comments and recommendations would be greatly appreciated.

Thank you for your cooperation in this matter.

Sincerely,

Samuel R. Cotten

Samuel R. Cotten
Alaska House of Representatives
Box 296
Eagle River, Alaska 99577

Jan. 4, 1975

Barbara Frindle
Clerk/Treasurer
City of Delta Junction
Box 229
Delta Junction, Alaska 99737

Dear Clerk:

Recently I have received proposals for changes in the state revenue sharing program, sponsored by the City of Anchorage, as well as the Anchorage Borough and the Alaska Municipal League. In order for me to evaluate these proposals, I need to know your feelings on them.

As you may know, the proposals seek to replace funding on the basis of services furnished with funding on the basis of local tax revenues, and on a per capita or minimum block grant basis for smaller municipalities. I would like to know (1) if you are satisfied with the way the existing program works, (2) if you think the proposals represent a positive change, (3) if the current scheme could be altered slightly, in the amounts granted, or with minimum grants for certain services, so that your municipality could provide services such as planning, transportation and police not currently being furnished, and (4) are you in support of the proposed changes? It is important that any changes in the program equally benefit both the smaller and the larger municipalities alike, so municipal input for this legislation is very important.

Since this legislation is of great importance to all areas of the State, your comments and recommendations would be greatly appreciated.

Thank you for your cooperation in this matter.

Sincerely,

Samuel R. Cotten

Samuel R. Cotten
Alaska House of Representatives
District 8
Box 296
Eagle River, Alaska 99577

Jan. 4, 1975

Mr. Jack P. English
City Manager
City of Seldovia
Drawer B
Seldovia, Alaska 99663

Dear Mr. English:

Recently I have received proposals relating to proposed amendments to the existing revenue sharing distribution (Title 43). I am writing this letter so that I can evaluate both the existing scheme and the proposed legislation.

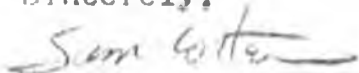
Basically the proposals, supported by both the City and the Borough of Anchorage, and the Alaska Municipal League, plan to replace the funding on the basis of services performed with funding on the basis of locally-raised revenues, or a per-capita or minimum block grant for smaller municipalities. What I need to know concerns the following: What are the basic drawbacks to the present funding scheme? Could the amounts be increased, revised or modified to enable you to perform services not presently performed, such as transportation and parks? Do you have any further suggestions and recommendations on either the existing scheme or the proposed legislation? Have you had an opportunity to review the proposal sponsored by the Alaska Municipal League?

As the session will begin in about two weeks, it would be greatly appreciated if you could reply as quickly as possible. As this legislation deals with matters of great importance to all areas of the State, it will undoubtedly be the center of much discussion and debate.

If I can be of any help to you and your community in the future, please do not hesitate to contact me.

Thank you for your cooperation in this matter.

Sincerely,



Samuel R. Cotten

Samuel R. Cotten
Alaska House of Representatives
Box 296
Eagle River, Alaska 99577

Jan. 4, 1975

Barbara Leffingwell
Finance Director
City of Skagway
Box 415
Skagway, Alaska 99840

Dear Mrs. Leffingwell:

Recently I have received from the Greater Anchorage Area Borough, the City of Anchorage, and the Alaska Municipal League, proposals for amendments and revisions to the state revenue sharing program. In order that I might better evaluate these proposals, I would like to know your feelings on them.

As you may know, the proposals seek to replace funding on the basis of services performed with funding on the basis of local tax revenues, or per capita and minimum block grants for smaller municipalities. I would like to know (1) if you feel the present system is inadequate, (2) if the proposed changes would be an improvement, (3) if increases in the amounts granted, or similar minor modifications would enable your municipality to provide services such as planning, parks and recreation and transportation not currently being furnished and (4) is the proposed change supported by your municipality? It is important that any changes made should equally benefit both the larger and smaller municipalities. For this reason, it is important that I have some input from other interested municipalities before the proposal receives further consideration by the legislature.

As this legislation will most certainly be of considerable importance to all municipalities, your comments, suggestions and recommendations will be greatly appreciated.

Thank you for your cooperation in this matter.

Sincerely,

Samuel R. Cotten

Samuel R. Cotten
Alaska House of Representatives
Box 206
Eagle River, Alaska 99577

Jan. 4, 1975

Mr. Stanley Elppus
Mayor, City of Craig
Box 12
Craig, Alaska 99921

Dear Mayor:

Recently I have received proposals for changes in the state revenue sharing program, sponsored by the City of Anchorage, the Anchorage Borough and the Alaska Municipal League. In order for me to evaluate these proposals, I would appreciate some input from you.

As you may know, the proposals seek to replace funding on the basis of services performed with funding on the basis of locally raised tax revenues, with alternatives for smaller municipalities based on population or a minimum block grant. I would like to know (1) if you are satisfied with the way the current program works, (2) if you think the proposed changes would be an improvement, (3) if increases in the amounts granted, or other minor changes would enable you to provide services not currently being provided and (4) is the proposed change supported by your municipality? It is important that any changes be equally beneficial to larger and smaller municipalities alike, and for this reason, municipalities should make their preferences available for consideration.

As this legislation is of great importance to all areas of the state, your comments and recommendations will be greatly appreciated.

Thank you for your cooperation in this matter.

Sincerely,

Samuel R. Cotten

Samuel R. Cotten
Alaska House of Representatives
Box 296
Eagle River, Alaska 99577

Jan. 44, 1975

Mr. H. E. McNabb
City Manager
City of Wrangell
Wrangell, Alaska 99929

Dear City Manager:

Recently I have received from the Greater Anchorage Area Borough, the City of Anchorage, and the Alaska Municipal League, proposals for amendments and revisions to the state revenue sharing program. In order that I might better evaluate these proposals, I would like to know your feelings on them.

As you may know, the proposals seek to replace funding on the basis of services performed with funding on the basis of local tax revenues, or per capita and minimum block grants for smaller municipalities. I would like to know (1) if you feel the present system is adequate, (2) if the proposed changes would be an improvement, (3) if increases in the amounts granted, or similar minor changes would enable your municipality to furnish such services as transportation and pollution control that are not currently being furnished and (4) if the proposal supported by your municipality? It is important that any changes made should equally benefit both the larger and the smaller municipalities. For this reason, it is important that I have some input from individual municipalities before the proposal receives further consideration by the legislature.

As this legislation will certainly be of great concern to all municipalities, your comments and recommendations will be greatly appreciated.

Thank you for your cooperation.

Sincerely,

Samuel R. Cotten.

Samuel R. Cotten
Alaska House of Representatives
Box 296
Eagle River, Alaska 99547

Jan. 4, 1975

Wesley M. Howe
Borough Manager
Matanuska-Susitna Borough
Box B
Palmer, Alaska 99645

Dear Manager:

Recently I have received from the City of Anchorage, as well as the Anchorage Borough and the Alaska Municipal League, proposals for amendments to the state revenue sharing program. In order that I might better evaluate these proposals, I would like to know your position on them.

As you may know, the proposals seek to replace funding on the basis of services furnished, with funding on the basis of local tax revenues, or per capita and minimum block grants for smaller municipalities. I would like to know (1) if you feel the present scheme is adequate and equitable, (2) if the proposed changes would be an improvement, (3) if increases in the amounts granted, or similar minor changes would enable you to provide services not currently furnished and (4) are the changes supported by your municipality? It is important that any changes should benefit both the larger and smaller municipalities equally, and for this reason the legislature should have adequate input on this proposed change.

As this legislation will be of great importance to all areas of the state, I would greatly appreciate any comments and suggestions you might have.

Thank you for your cooperation in this matter.

Sincerely,

Samuel R. Cotten

Hearings:

Received CPA 1/23/75

HB 47

Notified Present Testified

Tom Georgianna, Kutzeek & Assoc (586-3227)

Carolyn Burg 6-2747

Rowley Phillips 971112-8

Feb 27 - Bd mtg of NML

113

Some things discussed at board meeting 2/27, record of work done
state and some other by committee

Board of directors for the school year, 1954-55

1. Board of directors

2. Board of directors

3. Board of directors

4. Board of directors

5. Board of directors

6. Board of directors

7. Board of directors

8. Board of directors

9. Board of directors

10. Board of directors

11. Board of directors

12. Board of directors

13. Board of directors

HB-65

COMMITTEE REPORT

HOUSE

Mr. Speaker:

Date June 13, 1943

The Committee on FINANCE has had SENATE BILL NO. 10

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____
COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends: DO NOT PASS
_____ recommends: DO NOT PASS
_____ recommends:
_____ recommends:
_____ recommends:

_____ Chairman

A M E N D M E N T

OFFERED IN THE HOUSE:

By: Community & Regional
Affairs Committee

To: Amend _____ HOUSE BILL No. CSRB 48 65

SENATE BILL No. _____

PAGE: 1 _____

LINE: 13 _____

On page 1, line 13, delete "resided" and insert "maintained
a permanent place of abode".

No tape of this
meeting

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 10, 1975

Meeting was called to order at 1:30 to discuss CS for SSHB 65.

Rep. Cotten	Rep. Ostrosky
Rep. Ose	Rep. Freeman
Rep. Hackney	Rep. Davis
Barbara Englert	Thomas, Staff
Andrea Guernsey,	Staff

The committee looked over the committee substitute and Rep. ose wanted to clarify that the owner had to live on the land permanently. There was an amendment added on line 13--delete "resided" and insert "maintained a permanent place of abode".

Rep. Ostrosky made a motion to move the bill out with individual recommendations as amended. So moved.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 3, 1975

Meeting was called to order at 7:30 pm for discussion of SSHB 65.
Present were: Cotten; Ostrosky; Ose and Hershberger.

A great deal of the meeting was spent deciding who the bill was trying to protect. No concrete definitions were made.

The committee tried to outline the problems with the bill.

I. It repeals the farm use status in 29.53.35. It was agreed to leave the farm use alone and write new section dealing with undeveloped land. Page 1, sec 1, start over with something like: "Undeveloped Land", A person owning and residing on a parcel or tract of undeveloped land over _____ acres and not exceeding _____ acres may apply for an exemption under this section.

Hackney would like to talk to someone from a bank concerning what will happen if they become involved.

The effects on planning and zoning need to be discussed; to avoid haphazard development. Need to talk to Kevin Waring.

Meeting was adjourned at 9:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 5, 1975

Meeting was called to order at 3:20 by Chairman Cotten for discussion of SSHB65.
Present were:

Rep. Sam Cotten	Rep. Ramona Kelley
Rep. Al Ose	Rep. Bowman, Sponsor
Rep. Larry Davis	Bob Dozier, State Assessor
Rep. Oral Freeman	Barbara Englert Thomas, Staff
	Andrea Guernsey, Staff

Rep. Bowman started by saying that the purpose of the bill was for the person who homesteaded or perhaps built their own home and then either a developer comes in next door or the community expands and the taxes go up so much that this person can no longer afford his home. This is addressed to farmers and small land owners.

Chairman Cotten asked if he intended to take out the provision for State reimbursement, without it the municipalities would suffer. Mr. Bowman didn't see that he had.

Mr. Freeman asked if there was a requirement that the land be used as a home? Bowman said no, but he had no quarel with putting in a requirement. Freeman also commented on the fact that there was a limit of 160 acres in the original bill but no limit in the substitute.

Dozier said that the first section of the sponsor substitute was already covered in the Statutes.

Chairman Cotten appointed a subcommittee of himself and Ose to work with Rep. Bowman on the bill. Cotten favors the bill but doesn't want the municipalities hurt..

Meeting adjourned at 4:30.

Sam Cotton

HB 65

S R. Doyler
4-14-76

Comments on SB NO 529:

Define Intent of the Farm and Agriculture Land Assessment Law (AS 29 53.035).

1. Assisting People who Farm or
2. Preserving green BEST land.

1.(a) The present law is a grant of state funds to people who own farm land and have made a constructive effort toward farming the land.

2.(a) Senate CS, CS, SS, HB NO 65 is designed to assist a person retain the land in its farm use or undeveloped status with a provision that the assistance ceases only when the use of the land changes.

Recommendation:

1. Repeal AS 29.53.035 and Reenact with the wording of Senate CS CS SS HB 65.

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. Senate CS, CS, SS, HR No. 65
 Title: Assessment of Property for Local Taxation
 Requested by: Senate Finance Committee Date: 4-8-76
 Return Date Requested: 4-9-76
 Agency: Dept. Community & Regional Affairs Program: Local Government Assistance

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES		51.6				
200 TRAVEL		4.0				
300 CONTRACTUAL		6.2				
400 COMMODITIES		1.3				
500 EQUIPMENT		2.6				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		935.6				
TOTAL		1001.3				

B. FUNDING: (Thousands of dollars)

GENERAL FUND	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
GENERAL FUND		1001.3				
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
PERMANENT/TEMPORARY	/	2 /	/	/	/	/
MAN MONTHS (P./T.)	/	24 /	/	/	/	/

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

Assumptions:

1. Assessment date January 1, 1977; Tax Statements mailed July 1, 1977.
2. Projected tax base assumptions are based on known January 1, 1975 valuations. Based on the attached summary there are 38 or 4665 parcels effected, discounted 50% for development rights with appreciation of 10% per year to January 1, 1977.
(64,974,120 = 2333 parcels x 27,856 average value x 20% appreciation)
3. Projected tax revenue is based on a statewide average rate of 12 mills.
(935,627 = 64,974,120 tax base x 12 mills)

IV. ATTACHMENTS

DATE: 4-9-76

PREPARED BY: _____

S. Robert Doyier
State Assessor

Final: Legislative Finance
 Budget and Management
 Prime Sponsor (First Legislator Named)
BOWMAN

Fiscal Note: SCS,CS,SS HBN065

Assumptions Continued

Home Rule and First Class Municipalities

Real Property Assessed Value 1/1/75			4,331,686,418
Number of Parcels			155,500
Valuation Per Parcel			27,856
Population			338,123
Population Per Parcel			2.174

Residential Property	83,970	54%	2,339,068,320
Single Family Parcels	62,200	40%	1,732,643,200
3 to 160 Acre Parcels	23,325	15%	649,741,200
Ten Year Resident Parcels	4,665	3%	129,948,240
Development Rights Discount		50%	64,974,120
Appreciation 1/4/75 - 1/1/77		20%	77,968,944
Tax Revenue @ 12 mills average			\$935,627

The bill provides for partial deferrment of taxes on certain real property subject to restrictions as specified by the act in an agreement between the owner and the municipality. Deferred taxes paid by the state to the municipality for the applicant creates a lien on the property in favor of the state in an amount equal to the deferred taxes plus interest which becomes due and payable at the time the land is converted to a use inconsistent with the provisions of the agreement. A municipality is bound by the provisions of this act unless excluded by referendum.

Administration of the program will be the responsibility of the Department of Community and Regional Affairs. The pilot program will require the development of administrative code regulations, forms and procedures for both municipal and state responsibilities. The Department will assist each municipality in the development of a uniform formula for the valuation of development rights; receive and audit applications; reimburse each municipality as appropriate for lost revenue; develop lien procedures and annually file in the district court in which the property lies, a lien on each property in favor of the state; keep accurate records on each property including accrued interest at the current rate of business loans as authorized under AS 45.95; enforce tax liens as appropriate; and estimate within reasonable limits the subsequent years program FY BRU grant.

Under direction of the State Assessor, the Program Supervisor will develop regulations, procedures and forms and assume major program responsibilities. The statistical clerk position will provide the back-up for the program supervisor and assist with all related office duties.

The Administrative costs are estimated as follows:

100 Personal Services

Program Supervisor		
Range 21, Step B	29,332	
Statistical Clerk II Step B, Range 9	12,612	
Total Salary	41,944	
Fringe Benefi @ 23%	9,647	
Total Personal Services		51,591

Travel & Per Diem

State Assessor	1,000	
Program Supervisor	3,000	
Total		4,000

Contractual Services

Telephone and Long Distance	500	
Postage	100	
Printing Forms, Misc.	1,500	
Data Processing	2,500	
Machine Rental & Xeroxing	300	
Office Rent-200 sq. ft. @ 55¢	1,320	
Total		6,220

Commodities

Reference Materials and Maps	1,000	
Office Supplies	300	
Total		1,300

Equipment

Executive Desk	@315	315	
Executive Chair	@130	130	
Secretarial Desk	@370	370	
Secretarial Chair	@115	115	
Calculator	@440	440	
Typewriter	@800	800	
Filing Cabinets	@220	220	
Table	@105	105	
Book Case	@105	105	
Total Equipment			2,600

Total FY 77 Budget Request for operation of Senate CS for HB 65		65,711
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BY THE RULES COMMITTEE
BY REQUEST

1 IN THE SENATE

2 SENATE BILL NO. 457

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to farm or agricultural lands; and
7 providing for an effective date."

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

9 * Section 1. AS 29.53.035(c) is amended to read:

10 (c) In this section "farm use" means the use of land for raising
11 and harvesting crops or for the feeding, breeding and management of live-
12 stock or for dairying or another agricultural use for profit or any
13 combination thereof. To be farm use land, the owner or the lessee must
14 be actively engaged in farming the land, and either the owner or the
15 lessee must derive at least 10 per cent of his yearly gross income from
16 the farm use land. The provisions of this section do not apply to land
17 respecting which the owner has granted, and has outstanding, a lease or
18 option to buy the surface rights. A property owner wishing to file for
19 farm use classification having no history of farm-related income may
20 submit a declaration of intent at the time of filing the application with
21 the assessor setting out the intended use of the land and the anticipated
22 percentage of income. An applicant using this procedure shall file with
23 the assessor before February 1 of the following year a notarized state-
24 ment of the percentage of gross income attributable to the farm use land.
25 Failure to make the filing required in this subsection forfeits the
26 exemption.

27 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
28 070(c).
29

1 IN THE HOUSE

BY BOWMAN, BRADNER AND KELLEY

2 SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 65

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to assessment of real property for
7 local taxation."

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

9 * Section 1. AS 29.53.035 is repealed and re-enacted to read:

10 Sec. 29.53.035. FARM USE AND UNDEVELOPED LAND. (a) A person
11 owning farm use land, or a parcel or tract of undeveloped land exceed-
12 ing two and one-half acres in total area, may apply for assessment
13 under this section.

14 (b) Farm use lands shall be assessed on the basis of full and true
15 value for farm use, and shall not be assessed as if subdivided or used
16 for some other nonfarm purpose. ~~The assessor shall maintain separate~~

17 ~~assessment records evaluating the farm use land for other than farm use~~
18 ~~purposes, where applicable. If the farm use land is sold, leased, or~~

19 otherwise disposed of, for other than farm use purposes, the owner
20 ~~is liable to pay the additional tax for the period of time it was assessed as farm use land, if less than 10 years, or for the~~

21 ~~period of time the land was assessed as farm use or undeveloped land, not to~~
22 ~~exceed 10 years. The amount of deferred tax shall be based on the full and~~
23 ~~true value of the land, and the current mill rate, at the time of development.~~
24 ~~tax year, even though the land had not been assessed for farm use purposes.~~

25 (c) Undeveloped land shall be assessed on the basis of its full
26 and true value as undeveloped land or for the purpose for which it is
27 actually being used, and shall not be assessed as if subdivided or used
28 for some other purpose. ~~The assessor shall maintain separate assessment~~
29 ~~records evaluating undeveloped land for other purposes, if applicable.~~

When the land is developed, the owner at the time it is developed is

1 to the municipality the deferred taxes, plus 5 percent interest, for
2 liable to pay the additional tax for the ~~period of~~ 10 years or for the
3 period of time it was ~~assessed~~ ^{assessed} as ~~undeveloped~~ ^{undeveloped} land, ~~if less than~~ ^{not to exceed} 10 years.

4 ~~The amount of deferred tax shall be based on the full and true value of the land and~~
5 ~~the land had not been assessed under this section.~~
6 ~~current mill rate at the time of development.~~

7 (d) To secure the assessment under this section, an owner of farm
8 use or undeveloped land must make application to the assessor before
9 February 1 of each year in which the assessment is desired. The appli-
10 cation shall be made upon forms prepared and supplied by the assessor
11 and shall include information which may reasonably be required to deter-
12 mine the entitlement of the applicant.

13 (e) In this section

14 (1) "farm use" means the use of land for raising and har-
15 vesting crops or for the feeding, breeding and management of livestock
16 or for dairying or another agricultural use or any combination of these
17 uses and includes the preparation of the products raised on the farm use
18 land and disposal by marketing or otherwise; and includes the construc-
19 tion and use of dwellings and other buildings customarily provided in
20 conjunction with the farm use; to be farm use land, the owner must be
21 actively engaged in farming the land;

22 (2) "undeveloped land" means land which has remained sub-
23 stantially unchanged in character from its natural state as evidenced by
24 a lack of industrial or economic use, construction, or other utilization,
25 however, inconsequential personal uses incidental to the ownership
26 of the land are not considered land development under this section; use
27 of the land for not more than one single-family residence shall not be
28 considered development for the purposes of this section.

Handwritten notes on the right margin:
This requirement shall be based on the full and true value of the land at the time of development for which the assessment is desired under this section.

HB 65 - conversation with Bob Dozier, State Assessor, Dept of ERA 2/14/75

Farm Use Assessment Legislation

Assessment based on farm use, not on ^{current} fair market value

State reimburses municipalities for loss of revenue & record of ^{what} ~~the~~ ~~state~~ ~~difference~~ pays (the difference between assessment of fair mkt value and farm use)

Upon sale of the property the new owner has to pay the back taxes - pays to the state the amount they paid municipalities. If any left over the municipality gets it.

An application has to be filed every year attesting to the fact that 10% of the filer's income comes from farming

Homestead Acts

Many other states have these - a person files a homestead claim attesting that this is their home and they are granted a tax exemption because of it.

The only way the local administrator can administer this kind of program is by having people file applications every year

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

*Section 1. AS 29.53.035 is repealed and re-enacted to read:

Sec. 29.53.035. FARM USE AND UNDEVELOPED LAND. (a) A person owning farm use land, or a parcel or tract of undeveloped land exceeding two and one-half acres in total area, may apply for assessment under this section.

(b) Farm use lands shall be assessed on the basis of full and true value for farm use, and shall not be assessed as if subdivided or used for some other nonfarm purpose. If the farm use land is sold, leased, or otherwise disposed of, for other than farm use purpose, or is developed by the owner, the owner, at the time of development is liable to pay to the municipality the deferred taxes, plus 5 per cent interest, for the period of time the land was assessed as farm use or undeveloped land, not to exceed 10 years. The amount of deferred tax shall be based on the full and true value of the land, and the current mill rate, at the time of development.

(c) Undeveloped land shall be assessed on the basis of its full and true value as undeveloped land or for the purpose for which it is actually being used, and shall not be assessed as if subdivided or used for some other purpose. When the land is developed, the owner at the time it is developed is liable to pay to the municipality the deferred taxes, plus 5 per cent interest, for the period of time it was assessed as undeveloped land, not to exceed 10 years. The amount of deferred tax shall be based on the full and true value of the land and current mill rate at the time of development.

(d) To secure the assessment.....

Other things to consider on CSSS HB65

- ① State reimbursement of municipalities : Should the state reimburse the municipalities for their loss of revenue?
- ② Permissive : Should this legislation enable the municipalities to participate in this, ^{and consider it on a case by case basis}, rather than add ① above? Should the local government be able to decide within which areas lands can be considered for this program, consistent with the municipality's comprehensive general plan.
- ③ Limit eligible owners : Should there be a requirement that this ^{land} must have been the owner's ^(resident) homestead or have been in his family's possession for 7 years? Should there be restrictions on corporation-held land qualifying for this, unless all of the ^(shareholders) members of the corporation are related to each other within the third degree of kindred. Or should there be restrictions on corporations organized for other than strictly agricultural or horticultural purposes holding land getting this tax relief? Should the owner be required to be living on the property?

Duration of the deferred tax agreement :

④ Notice of desire to reclassify land :

1. Minimum period of 10 years or else pay difference between back taxes & taxes paid, plus a ~~10% penalty~~ 10 per cent per year penalty. (Hawaii)

2. Initial restriction of 10 years, automatically extended for a year on each subsequent anniversary. (California)

3. Minimum restriction on land 10 years. After 8 yrs. the owner can give 2 years notice of desire to revert to the standard method of taxation. ~~Penalty~~ When the land reverts to standard taxation, 7 years ~~with~~ deferred taxes are collected, with interest. Penalty for failing to give proper notice: deferred taxes with interest plus a 20% penalty.