

148

HCRA

HB 85

-

HB 140

140

H/B - 88

1/28/75

COMMITTEE REPORT

FINANCE

HOUSE

Mr. Speaker:

Date

4-25

The Committee on CARA has had RD 28

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 RD 28 AND THAT

CS FOR RD 28 DO PASS

() "and" recommends it BE REFERRED TO THE

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

[Handwritten signatures]

Members NOT concurring in the Majority report:

recommends:

[Handwritten signature]
recommends:

[Handwritten signature]
recommends:

recommends:

recommends:

[Handwritten signature] Chairman

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 25, 1975

Meeting was called to order at 9:00 to discuss CS for HB 88. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Hackney	Andrea Guernsey, Staff
Rep. Ostrosky	Don Berry, Municipal League
Rep. Freeman	Dennies Robertson, Public Safety (late)
Rep. Davis	Mike Miller, Sponsor, (late)

Mr. Hackney wanted to hear from Mr. Robertson on the vehicle inspection law. Perhaps this could be worked in with that in some way.

Mr. Davis would like to see the people vote instead of by ordinance. Hackney thinks it might be inequitable because trucks would be paying for something they wouldn't collect on.

REPORT OUT

Hackney makes a motion to pass out with individual recommendations. So moved. (435)

PIPELINE IMPACT
(510)

The Committee talked about pipeline impact funds for a minute. Hackney would like to see the funds on a loan basis. The municipality will be able to tax the pipeline property for years to come.

Freeman has objected to monies from the beginning. Thinks it's a rip off. Relates the example of Valdez.

VEHICLE INSPECTION
(745)

Dennis Robertson gave a summary of the Vehicle Inspection law situation. They have developed a whole new Title 28 to be introduced at end of session.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 24, 1975

Meeting was called to order at 9:00 to discuss HB 88. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Davis	Andrea Guernsey, Staff
Rep. Ostrosky	Phil Wall, Dept of Revenue
Rep. Hershberger	Rep. Miller, Sponsor
Rep. Freeman	Dennis Robertson, Public Works
Rep. Ose	Rep. Tim Wallis
Rep. Hackney	

ABANDONED MOTOR
VEHICLE FUND

Cotten brought up the possibility of using the abandoned motor vehicle fund already on the statutes which takes care of cars outside the municipality. Fund has never been funded. Money reimbursed to municipalities in proportion to cars picked up. Miller said the fund just wouldn't do the job.

Freeman suggests passing law allowing municipality to levy \$5 to take care of vehicles. Delete line 13 and 14. Miller said the problem with that is you would have two collection agencies. The municipalities would have to set up office to collect when the State is already doing it. The municipalities don't have the tools to get 100% compliance.

ADMINISTRATION

Wall said his major concern was the administration. How to tell where the owner actually lives. He suggests setting up a system with a fund and paying the billings submitted by the municipalities out of the fund.

Freeman says why not just make an appropriation. Miller doesn't want to see an across the board State appropriation because it wouldn't be equitable. Anchorage probably wouldn't need it or not as much as smaller communities. This is permissive legislation that will allow the communities to meet their individual needs.

AMENDMENT

There was some discussion of using personal property tax, or earmarking some of the funds collected on license plates or registration. Although someone thought there was a problem with dedicating funds. Suggestion to add and "administration" on line 29 after collection. Plus new section: "Fees collected under this act shall be used for the purpose of

TAPE #11
side 1
1010-end

HB 88
4/24/75

implementing the ordinance for removal and disposal
of vehicles.

There will be a committee substitute drawn up.

Meeting adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 11, 1975

Meeting was called to order by Chairman Cotten at 9:00 for discussion of HB 88.

Present were:

Rep. Larry Davis
Rep. Kathryn Ostrosky
Rep. Mike Hershberger
Rep. Oral Freeman
Rep. Glenn Hackney

Phil Wall, Dept. of Revenue
Don Berry, Municipal League
Cinny Kline, " "
Robertson, public Safety

Rep. Mike Miller, Sponsor
Barbara Englert Thomas, Staff
ANDrea Guernsey, Staff

3-Cotten gives short introduction.

32 - Mr. Miller, sponsor, made short comments. Said the bill was purely permissive, not mandatory.

111 - Mr. Berry comments.

154 - Rep. Hackney asks why not levy \$25 against each vehicle instead of 5. Sec 2 para C- What is the cost of collection? Would be a good rip off for the State, he sees lots of holes.

202 - Cotten comments. Miller says that that sort of standard collection appears in many places in the statutes. Doesn't think the State would rip off.

243 - Rep. Ostrosky asked in what other areas the State does this. Mr. Berry said there was a problem with business licenses.

277 - Rep. Ostrosky commented on what Hackney said about not wanting to pay for someone elses vehicle. Part of community responsibility and pride.

292 - Hackney thinks guy who abandons car should pay. Chairman Cotten said that often the person responsible can't be found. He then asked if department in the bill meant the Dept. of Revenue. Yes it did.

325 - Mr. Wall heard a rumor of possible money for hwy beautification coming from the feds but that still wouldn't take care of the State wide problem. He sees administrative problems with the bill--where does the person actually live; which municipality qualifies; and who shares.

418 - Cotten-The fiscal note says \$5 X 275,000. 275,000 is the total number of vehicles registered in the State. Wall said 97% of the vehicles are within municipal boundaries and 67% of those are in Anchorage.

454 - Rep. Hackney asked about travel of the motor vehicle investigator. What does he do? Mr. Wall said that the vehicles need to be looked at closely before being recycled. Determination of whether to resale or scrap.

483 - Hackney-What makes determination to resale? Wall-Recognized evaluation or blue book.

543 - Cotten-Isn't it already a State responsibility? Wall said that Anchorage had a crusher and then they sell the junk to a place in Seattle. IF pays its own way but not if they go outside borough limits.

595 - Cotten-Anchorage is the only one who could afford to do that.

614 - Berry feels the cities will have the responsibility, not the State.

632 - Rep. Freeman asked if the cities didn't already have the authority to levy the \$5.

Yes, what we're really talking about is collecting the money. He doesn't want to see the State involved.

- 648 - Miller comments. Freeman thinks it's too complicated.
- 688 - Cotten wonders about the address problem. Mr. Wall said they would have to write the person or talk to him.
- 706 - Rep. Ostrosky thinks it would take care of the problem to get the persons address when they apply for their license or plates. Wall said that 50% of the renewals are by mail. That's where the problem lies.
- 741 - Cotten asked if they included the cost of determination in the fiscal note. Yes.
- 767 - Cotten asked what is being done about the problem now. Private industry mostly, Wall said. Cotten wanted to know about the \$47,000 spent in the first year. Why was it half the second year. First year will have extra expenses, Wall said. Mail costs and computer costs. Cotten said there would be no real loss of State money because the money was recoverable.
- 826 - Hackney-How will the cost incurred by the Department be determined? Separate coding and accounting system. They will also be audited by another state agency.
- 853- Hackney-The State never gets backs the true cost. There is no way to determine the true cost.
- 859- Wall agrees with Hackney. No way to measure the intangibles.
- 886- Cotten-Problem with the city decides to and the borough decides not to.
- 894 - Hackney commented on the address problem again.
- 951 - Cotten asked Mrs. Kline if there was an ordinance in Juneau about vehicles. Kline said there wasn't one against them in your own yard.
- 963 - Wall-There is a wave of environmental ordinances. Kline said the problem was cars on the side of the road and not on personal property. Hackney asked for figures. Mrs. Kline said she would get them.
- 986 - Wall said that 400 vehicles were picked up in Juneaus first clean up.
- 996 - Cotten-Now responsibility of state to assist municipalities. Wall said Anchorage will probably continue contracting with private industry.
- 1034 -Freeman doesn't think it will solve problem. The State should have the responsibility. Needs to be on State wide basis with State wide agency.
- 1141 -Cotten-Earmark funds? Another means for municipalities to raise funds.
- 1156 -Berry-HB 88 doesn't say that you have to raise the registration fee.
- 1169- Freeman-Amounts to an extra five bucks. Wall-Line 24 says "in addition to".

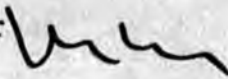
Meeting adjourned at 10:00. (1176)

Periodic Motor Vehicle Inspection (PMVI)

Consider possibility of having inspection stations at borders
Is it an infringement of right to interstate travel?

M E M O R A N D U M

TO: Representative Sam Cotten

FROM: Representative Mike Miller 

DATE: April 18, 1975

Sam -- I thought you might be interested in the enclosed information which I received from Ford Motor Company in support of House Bill No. 88.



March 25, 1975

Governmental Affairs Office
Civic and Governmental Affairs
Ford Motor Company

Suite 260 - 925 L Street
Sacramento, California 95814
Telephone: 916/442-2929

Honorable Mike Miller
House of Representatives
State of Alaska Legislature
State Capitol
Juneau, Alaska 99801

RE: House Bill 88
SUPPORT

Dear Representative Miller:

I am pleased to advise you that Ford Motor Company supports passage of your House Bill 88, relating to removal and disposal of vehicles.

The one modification we would recommend -- a reduction of the fee -- is contained in the attached Request for Policy on State Legislation. I am also enclosing the Ford Motor Company position concerning state junked vehicle legislation for your information and use.

Feel free to use our name in support of your measure and contact me if I can assist with passage of House Bill 88.

Sincerely,

A handwritten signature in cursive script that reads "Richard L. Dugally".

RICHARD L. DUGALLY
Regional Manager
Governmental Affairs

RLD:cme

Attachment

**FORD MOTOR COMPANY POSITION CONCERNING
STATE JUNKED VEHICLE LEGISLATION**

Junked vehicles are part of the nation's overall solid waste problem. This is true despite the fact that, on average, a large percentage -- 30%-85% -- of the vehicles "retired" from service each year are recycled through existing scrap recovery channels. Approximately 8 million vehicles are scrapped each year in the United States, of which about 6.6 million are recycled. The national accumulation of junked vehicles is estimated at 14 million in the scrap recycling system and another 10 million outside it. Junked vehicles not recycled constitute an aesthetic and environmental concern, and represent a waste of natural resources, as well as energy (it takes about one-third as much energy to melt scrap to make steel as it takes to use iron ore).

There are many reasons why all junked vehicles are not recycled. These include: people's lack of interest in getting their worn out vehicles to the auto processors, an insufficient demand at the steel mills and iron foundries for motor vehicle scrap, an insufficient profit motive to have auto wrecking firms go out and collect abandoned or derelict vehicles, and the cumbersome detitling procedure that must be followed in many communities for vehicles that are of little or no value. As the result of these primary factors together with other secondary reasons, the business enterprise system has not operated well enough to keep pace with the ever increasing supply of obsolete vehicles.

An exception to this occurred this past year. Because of the high demand for scrap in 1973, including motor vehicle scrap, the number of junked vehicles recycled approximately equaled the same number of vehicles "retired" from service. This is the first time this has happened in nearly a decade. Despite this, however, the national inventory of junked vehicles was not reduced and, with respect to the future, scrap demand will likely slow as steel production is adjusted to the lower level of economic growth in the country. Thus, we believe in order to rid the country of obsolete vehicles it will be necessary to raise monies to gather the "abandoned" vehicles, especially from rural areas, and ship them to the nearest recycling plant.

Some state legislators have proposed the imposition of a fee of \$10 to \$25 on the sale price of every new motor vehicle. This approach would place the cost of disposal on the first purchaser, who is usually not the title holder when the vehicle is ready for disposal. The Company believes that a more equitable way of raising the funds is by means of a state imposed surcharge on the annual vehicle registration or title transfer fees. In this way, the respective owners of the vehicle pay during its operation for its ultimate disposal. The amount of the surcharge would vary from state-to-state depending upon the nature and severity of the problem, but generally would not exceed \$3 per year. California, Hawaii, Illinois, Maryland, Minnesota, Montana, and North Dakota have already adopted programs of this kind (a brief description of each of these states' plans is contained in an attachment plus a general discussion of Minnesota's abandoned motor vehicle program by Mr. Donald Kyser of the Minnesota Pollution Control Agency, as well as a copy of the Minnesota law covering their junked vehicle program).

STATE PROGRAMS TO FINANCE THE REMOVAL
OF JUNKED VEHICLES

<u>State</u>	<u>Program</u>
California	A fee of \$1 collected at the time of registration, or renewal of registration, of every vehicle during the 1973 calendar year.
Hawaii	A fee of \$.50 collected at the time a vehicle is registered each year. (Applies in any county with a population of 100,000 or more.)
Illinois	One dollar of the \$3 collected for a certificate of title for a motor vehicle is for vehicle recycling.
Maryland	A fee of \$1 collected at the time a vehicle is registered each year.
Minnesota	A fee of \$1 on the transfer other than transfers for resale purposes of every motor vehicle, new or used, weighing more than 1,000 pounds.
Montana	A fee of \$4 collected for each new certificate of title and on each title transfer for all vehicles having a G.V.W. of under 8,001 pounds, plus a \$1 fee collected at the time a vehicle in the same weight class is registered each year.
North Dakota	A fee of \$3 on each initial certificate of title issued to a motor vehicle.



Request for Policy on State Legislation

MAN 2-3-75 D. I. VAN BLOIS
Cat. 1 (29)

1. Identifying Data

Category of Legislation MISC: Junk Vehicles	Bill number HB 88	State Alaska
Bill summary Provides for a levy and collection of fees for removal and disposal of vehicles.		
<input type="checkbox"/> Immediate reply requested	Signature RL DUGALLY <i>R.L. Dugally</i>	Date 2-20-75

2. Company Position Recommendation

Support Oppose Neutral

Comments

The Company should support this legislation with one modification as it would provide the kind of locally organized junked vehicle collection program that makes sense and one that the Company has advocated for sometime. Although this plan is designed for implementation at the municipal level rather than state-wide, the basic reasons for the Company supporting it are the same and are explained in the state legislative issue paper on resource conservation and recycling. (A brief summary of the Company position is attached.)

The one modification that the Company should recommend is that the funding provision in the proposed legislation should be changed because, in our opinion, it would permit the imposition of too high a fee -- up to \$5 could be added to the annual vehicle registration charge. As shown in the attached summary, the states of Hawaii and Maryland, which use the annual registration surcharge approach, are collecting only \$.50 and \$1.00, respectively. Even though transportation costs of moving junked vehicles to recycling centers are probably higher in Alaska, we believe the upper limit should be set at no higher than \$2 until there is sufficient evidence from actual experience by the municipalities to warrant higher surcharges.

Concur: *I. J. Rubin*
I. J. Rubin

D. I. Van Blois
D. I. Van Blois

Department <i>Legislative Planning</i>	Signature	Date <i>3/12/75</i>
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3. Governmental Affairs Office Review

Comments <i>TO R.L. Dugally</i>	Signature <i>D.I.</i>	Date <i>3/13-</i>
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STATE
of ALASKA

MEMORANDUM

TO: Charles A. Smith
Federal Projects Coordinator
Alaska Traffic Safety Bureau

DATE : March 12, 1975

FROM: Dennis Robertson *DR*
Consultant

SUBJECT: IB 88

This memorandum, relating to municipal vehicle removal fees added to State license fee and subsequently reimbursed, partially reverses the position taken in my memorandum to you, dated 3 Feb 75 on the same bill. The reversal is made because at the earlier writing, the intent of the bill was not fully clear. Now our only reservation would be implementation and "gearing-up", as you said, while relocating and consolidating vehicle and driver services into a single division in this department.

However, for uniformity of law and procedure, perhaps only, State law should prevail as proposed in our AS 28.11 bill; otherwise a "consistency" reference should be made to AS 28.01.

As discussed this morning at testimony on this bill before the House Community & Regional Affairs Committee and subsequently by telephone with Ken Simpson (Motor Vehicle Division, Anchorage), problems may occur (1) when the State withholds administrative costs prior to reimbursal, (2) when one municipality enacts the necessary ordinance but a neighboring municipality does not, (3) when Glennallen or some other site is selected as a virtual junk yard (disposal center) probably against the desires of residents living at or near such sites, (4) when a vehicle registrant gives only a box number address and his actual residence must be separately determined, and (5) when computer programming must involve four or five levels of government (cities, boroughs, state, general law, home rule).

In a fiscal note presented by Phil Wall (Dept. of Revenue), nearly \$50,000 in State monies will be needed to "gear-up" during the first year of implementation, after which State costs should drop to half that value before undergoing "normal growth". Mr. Wall also stated that two-thirds of all registered vehicles in the state are to be found in the Anchorage area where the sole auto crushing device in Alaska is located. The crushing device, however, might be dismantled and transported about the State to various disposal centers during one massive initial "clean-up". It was also stated that (outside of stripping and selling copper, chrome, gas tanks, radiators, etc.), the entire operation from pick-up of vehicle along a highway to sale of the crushed hulk in Seattle is probably only "breaking-even".

In light of these matters, it may indeed be preferable for the State to oversee and control all vehicle disposal, contracting out the actual physical work to municipalities or other appropriate persons or agencies. As Ken Simpson relates, from the day of sale of a vehicle until its final disposition, the vehicle is a liability to the State. Therefore, attaching an abandoned vehicle fee to the license fee may be justified as a form of insurance.

Relating to license fees, it must be remembered that the Periodic Motor Vehicle Inspection program may also attach additional fees to the yearly re-registration. Presently, M.V.D. collects license fees for the Department of Revenue which is statutorily charged with the collection of taxes, fees, and income for the State, which necessarily includes the \$30 (and other) yearly license fees. When MVD is moved over to Public Safety, however, the licensing function comes under a department whose statutory mandate is to protect life and property. Therefore, the "new" commissioner may opt to de-emphasize the revenue-gathering aspects of the license fee and emphasize, instead, safety and law enforcement aspects so that the fee levied against vehicle owners might be applied to administrative expenditures, abandoned vehicle programs, vehicle inspection programs, etc. Whether or not such shift of emphasis would vary the fee presently charged in an upward or downward fashion is not determined at this time. [Hopefully, the State would be able to possibly charge the vehicle owner and taxpayer even less than the present \$30 yearly fee, obviously a potential "tax-break" under the current economic conditions.]

COGNIZANT OF GENERAL FUNDS
REQUIREMENTS

FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. HB 88

Title: Providing for the levy of fees for disposal of vehicles

Requested by: Chairman Cotten, Hse Comm. & RA Date: March 7, 1975

Return Date Requested: March 11, 1975

Agency: Revenue Program: Motor Vehicle

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Motor Vehicle Registration

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES		19.3	22.0	24.2	26.6	29.3
200 TRAVEL		1.5	1.5	1.7	1.9	2.1
300 CONTRACTUAL		24.4	2.5	2.8	3.0	3.3
400 COMMODITIES		.5	.7	.8	.9	1.0
500 EQUIPMENT		1.6	.2	.3	.4	.5
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		47.4	26.9	29.9	32.8	36.2

B. FUNDING: (Thousands of dollars)

GENERAL FUND		47.4	26.9	29.9	32.8	36.2
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	2 /	2 /	2 /	2 /	2 /
MAN MONTHS (P./T.)	/	/	/	/	/	/

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

See attached analysis

IV. ATTACHMENTS

See attached Comments

V. DATE: March 7, 1975

PREPARED BY: *Wall*

P. A. Wall

Director

Administrative Services Division

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

ANALYSIS - HB 88

100	2 Clerk Typist III	=	19.3
200	Travel for D.M.V. Investigator	=	1.5
300	E.D.P. system analysis - 3 mo.	=	9.9
	E.D.P. programming - 6 mo.	=	11.8
	Space 100 sq. ft. @ \$125/sq. ft.	=	1.2
	Mail	=	1.5
400	Forms	=	.5
500	2 desks	=	.3
	2 chairs	=	.15
	2 typewriters	=	.6
	2 filing cabinets	=	.15
	Microfilming cassettes	=	.4
700			
	TOTAL		<u>47.4</u>

STAFF Vehicles, valuable cars

Excessive?

23,000

The E.D.P. system analysis and programming requirement is a one-time cost. Includes procedures and computer program changes and updating.

The program will realize \$1,375,000 in calendar year 1976 (\$5 X 275,000 vehicles).

COMMENTS - HB 88

We see problems in administering the bill. Particularly in defining where people live so that a determination can be made of whether to collect the fee and the corresponding ~~problem of~~ distributing the fees to the proper municipality. A mandatory statewide fee would solve the collection problem but not the sharing problem.

*work
address
purpose*

The Motor Vehicle Registration file is computer maintained. Some type of location code system will have to be developed, coded on the registration forms, and entered into the computer. ZIP Code or city will not work. The cost of this work will require 2 additional clerk positions. In addition, the computer program will require updating each year with definition of who is participating that year.

Section 28.10.203(c) beginning on line 27 permits the State to recover collection costs. The administrative costs should be recoverable also.

The effective date of the bill should be January 1, 1976.



HB 88 - levy and collection of fees for removal and disposal of vehicles

\$5 per motor vehicle registered and licensed to a person residing in a municipality that has adopted & implemented an ordinance for the removal & disposal of vehicles

Problem w/ present language
what if cities & boroughs
decide to do it, but if the
city does & the borough doesn't

estimate - how many
abandoned vehicles

8:30 Fri
HB 263
Chenoweth 4707
Stadler
3530
757

AS 28.31.065 - 070 Abandoned Motor Vehicle Fund

Proceeds from sale of abandoned motor vehicles

Dept. of Rev. shall prorate the money in the fund to each general law municipality bound by the procedure specified in this chapter in proportion to the number of abandoned vehicles disposed of within its boundaries

~~How many municipalities have adopted~~

Phil Wall - Bureau, Dept of Revenue
Dir Admin Services

2313

Annual Drive - 100 cars a yr. - most of the cars picked up each year are during this drive.

The problem here is ~~about~~ cars abandoned along the side of the road not those left derelict in someone's yard.

HB 88

that adopts & implements an abandoned vehicle ordinance
This would allow a municipality to collect up to \$5 per motor vehicle registered and licensed to a person residing in that municipality.

This fees would be collected by the Dept. of Revenue, who would remit them, less the costs incurred for collection, to the municipalities.

AS 28.31.065 - 070 provide for an Abandoned Motor Vehicle Fund to be funded by legislative appropriation and/or proceeds from the sale of abandoned vehicles. There have been no appropriations; ~~requested for~~ the cost of taking the car from where it was abandoned, smashing it and shipping it to Seattle just about equals the scrap metal price.

There are approximately 250,000 motor vehicles registered and licensed and the Dept. of Revenue anticipated at least 90% are ^{registered} within municipalities.

HB 88

3/5/75
no mtg

CRA, Chenoweth
Phil Wall, Dept. of Revenue (2313)
Rep. Mike Miller
Ak Municipal League

Not Fed Present Testified

X

~~X~~
~~X~~
~~X~~

X

3/11/75

CRA, Chenoweth
Phil Wall, Revenue
Rep Mike Miller
Ak Municipal League, Don Berry & Ginny Kline
Bureau of Traffic Safety, Dept. Public Safety
Dennis Robertson

X

X

X

X

X

X

X

X

X

X

X (~~stated that they are~~
~~in agreement w/ the bill~~)

4/24

Chenoweth
Phil Wall (2313)
Miller
M.L.
Dennis Robertson, Public Safety
(4375)

X

X

X

X

X

X

X

X

X

X

X

HB-100

Act relative to organization grants to defray the cost of transition to borough or city government, and providing for an effective date.

1/29/75

COMMITTEE REPORT

FINANCE

HOUSE

Mr. Speaker:

Date 2-1-75

The Committee on SRA has had HE 100 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 HE 100 AND THAT CS FOR HE 100 DO PASS

"and" recommends it BE REFERRED TO THE COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

_____	_____	_____
<i>[Signature]</i>	_____	_____
<i>[Signature]</i>	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____	recommends: <u>HE 100</u>
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

Chairman

THIS BILL RESOLUTION

has been prepared by the staff of the Legislative Council in response to the request and at the direction of the sponsor. The staff has attempted to place it in proper legal and clerical form subject to any special limitations or instructions of the sponsor. Member requests are kept confidential by the staff and any announcement of intent to have a document drafted or introduced remains the prerogative and responsibility of the sponsoring member in dealing with colleagues and other persons. The Council or its staff may not endorse or comment on policy matters involved in a bill or resolution. The substance and merits of a bill or resolution are the responsibility of the sponsor.

Delivered to sponsor: 2-6-75

HB 100

2/3/75
Joint Senate/House

	<u>Notified</u>	<u>Present</u>	<u>Testified</u>
Jack Chenoweth, ^{Dept} CRA	x	x	x
Dave Jensen, Dept. CRA	x	x	
Cheryl Probst, Anch. Times		x	
Richard Smith, Dept. of Admin.	x	x	
Gary Peska, Legislative Auditor	x	x	
Mary Van Nimwegen, spectator		x	
Don Berry, Alc. Municipal League	x	x	
Lee Jordan, Mayor, Chugiak-Eagle River Borough	x	x	x
Bill Overstreet, Assoc. Alaska School Bds.	x	x	
Norm La Vecque, GNAB	x	?	x

HB-101

CZV

06063 NL JUNEAU ALASKA 121/112 02-13 1100P PST
PMS ROBERT KINBY, DIRECTOR, DIVISION OF STATE PLANNING
AND REGIONAL AFFAIRS
1010 MADISON
RICHMOND VA 23219 "

DEAR MR KINBY, THE ALASKA LEGISLATURE IS CURRENTLY
STUDYING THE PROBLEM OF DIVISION OF ASSETS AND
LIABILITIES WHEN PART OF AN INCORPORATED MUNICIPAL
VOTES TO SEPARATE AND INCORPORATE ITSELF. THIS
IS UNPREDEDENTED IN ALASKAN HISTORY AND WE ARE
SEARCHING FOR SOME GUIDELINES FOR DECIDING WHICH
MUNICIPALITY RECEIVES WHICH ASSETS AND WHICH
LIABILITIES. ME GEORGE W. REINHART OF THE
INTERNATIONAL CITY MANAGEMENT ASSOCIATION REFERRED
US TO YOU AS A POSSIBLE SOURCE OF INFORMATION.
ARE THERE ANY ESTABLISHED GUIDELINES FOR ASSET AND
LIABILITY SEPARATION? ANY ASSISTANCE OR INFORMATION
THAT YOU COULD PROVIDE US WITH, WILL BE GREATLY
APPRECIATED. TIME IS OF THE ESSENCE SINCE WE ARE IN
THE MIDDLE OF A LEGISLATIVE SESSION. SINCERELY
SAM COTTEN, CHAIRMAN, COMMUNITY REGIONAL AFFAIRS
COMMITTEE, ALASKA HOUSE OF REPRESENTATIVES,
POUCH V, JUNEAU 99801

CONFIRMATION COPY

1975 FEB 14 AM 1 08

Night letter sent 2/5/75 to:

Ralph Tabar

National Association of Counties

1001 Connecticut Ave, N.W.

Washington, D.C. 20036

The Alaska legislature is presently studying the division of assets and liabilities when part of an organized political subdivision votes to separate and incorporate in its own right. This is unprecedented in Alaskan history, and, as far as we can determine, in United States history.

Assuming no theoretical studies have been done on the mechanics of such a division, you may be able to refer us to appropriate authorities in any jurisdiction that has undertaken a similar separation.

Any assistance or suggestions you can offer will be greatly appreciated. Time is of the essence, since we are in the middle of the legislative session.

Sincerely yours,

Sam Cotten

Chm, Committee on Community
& Regional Affairs

Alaska House of Representatives

Pouch V

Juneau, Ak 99801

This should arrive
this morning (2/6)
at 8 a.m.

Sam - what's your credit card #?

Robert Kinby, Director
Division of State Planning & Regional Affairs
1010 Madison Building
Richmond, Virginia 23219

Dear Mr. Kinby:

Mr. George W. Reinhart of the International City Management Association referred us to you as a possible source of information.

The Alaska legislature is currently ~~grappling with~~ ^{studying} the problem of division of assets and liabilities when part of an incorporated municipality votes to separate and incorporate itself. This is unprecedented in Alaskan history and we are searching for some guidelines for ~~the~~ ^{the} deciding which ~~entity~~ ^{municipality} receives which assets and which liabilities.

Mr. George W. Reinhart of the International City Management Association referred us to you as a possible source of information. ^{Are there} ~~Is there~~ ^{at} the Virginia annexation situation any established guidelines for asset and liability separation? ~~It would be greatly appreciated~~ ^{receiving a copy of them.}

Any assistance or information that you could provide us with, will be greatly appreciated. Time is of the essence, since we are in the middle of a legislative session.

Sincerely,

Sam Cotten, Chairman
Community & Regional Affairs Committee
Alaska House of Representatives, Pouch V
Juneau, Ak 99811

sent 2/13/75 11pm



February 11, 1975

Mr. Sam Cotten, Chairman
Committee on Community and Regional Affairs
Alaska House of Representatives
Pouch V
Juneau, Alaska 99811

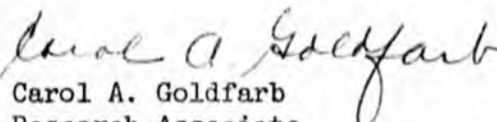
Dear Mr. Cotten:

In response to your request on information concerning the division of assets and liabilities when part of an organized political subdivision votes to separate and incorporate in its own right I am unable to offer you much assistance. NACo generally is involved in the opposite process: that of consolidations of governments.

I have investigated the possibility of gaining information from the Advisory Commission of Intergovernmental Relations (ACIR). Unfortunately, they have no information on this topic either. George Reinhart from the International City Managers Association (ICMA) is looking into your question and will be contacting you shortly. The only separation of political subdivisions which may be helpful to you are found in Virginia. The Commonwealth of Virginia Constitution permits cities to become independent of the county. Although I have no information on the process may I suggest you contact that state directly. Their state offices are located in Richmond, Virginia. Much to my regret I am unaware of the particular office in Virginia which handles your question.

The best of luck in your endeavor.

Sincerely yours,


Carol A. Goldfarb
Research Associate

CAG/mlld

STATE OF ALASKA

JAY S. HAMMOND, Governor

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B-JUNEAU 99301

January 24, 1975

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

Dear Mr. Cotten:

You have asked our perceptions with respect to interim financial assistance for the Chugiak-Eagle River Borough during the period of its transition.

The Chugiak-Eagle River Borough was incorporated under procedures set forth in Chapter 145, SLA 1974. In August, 1974, a majority of the voters approved separation of the area from the Greater Anchorage Area Borough and organization of a second-class borough. Subsequently, on December 3, 1974, residents elected a mayor, seven-member assembly, and five-member school board. Pursuant to AS 29.18.180, the Department has transmitted to the officers of the municipality an organizational grant of \$25,000. This is the limit of direct assistance to the municipality currently authorized by State law.

It is understood that the Alaska Supreme Court has taken under advisement arguments offered in behalf of certain residents of the municipality directly challenging the incorporation process. Plaintiffs-appellants allege that ch. 145, SLA 1974 is local and special legislation adopted in violation of a constitutional prohibition against such legislation where general law procedures have been established. Defense of the challenge has been undertaken, in part, by the municipality. A portion of the organizational grant has been used to retain services of counsel.

Department comments are confined to two general matters.

By section 9(b) of Chapter 145

Upon incorporation of a borough . . . as provided in this Act, the local boundary commission, after due notice and hearings to parties concerned, shall prepare an order providing for an equitable allocation between the Greater Anchorage Area Borough and the municipality incorporated [i.e., the Chugiak-Eagle River Borough] of assets and liabilities, whether real or intangible, and including but not limited to bonded or other indebtedness, respecting the area incorporated as to a power or function succeeded to by a municipality . . .

To date, faced with the challenge to the Borough's incorporation, the Department has been reluctant to initiate, in behalf of the Commission, an extensive effort in satisfaction of this requirement. I tell you frankly that the research that would underlie an allocation is beyond the capacity of the Department; had we the resources, we would undoubtedly engage a consultant to complete the necessary work. Our approach would, most likely, embody retention of a consultant familiar with the internal accounting processes of the Greater Anchorage Area Borough and ask that, in satisfaction of the requirement imposed by the above-quoted language, he recommend alternative methodologies which would produce equitable allocations. The several recommended methodologies, with comments as to their appropriateness by officials of the affected municipalities, would be offered to the Commission. We would ask that the Commission select one, incorporating its features into an initial order directing officials of the respective municipalities to complete the allocation consistent with the guidelines described. The burden of action would fall on the municipalities but, when they could not agree, we would ask the Commission to retain jurisdiction and dispose of remaining elements. I am advised that the cost of entering into agreement with a third party to examine Greater Anchorage Area Borough records and suggest alternative methodologies, retaining the services of the consultants through the period of entry of final order by the Commission, should approximately amount to \$100,000. Additionally, to defray the costs of review of alternative methodologies by the municipalities, the Legislature may want to consider direct financial support.

One alternative to this relatively "limited" approach would be a full-fledged examination of Greater Anchorage Area Borough funds with detailed recommendations involving allocations from each. Third-party examination of these funds would involve considerably more effort by a contractor and, concomitantly, considerably more cost. Finally, should the Department and Commission operate without benefit of expert opinion, as laymen it is likely that any final order would invite judicial review.

Our second concern is for the new municipality itself. By section 9(c) of Chapter 145

. . . [A] power or function which is being exercised on the effective date of this Act by the Greater Anchorage Area Borough within an area incorporated under this Act and which is succeeded to by the borough . . . incorporated [i.e., the Chugiak-Eagle River Borough] shall continue to be exercised by the Greater Anchorage Area Borough until the [new borough] incorporated under this Act assumes the power or function which shall be not later than the close of the fiscal year of the Greater Anchorage Area Borough during which incorporation occurs [i.e., June 30, 1975]. However, in the case of incorporation of a borough under provisions of this Act, the Greater Anchorage Area Borough shall continue to assess and collect borough taxes levied within the municipality for the borough fiscal year in which incorporation occurs until the close of that year, and thereafter as necessary to enforce collection of the taxes, and shall also collect, or receive, other revenues pertaining to the area incorporated for that fiscal year; the taxes and other revenues collected or received shall be remitted as promptly as possible, consistent with this subsection, to the new municipality on a basis fairly reflecting the division of powers and functions during transition between the Greater Anchorage Area Borough and the municipality. The Local Boundary Commission shall by order determine the allocation of tax and other revenues under this section.

January 24, 1975

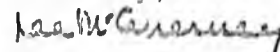
Thus, until the Local Boundary Commission renders a final order anent allocation of assets and liabilities, including current tax receipts and shared revenues, or until June 30, 1975--whichever is earlier--the Chugiak-Eagle River Borough may expect to receive no income.

Please note, however, that section 8 of the Act compels the new municipality to enter decisions with respect to exercise, in FY 76, of mandatory areawide powers and directs that decisions be made with respect to assumption or relinquishment of all other powers currently exercised by the Greater Anchorage Area Borough. The GAAB's responsibility in the area lapses on June 30, 1975. Section 9(c). Thus, within a very constricted time frame, officials of the Chugiak-Eagle River Borough must concern themselves with assumption of current optional powers, implementation of all functions assumed, and construction of a FY 76 budget. This is no small task for a community with but \$25,000 of cash assets to its credit. Additional interim financial assistance has been publicly discussed and I would respectfully suggest that officials of both affected municipalities may want to be heard on this subject. The Department is, of course, within the resources allocated to it, ready to assist officials of both municipalities in the problems of transition although, as you may know, direct support by the staff of the division specifically charged with responsibility for technical assistance is rendered more difficult because of the absence of staff available in an Anchorage-area office.

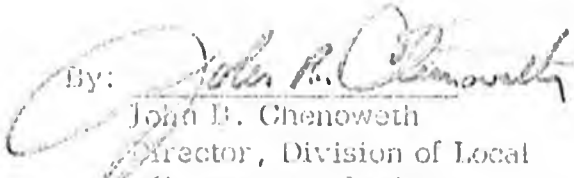
I would like to take this opportunity to advise you that this request has the full endorsement of the Local Boundary Commission.

I would welcome the opportunity to examine the matter in more detail with you. If the Department may be of further assistance, please contact me.

Sincerely,


Lee McAnerney
Commissioner

By:


John B. Chenoweth
Director, Division of Local
Government Assistance

LMcA: JBC: mw

HB 01

2/3/75
Joint Senate/House

- Jack Chenoweth, Dept. CRA
- Dave Jensen, Dept. CRA
- Cheryl Probst, Anch. Times
- Richard Smith, Dept. of Admin
- Gary Peska, Legislative Audit
- Mary Van Nimwegen, Spectator
- Don Berry, Ak. Municipal League
- Lee Jordan, Mayor, Chugiak-Edge River Bo-
- Bill Overstreet, Assoc. Ak. School Bds.

Notified, Present Testified

Notified	Present	Testified
x	x	x
x	x	
	x	
x	x	
x	x	
	x	
x	x	
x	x	x
x	x	

2/4/75
House

- Chenoweth
- Richard Smith
- Gary Peska

x	x	x
x	x	x
x	x	x

HB-109

"An Act making a supplemental appropriation to the Department of Community and Regional Affairs for the Eagle River-Chugiak Borough; and providing for an effective date."

1/31/75

COMMITTEE REPORT

FINANCE

HOUSE

Mr. Speaker:

Date 2-3-75

The Committee on GRA has had HB 109

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR HB 109 AND THAT
CS FOR HB 109 DO PASS

"and" recommends it BE REFERRED TO THE _____
COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>Samuel R. Carter</u>	<u>Chairman</u>	<u>Mike Heubinger</u>
<u>Jameson</u>	<u>No Rec</u>	_____
<u>Arthur [unclear]</u>	_____	_____
<u>Lawrence [unclear]</u>	_____	_____
<u>Al [unclear]</u>	<u>do Pass</u>	_____

Members NOT concurring in the Majority report:

Don [unclear] recommends: no recommendation

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Samuel R. Carter Chairman

HB 109

2/3/75
Joint Senate/House

	<u>Notified</u>	<u>Present</u>	<u>Testified</u>
Jack Chenoweth, Dept. CRA	X	X	X
Dave Jensen, Dept CRA	X	X	
Cheryl Probst, Anch Times		X	
Richard Smith, Dept. of Admin.	X	X	
Gary Peska, Legislative Audit	X	X	
Mary Van Nimwegen, Spectator		X	
Don Berry, Ak. Municipal League	X	X	
Lee Jordan, Mayor, Chugiak-Eagle River Borough	X	X	X
Bill Overstreet, Assoc. Alaska School Boards	X	X	

HB-121

"An Act relating to retirement credit for military service; and providing for an effective date."

COMMITTEE REPORT

FINANCE

2/14/75

HOUSE

Mr. Speaker:

Date 3-5-75

The Committee on CPA has had HB 121

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:

<u>Samuel L. White</u>	_____	_____
<u>Wm. Heischberger</u>	_____	_____
<u>W. Ross</u>	_____	_____
<u>Lawrence J. Lewis</u>	_____	_____

Members NOT concurring in the Majority report:

Freeman recommends: No Rec

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Samuel L. White Chairman

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 5, 1975

Meeting was called to order at 9:05 by Chairman Cotten for discussion of HB 121. Present were: Representatives Ose, Davis, Freeman, Hershberger and Cotten. Also present were Representative Parr, Sponsor of the bill, Mr. VanHoute, National Education Association, Barbara Englert Thomas, Staff and Andrea Guernsey, Staff.

Mr. Van Houte gave a short testimony on the bill. He said ^{one} of the problems was a person that didn't return immediately to teaching after the military would lose the credit. This was also not a free credit bill. the people would have to pay in ~~the~~ the money that they would have had they been teaching.

Chairman Cotten asked who administered the funds. Rep. Parr said the Dept. of Revenue did the bookkeeping and the Dept. of Administration handled the rest.

Rep. Freeman made a motion to move the bill out of Committee. Ose, Davis, Cotten and Hershberger signed due pass—Freeman no rec.

Meeting adjourned at 9:20.

HB 121

Mr. Charley Griffin
Box 1069
Soldotna, Alaska 99669
February 26, 1975

Representative Cotten
State of Alaska
House of Representatives
Juneau, Alaska 99804

Dear Sir:

This is regarding Senate Bill 342 which was passed in 1974 to expand the credit for Military Service to teachers under the Teachers Retirement System.

According to the interpretation that has been placed on Senate Bill 342 many of the teachers of the State of Alaska who served their country with honor during the military conflicts have been excluded from the benefit because they had taught in the public schools ten years prior to coming to this great State.

Now your attention is called to House Bill 121 which will broaden credit in retirement for Military Service by allowing any Military Service to be counted within the 10 years of outside credit.

Both bills will discriminate against all teachers in this great State who taught in the public schools 10 years prior to coming to Alaska.

It is respectfully requested and recommended that Senate Bill 342 and House Bill 121 be amended so that every teacher of this great State who served their country with honor, during the military conflicts will receive this benefit in addition to the 10 years outside teaching service.

With deep respect and kind regards, I am sincerely,

Charley Griffin
Principal

Hearings

(HB 121)

Bob Van Hout, NEA

Notified

Present Testified

X

H/B-127

(S & ch 118 SLA 1972)
(S 4 ch 1 FSSLA 1973)

HB 350 - ^{see}
§ 29.53.060 (b) Business inventories can be taxed
on the average monthly method of assessment
up to borough assembly
Somewhere in statutes a city can do what a borough
can in assessing

Tax limits - no tax, or combination of taxes
may be collected in 1 year which exceeds

① \$1000 per capita

② $(2.25 \times \text{average per capita, assessed full \& true value statewide})$
 $\times \text{\# residents in taxing municipality}$

quid Heir
out of town.
2/17

100 - 1000

HB 127

STATE OF ALASKA

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, Governor

POUCH S—JUNEAU 99801

March 18, 1975

The Honorable Samuel Cotten
Chairman
House Community and Regional Affairs Committee
Alaska State Legislature
State Capitol
Juneau, Alaska

Re: House Bill No. 127

Dear Mr. Cotten:

House Bill No. 127, an Act relating to taxable property under the oil and gas exploration, production and pipeline transportation tax was introduced in the House on February 6, 1975 and was referred to the House Community and Regional Affairs Committee and Finance Committee.

For the consideration of the House Community and Regional Affairs Committee, I am enclosing a copy of a memorandum from Gerald Heier, Director, Property Tax Division of the Department of Revenue from Anchorage indicating estimated valuation and net state revenues and costs of administration. For purposes of revenue estimating Mr. Heier has assumed an effective date of January 1, 1976.

Very truly yours,



R. D. Stevenson
Special Assistant

RDS:eh

cc: The Honorable Hugh Malone
Chairman
House Finance Committee

MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Special Assistant
Department of Revenue
Juneau, Alaska

GDH

FROM: Gerald D. Heier
Director
Property Tax Division

DATE: March 4, 1975

FILE NO:

TELEPHONE NO:

SUBJECT: Senate Bill No. 186
House Bill No. 127

I have reviewed the two subject bills together since they are identical and call for state taxation of refineries and LNG plants.

At the present time there are two existing refineries in Alaska and one LNG plant. The refineries would be taxable as of the effective date of the bill, assumed to be January 1, 1976, for FY 77. The L.N.G. plant is currently covered by the Industrial Incentive Act through 1978, which exempts it from an ad valorem tax . It would be taxable for FY 80.

It is anticipated that an additional refinery will be built in the Fairbanks North Star Borough starting in 1976. It is further anticipated that Pacific Alaska L.N.G. will start construction on a new L.N.G. complex in 1976. Both of these anticipated construction projects have been built into the review and analysis of the subject bills. The spread sheet has been set up so that the anticipated construction figures can be readily deleted.

Costs of administration for FY 77 are estimated to be \$9,500 based on 30 days consultant fees for a qualified industrial property appraiser at \$250 per day, plus \$2,000 for travel and per diem.

GDH:rb

ESTIMATED VALUATION AND NET STATE REVENUES (in thousands)

	FY77	FY78	FY79	FY80	FY81
Socal Refinery	10,000	9,500	9,000	8,500	8,000
Tesoro Refinery	20,000	19,000	18,000	17,000	16,000
Kenai LNG				30,000	30,000
Fairbanks Refinery		20,000	40,000	40,000	40,000
Pacific Alaska LNG	<u> </u>	<u>50,000</u>	<u>200,000</u>	<u>400,000</u>	<u>600,000</u>
Total Valuation	30,000	98,500	267,000	495,500	694,000
*10 mills net to state	<u> x10</u>	<u> x10</u>	<u> x10</u>	<u> x10</u>	<u> x10</u>
Net State Revenue	300	985	2,670	4,955	6,940

47 million

* Since all properties are located within a municipality a ten mill local levy has been estimated against each property.

Hearings

[HB 127]

Notified

Present

Testified

Randy Phillips 3711

X

R.D. Stevenson 2397

X

HB-136

TAPE #10-Mary Froney
side 2
end

TAPE #11
side 1
0-1005

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 23, 1975

Meeting was called to order at 9:00 to discuss HB 136. Present:

Rep. Cotten	Andrea Guernsey, Staff
RNP. Ostrosky	Barbara Englert Thomas, Staff
Rep. Hackney	Bob Pavit, Planning Consultant
Rep. Ose	Kevin Waring, Director, Community Planning
Rep. Hershberger	Senator Orsini
Rep. Davis	Rod Pagues, A.G.'s Office

MARY FRONEY

Before HB 136 was taken up Mary Froney from the ANchorage Borough wanted to make a few comments to the Committee on taxation. She said that ad valorem taxes weren't promoting good. They provided momentary gain but a long time loss. TAXes are paid out of usable income, land does not have income. Pressure is put on land to have income. In Anchorage in the lowlands it costs \$9-10,000 per acre for sewer, and is usually three times as much in the hills. Small areas should be responsible for service needed. INcome tax should cover people caused needs: education, libraries, health--not land.

HB 136, SB 358

The Committee now took up HB 136. Mr. Waring said that the companion bill, SB 358, came out of considerable discussion and was agreeable to the State. He wanted to parallel the two bills. The committee may want to substitute 358 for 136.

HB 136

- 1) SEC. 44.47.150- Director of Local government administers
- 2) paragraph (b), (c)-Section 1. land will be identified by the village corporations
- 3) para (d) is same as (b) in 358
- 4) page 2, subsec (2)-concurrence by Commissioners

SB 358

- Deletes Director and uses Commission
- Deletes paragraph (b) and (c) altogether
- para (b) sets up conditions to be satisfied by Commissioner before transferring land. "His" should be deleted in line 20.
- 4) deleted, too cumbersome.

HB 136

SB 358

- 5) page 2, para (e)-fiscal not clear
- 6) para (f)-"a separate account"
"within 30 days"
- 7) para (g):director

- 5)para (c) qualifies fiscal-"state"
- 6)para (d) "separate accounts"--each individual account handled separately, not one big account. "Within 90 days"
- 7)uses Commissioner instead of "Director"
Add "and interest" after "profits" on line 7.
- 8)new section not in HB 136-para (f)
merely clarifies no adverse possession.
Restates what is already in the law.
- 9) para (g) is also new-defines municipality for purposes of this act.
Clarifies federal legislation.
Although Pegues suggested maybe leavi this section out. Federal gov't created problem and State can't inter ret.

"SHALL ACCEPT"

Mr. Pegues also said theat the language "shall accept" on line 13 may cause problems. It implies that it is the duty of the Commissioner to accept what-ever is offered. Can't meet trust responsibility with "shall".

APPROPRIATE VILLAGE ENTITY

"appropriate village entity"--requiring approval vilates trust responsibility. Court will probably rule it out.

ADJOURN

Meeting was adjourned at 10:00. (1005)

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 20, 1975

Meeting was called to order at 9:15 for discussion of HB 136 (land conveyed in trust).
Present were:

Rep. Sam Cotten, Chairman	Rep. Larry Davis
Rep. Kathryn Ostrosky	Rep. Glenn Hackney
Rep. Oral Freeman	Andrea Guernsey, Staff
Rep. Mike Hershberger	Barbara Englert Thomas, Staff
Jack Chenoweth, Director, Local Government Assistance	
Senator Joe Orsini	
Kathy Jacobson, Natural Resources	

Mr. Chenoweth passed out a proposed substitute which was drawn up by Mr. Waring of Community Planning and the A.G.'s office. (1158) Mr. HACKNEY didn't like it; no mention of who selects the land. It was pointed out that selection is covered in the Native Claims Act.

(1171) Chenoweth talks about an interim document that would be issued by the BLM to be used as a title to the land.

(1196) There was considerable discussion of the meaning of the words "adverse possession" and "prescription". It was decided after discussion and looking at the law dictionary that they both meant basically "squatters rights".

(1219) Cotten and Orsini discuss what "profits" might mean. Senator ORSINI said that since it was free if you sell any land at all it would be a profit. The State might sell a lot.

(1259) Rep. Hackney wanted to know if this included subsurface rights. No it does not.

(1319) Paragraph B of the new draft was discussed. Hackney wanted to know the procedure behind the village transferring land. Was it a legal procedure? Chenoweth answered that it would mean a public hearing or show transfer of title a benefit to the community. Para B covered transfer of land after selection, Orsini said.

(1395) Rep. Ostrosky asked if this draft had the endorsement of the AFN. Chenoweth didn't know for sure since the draft was just finished last night.

(1415) Senator Orsini would like to see language included concerning professional planning in selection of land. (1470) Ostrosky said that according to the Act, the Regional Corporations are involved and this is where the expertise would come from.

Chairman Cotten wants to talk further with Roger Lang and Shively of AFN before anything further is done.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 13, 1975

Meeting was called to order at 9:00 for discussion of HB 136 and HB 259. Present:

Rep. Kathryn Ostrosky Rep. Glenn Hackney
Rep. Oral Freeman Rep. Mike Hershberger
Rep. Larry Davis Rep. Sam Cotten, Chairman
Rep. Al Ose
Barbara Englert Thomas, Staff
ANDrea Guernsey, Staff
Michael Harper, Deputy Commissioner, Dept. of Community and Regional Affairs
Roger Lang, President, AFN
John Shively, Vice President, AFN *Har. Dir.*
Don Berry, Municipal League
Jack Chenoweth, Director. Local Government Assistance, C&RA
Pat Corbett, Staff, Senate Committee on C&RA
Senator JOe Orsini

- 1182 - Harper started by saying that there were approximately 115 communities that the State would be trustee for. He suggested several changes: rather than the Director of Local Government Assistance administering they want the commissioner of Community & REgional Affairs. The Director already has too many other things to take care of and can't devote enough time. 2) In sec B, they want to change village corporations to some member of the State, preferably C&RA to identify the land. This person would have equal weight on a committee of the president of the village corporation concerned, the president of the regional corporation.
- 1230 - Rep. Hackney asked why they wanted the State in on the decision. Harper said the State has the obligation as trustee so they should have part of the decision.
- 1237 - Hackney-How do you identify the land? Basically surveying, Harper said.
- 1243 - Freeman-Is this all new language? yes. Is there anything on the books now? No. Why do villages want to convey land to the State in trust? Harper answered that there was a provision in the land Claims Law.
- 1269 - Hackney-The mechanism is not included in the Act? Harper said no, its a matter of debate.
- 1282 - Hackney thinks they're doing what the State is trying to avoid.
- 1299 - Freeman asked if the State will have to also take on the expense. Yes.
- 1305 - Ostrosky asked if these amendments were suggested by the Dept. of C&RA. Yes.
- 1314 - Harper reads a passage from a letter from the A.G.
- 1329 - Freeman asked if there was going to be testimony in opposition to this bill. Yes.
- 1338 - Mr. Harper continued with his suggested amendments: change sec D, a public hearing held in the community by the Commissioner would suffice; 2) add a new section H to allow the Dept. to employ legal counsel when dealing with other State agency to avoid conflict of interest. (1378) Hackney asked if the mechanics would be to contract for legal counsel.
- 1393 - End Harper.
- 1394 - Chairman Cotten asked Mr. Lang for his comments but he deferred to Senator Orsini.
- 1402 - There were a few things that Senator Orsini was concerned with. He also wants C&RA involved in sec 1, subsec B. IN line 24 and 25 he wants to delete the wording excluding private dwellings and commercial activities. Defeats the purpose of the bill which is for the community to expand.

Chairman Cotten asked Orsini for his opinion on Harper's amendment concerning conveyance. Orsini didn't have any particular opinion.

- 1486 - Orsini continued with amendments: Conveyance in section D should be defined. "Surface resources" should be used instead of "materials". 2) sec D, subsec 1- The public is living in the area so they should decide what to do withland. Delete village corporation--doesn't include non-native. 3) sec D, subsec 2- the process is cumbersome, C&RA should do it in consultaion with the Commissioner of Natural Resources and the Director of Planning and Research. 4) sec E- define fiscal year--who's. Define municipality--under the law that includes cities and boroughs. If it's for just the village then you should change the wording. 5) sec F--definition of investments; staatement should also be sent to village council. (1564) sec f-administrative costs.
- 1575 - Orsini had said that these recommendations were made by a Mr. Katz. Freeman asked who he was. The Attorney for Federal State Land use Planning Commission.
- 1582 - Mr. Lang now presented his comments. As for Orsini's comments about private dwellings on line 24, Lang said that was put in there last year by the State and AFN had no qualms with removing it. He has no qualm with deleting village corp. for transference but he does with restricting to public hearing.
- 1660 - Hackney-1280 acres X 112 villages
- 1673 - Lang- Transfer of lands basis of Act. He has qualms about the State being part of the land selection process.
- 1712 - Cotten & Shively-Village lands and BLM.
- 1726 - Ose asked if it was possible to take land from unincorporated cities. No, may only select from vacant or unappropriated lands. (1747) Does the land have to be in one area? Yes, has to be compact.
- 1751 - Freeman still doesn't get it. This bill is talking about mechanics of a Federal law.
- 1778 - Ostrosky asked about the private land part again. Shively responded. (1796)(TApe ran out)

Lang talked about working out a system iwth the Feds for an interim document.

Ose brought up the subject of selecting lands in piece meal. GAVE the example of Tok. Shively answered that there were a few times when this happened. One was when the State picked a lot of land near by or when there were private lands.

Meeting was adjourned at 10:00. HB 259 was not taken up today.

ALASKA FEDERATION OF NATIVES, INC.
1675 "C" Street
Anchorage, Alaska 99501

March 13, 1975

Samuel Cotten, Chairman
House Committee on
Community and Regional Affairs
Juneau, Alaska 99811

Dear Mr. Cotten:

As a result of the testimony heard by your Committee on House Bill 136, the Alaska Federation of Natives, Inc. would like to offer the following comments.

Section 1.

Sec. 44.47.150. (a) As far as we can tell there is no opposition to this subsection and it should be left as is.

Sec. 44.47.150. (b) The State feels that they should participate in the selection process of the lands to be conveyed in trust. We strongly disagree. The Land Claims Act states in Section 14(c)(3): "the Village Corporation shall then convey to any Municipal Corporation in the Native Village or to the State in trust for any Municipal Corporation established in the Native Village in the future, title to the remaining surface estate of the improved land on which the Native Village is located and as much additional land as is necessary for community expansion, and appropriate rights-of-way for public use, and other foreseeable community needs: Provided, That the amount of lands to be transferred to the Municipal Corporation or in trust shall be no less than 1,280 acres:"

As you can see from the language in the Act, Congress did not intend that the Municipal Corporations of the State participate in the identification of land to be conveyed. The State's trust responsibility begins after the Village Corporation conveys the land to the State.

We believe that there are other good reasons for having the lands identified by the Village Corporation. The Administration and the Legislature is moving away from having policy decisions made at the State level and towards policy making at the local level. Having the Village Corporation identify the lands to be conveyed would seem to be in keeping with the philosophy of "local control."

Mr. Sam Cotten
Page two
3/13/75

Your committee should also recognize that, if the State becomes involved in the process of identifying the lands to be conveyed for over 100 villages which now have no municipal government, the cost of the trust lands program would rise considerably. This is not a time in our State's history when we should be thinking of ways to increase the budget.

Therefore, we believe Sec. 44.47.150. (b) should be left as is.

Sec. 44.47.150. (c) We recommend the committee use the language which is in the Land Claims Act so that Subsection (c) would read: "The land to be acquired under this section would, to the extent feasible, consist of the remaining surface estate of the improved land on which the Native Village is located and as much additional land as is necessary for community expansion and appropriate rights-of-way for public use, and other foreseeable community needs: Provided, That the amount of lands to be transferred shall be no less than 1,280 acres.

We believe this change in Sec. 44.47.150. (c) would address the concerns expressed by Senator Orsini and the State.

Sec. 44.47.150. (d) We are strongly opposed to the State's suggestion that the Commissioner be allowed to convey trust lands after holding a public hearing. Again, we believe the decision should be made at the local level in keeping with the State's philosophy of "local control."

However, we would agree to several changes in Subsection (d). The term "Village Corporation" could be deleted. The term "materials" should be changed to "surface resources". The term "conveyances of land..." could be changed to "Transfer of land including transfer of surface resources by sale, lease, right-of-way, easement, or permit...".

There are a couple of other issues which the Committee might want to address. It has been suggested that the term municipality be defined to include only First, and Second Class Cities. We concur with this suggestion and believe that such a definition to be in keeping with the intent of Congress.

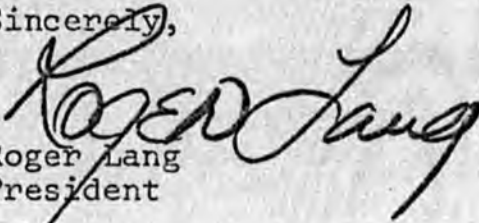
The State has suggested need for authority to contract for legal services in cases where the Department of Law might have a conflict of interest. We have not given this idea a

Mr. Sam Cotten
Page three
3/13/75

great deal of thought, but it might be beneficial.

We would be happy to work with you in redrafting House
Bill 136.

Sincerely,


Roger Lang
President

cc: House Committee on Community and Regional Affairs
Representative Nels Anderson
Senator John Sackett
Senator Joe Orsini
Deputy Commissioner Mike Harper

Federal-State
Land Use Planning Commission
For Alaska

733 W. FOURTH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99501

March 21, 1975

Honorable John Sackett
Alaska State Senate
Pouch V
State Capitol
Juneau, Alaska 99801

Dear Senator Sackett:

This letter is written in response to your request to John Katz for our comments on Senate Bill No. 139 entitled, "An Act relating to land to be conveyed to the state in trust for the future cities under the Alaska Native Claims Settlement Act; and providing for an effective date."

We share your view that legislation implementing Section 14(c)(3) of the Settlement Act should be enacted within the reasonably near future so that at the time when village corporations must reconvey municipal lands pursuant to this subsection, the State is in a position to exercise the trust responsibilities assigned to it therein. Our specific comments regarding SB 139 are as follows:

1. We believe that the bill would benefit from the inclusion of a section stating the general objectives of the Legislature in enacting this legislation. While much of the Legislature's intent can reasonably be implied from the language of Section 14(c)(3), the inclusion of such a section would help the director of local government assistance, the residents of affected villages, and the courts to know more precisely what the Legislature expects of the State trustee. In our opinion, the most important element of a statement of policy or purpose would be a declaration that the trustee's actions should be tested against the standard of what is best for the body politic now and in the future in each village under his jurisdiction. In turn, this consideration translates itself into a careful study by the trustee of all factors bearing upon a particular decision, including the relevant economic, social, cultural, environmental, and land use consequences. Such an analysis might include an informal examination of short and long term costs and benefits and a scrutiny of reasonable alternatives, including the possibility that no action should be taken. In short, what we are suggesting

is that it might be helpful for the Legislature to list some of the relevant criteria that the trustee should utilize in making decisions pursuant to the authority granted to him in the bill.

2. While subsection (c) does contain mitigating language, subsection (b) of SB 139 can be read to imply that the village corporation has the unilateral, unconstrained right to designate the lands which the State will receive in trust. Clearly, the village corporation is responsible for granting the land referred to in Section 14(c)(3). However, we do not think that this decision can be made unilaterally. Rather, the land which is to be conveyed must be generally suitable for municipal purposes and, where applicable, must meet the general and specific criteria provided in Section 14(c)(3). To avoid any misconceptions which might be created by the present language of subsection (b), we suggest that a comma be substituted for the period after the word "corporations" and that the following language be added: "after consultation with the director of local government assistance and for the purposes specified in subsection (c) below."
3. Given the language and intent of Section 14(c)(3) of the Settlement Act, we do not think that implementing State legislation can exclude land for private dwellings and commercial activities from the categories of land which the village must reconvey. Section 14(c)(3) itself refers to "the improved land on which the Native village is located and as much additional land as is necessary for community expansion." This language seems to indicate that grants of land for private dwellings and commercial activities, among other things, were contemplated by Congress. This conclusion is buttressed by the fact that many municipalities in Alaska do own lands which are chiefly valuable for these purposes. Additional support can be derived from the fact that Congress required the allocation of not less than 1,280 acres to each municipal corporation. Yet, in most instances, the amount of land needed for the functions referred to in the first part of subsection (c) will total far less than this amount. The difference between the two allocations may well be lands suitable for commercial activities and private dwellings. Given one of the purposes of the Act to enable Native village and regional corporations to become viable economic units, we do think that lands for resource production may properly be excluded from the reconveyance requirement specified in subsection (c).

As a collateral matter, we are aware that an amendment has been proposed to delete subsection (c) from SB 139 on the theory that the Supremacy Clause to the U.S. Constitution will require adherence to the criteria specified in Section 14(c)(3) whether or not such criteria are explicitly referred to in implementing State legislation. While the Supremacy Clause will operate as indicated, we believe that any implementing State law should include the governing criteria

wherever possible. In this way, State officials and others will be guided by a mandate coming from the Alaska Legislature, which we believe is the appropriate entity to translate the criteria specified in Section 14(c)(3) of the Settlement Act into the Alaska context. In addition, if sufficient guidance is provided in the Alaska Statutes, persons desiring information concerning the matter of municipal land grants will not be required to research Federal law or to know how it should be interpolated into State law under the Supremacy Clause. In this regard, it is worth noting that the position which we are contending for here was the one apparently utilized by the Legislature in passing complementary legislation creating the Land Use Planning Commission.

4. While the Supremacy Clause to the U.S. Constitution will operate to insure that each municipal corporation will receive not less than 1,280 acres, as specified in Section 14(c)(3) of the Settlement Act, we think that any implementing State legislation should also indicate the minimum quantum which may be transferred. Our reasons for this suggestion are identical to those discussed in section 3 above.
5. The word "conveyance" in subsection (d) of SB 139 could be read narrowly to require use of the procedures specified therein only in situations constituting an actual transfer of title. We believe that the intent of this subsection is broader in scope. Accordingly, it is recommended that the first portion of subsection (d) be deleted and the following language inserted in lieu thereof: "Any sale, lease, permit, easement, or other transaction disposing of an interest in land or creating a right of use in land may be made by the director only after approval of"
6. While it may be possible to imply adequate authority from existing State law or from the use of such terms as "lease" and "permit," we believe that subsection (d) should be amended to empower and direct the director, in effecting sales or other transactions pursuant to this provision, to include any covenants, stipulations, restrictions, reservations, or other provisions which he deems necessary to protect and promote the health, safety, and general welfare of present and future inhabitants. Inclusion of such language would give the director the flexibility to take cognizance of the varying conditions and needs existent in different village situations and would put the Legislature on record as explicitly favoring the utilization of appropriate protective measures.
7. If the present language is to be retained, we believe that the words "surface resources" should be substituted for the word "materials" in the first line of subsection (d). The word "materials" is too narrow and is susceptible of many meanings. Use of the term "surface resources" would more clearly include land resources such as timber within the ambit of the procedure established in subsection (d).

8. With respect to subsection (d)(1), we do not think that the village corporation is an appropriate entity to make the type of decision required by this provision. In most if not all instances, the village corporation will be a profit-making entity whose purpose will be to maximize profits for its shareholders. It cannot be expected to speak for all village residents, some of whom may not be stockholders in that corporation, or to have the community perspective which would be reflected by the other entities and mechanisms referred to in subsection (d)(1). Accordingly, we suggest that the words "village corporation" be deleted from this provision.

In further regard to the present language, it might be appropriate to establish a priority of entities and mechanisms with the capacity to approve the director's decision. Thus, you may wish to indicate that one or the other of the mechanisms referred to in subsection (d)(1) will have preference over the others and that the other alternatives will be utilized only if circumstances preclude the preferred entity or group from making the decision. Such an approach would avoid future confusion and conflict about which approach to utilize in a particular instance. In situations where a traditional council exists and can speak for all the residents of a village, it might be inappropriate and destructive to create a new decisionmaking process. If such an entity does not now exist, we think that the village meeting would be the best device for promoting dialogue and informed decisionmaking.

9. With respect to subsection (d)(2), it seems to us that the approval function specified therein is needlessly cumbersome and therefore might delay the implementation of decisions clearly of benefit to village residents. For this reason, we suggest that the Commissioner of Community and Regional Affairs or the director (see below) be permitted to make the decision required by subsection (d)(2) on his own or after consultation with (not the approval of) the Commissioner of Natural Resources. Either one of the procedures just described should adequately protect State interests. As a corollary matter, we suggest that the Director of Planning and Research be deleted from this aspect of the decisionmaking process. His role, as we understand it, is to assist the Governor in developing rather broad public policy. If so, he would not have any real interest in or knowledge about individual decisions respecting relatively small parcels of land. As previously noted, subsection (d)(2) requires the Commissioner of Community and Regional Affairs to approve contemplated land transactions. Yet, other portions of SB 139 allocate various responsibilities to the director of local government assistance within the Department of Community and Regional Affairs. We believe that this apparent discrepancy should be resolved by consistently giving either the Commissioner or the director the authority to carry out the responsibilities which are assigned to the Department of Community and Regional Affairs.

H/B - 140

"An Act relating to the adoption of official maps by home rule and first class cities outside organized boroughs and first and second class boroughs."

2/11/75

COMMITTEE REPORT

HOUSE

629
Rules

Mr. Speaker:

Date

4-7-75

The Committee on C&RA has had HB 140

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

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

() recommends it BE REPLACED WITH CS FOR HB 140 AND THAT

CS FOR HB 140 DO PASS

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

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Sam R. Titus
Kathleen O'Sullivan
Lawrence T. ...
Mike Hershberger

Members NOT concurring in the Majority report:

Devin ... recommends: NO REC

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Sam R. Titus

Chairman

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 26, 1975
9:00 am

Meeting was called to order at 9:10 by Chairman Cotten for discussion of HB 140. Present were:

REp. Sam cotten, Chairman
Rep. Kathryn Ostrosky, Vice Chairman
Rep. Al Ose
Rep. Oral Freeman
Rep. Larry Davis
Rep. Glenn Hackney
Rep. Mike Hershberger
Don Berry, Municipal League
Jack Chenoweth, Director, Local Government Assistance
Kevin Waring, Director, Community Planning
Barbara Englert Thomas, Staff
Andrea Guernsey, Staff

Mr. Freeman started by saying again that he wanted to change the word "shall" to "may" in line 12. He doesn't like mandatory laws for municipalities. He said 99% of the problems with local government seem to occur in Anchorage for some reason and then they impose a law on the rest of the State to correct thier problem. Chairman Cotten asked Mr. Waring if other areas of the State besides Anchorage had problems. Kevin answered that other areas of the State, mostly the large boroughs, support this kind of legislation. This bill serves to clarify because the statutes don't define an official map or give a time limit

Mr. Cotten wondered if they couldn't do it by ordinance.

Mrs. Ostrosky, sponsor of the bill, said it calls attention to the need for advance planning.

Chairman Cotten said if there was no time limit anyway it wouldn't make any difference if we did change shall to may. Kathryn said her cosponsors objected to using may.

Rep. Ose thought the Mat-Su Borough would have a hard time of it, surveying and staking all the undeveloped land. Rep. Hershberger thought the crux of the bill was in line 14-the map shall show existing and future streets etc. They aren't required to map the whole borough only the municipal center.

Mr. Cotten asked Mr. Berry if the Municipal League had any comment on the bill. He replied, no it was not on their policy statement. Mr. Berry then left at 9:30.

Mr. Freeman stated that he had spent some time on the executive board of the Municipal League and that they liked the idea of self government and the individuals in the Legislature weren't necessarily qualified to tell them how to run their business.

Mr. Hackney wanted to know what would happen to the municipalities if they don't comply? The bill doesn't provide for a time limit or any penalties; its more a directive, Cotten said.

Rep. Hershberger asked Rep. Davis what impact this would have on the North Slope Borough. Larry said it would be hard to plan and map out.

Chairman Cotten left at 9:35 and Vice Chairman Ostrosky took over the meeting.

Mr. Ose doesn't favor the bill. It might be good for Anchorage but not the Mat-Su Borough. Glenn thinks if it is directed towards Anchorage they should say for themselves and it should not be put on the whole state.

Mr. Hershberger suggested amending the bill to restrict the areas covered by the map. After the word "ordinance" on line 12, take out the word "an", add an s to the word "map" and then add "of incorporated or non-incorporated cities, villages and townsites". Mr. Waring commented that this would still address the areas with the problem.

Mr. Hackney doesn't see the reason for the bill. Doesn't seem to be any over-riding good. Chairman Ostrosky reiterated that the reason was advance planning, to put emphasis on having a comprehensive plan. Glenn didn't think you could foresee the future adequately enough to plan. Kathryn asked Kevin how other states have dealt with the problem. Kevin said that many states have legislation like this. The map is a document for use in planning. We need further definition because different legal interpretations have arisen. Paragraph A defines what the map should contain; Paragraph B sets down the procedures and paragraph C states that the map doesn't involve taking of property. Rep. Ostrosky says this is a chance for a new state to plan out its communities and avoid ugly cities an urban sprawl.

Mr. Hackney made a motion to table the bill; seconded by Al Ose. Vice-Chairman Ostrosky called for a vote. In favor to table were: Davis; Freeman; Ose; Hackney and Hershberger. Ostrosky was opposed.

Meeting was adjourned at 9:50.

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.

(58) 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)

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 25, 1975

Meeting was called to order at 9:00 for discussion of HB 140, 265, 266. Present were:

Rep. Sam Cotten, Chairman	Rep. Mike Hershberger
Rep. Kathryn Ostrosky	Rep. Glenn Hackney
Rep. Al Ose	Rep. Oral Freeman
Rep. Larry Davis	
Barbara Englert Thomas, Staff	
ANDrea Guernsey, Staff	
Bob Pavitt, planning consultant	
Don Clocksin, Alaska Legal Services'	
Dave LeBlonde, A.G.'s office	
Mike Harper, Deputy Commissioner, C&RA	

HB 140

(15) Mr. Pavitt gave testimony saying that 42 states now had some sort of official map act. The committee substitute is good, changing shall to may is OK. It's good for the planners and subdividers to be pre-advised of the plans of the municipality. He offered a suggested amendment to be placed after paragraph A.

(291) Cotten asked about the intent of section E. Bob said in essence what they're talking about is a tax rebate. He thinks the bill should clarify the tax status of the land to avoid a rip off.

(373) Why is the amendment necessary, Cotten asked. There should be a statement as to the effect of the map, what it does and what it doesn't do. (442) Rep. Ostrosky, sponsor, thinks the suggestion is good.

(463) end discussion of HB 140.

HB 265, 266

(480) Mr. Clocksin gave a short run down of the background of the bill. It came out of the Bush Justice Conference held in Minto. Addresses the problem of a lot of unincorporated villages who don't have enough sufficient funds to pay for an attorney.

(570) Cotten asked if he expected many first class cities to make requests. Clocksin didn't think so but knew of one request right now (Angoon).

(586) Mr. Harper made a few comments. His Department endorses the project. ON the question of additional staff he said that the local government specialists weren't prepared to answer questions about legal problems.

(653) Ose wondered how many hours of legal time \$50,000 would buy, and how many villages will request. There won't be a lack of equests Harper said, but there is no way of telling how many projects themoney will fund. In order to determine if they need assistance the Dept. will have to set requiremns. (760) Clocksin noted that there was no way to set the exact costs right now, it will have to be on an

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 7, 1975

Meeting was held at 9:00 to discuss HB 140, official maps. Present:

Rep. Cotten, Chairman Rep. Hershberger
Rep. Ostrosky Barbara Thomas, Staff
Rep. DAVIS Andrea Guernsey, Staff
Rep. Hackney
Kevin Waring, Director, Community Planning
Bob Pavitt, Research and Planning

First Class Rep. Ostrosky said that the last section on page 2
Cities of the original was left out of the Committee sub-
 stitute which she had drawn up. Should be there.

She read a letter from the Association of Realtors
who favor the bill.

Option to buy It wasn't clear in the original who had the option to
 buy. Clear in the Substitute. The owner is not
 required to pay taxes if the land is encumbered by
 the official map. the Municipality has 18 months
 to decide to purchase or not.

18 month Does the municipality really need 18 months, Hackney
reserve period wondered. Pavitt said this was a common period of time.
 It may take 18 months to make the final decision.
 Waring brought up the point that 18 months fits the
 budget cycle. The municipality may have to include
 the expense of purchasing in the next year's budget.

First Class Section 2 on page 2 is not necessary because first
cities class cities outside the organized borough already
 have planning powers.

Report out Rep. Ostrosky moved to report out CSHB 140 due pass.
 So moved.

Meeting was adjourned at 9:40.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 24, 1975
9:00 am

Meeting was called to order at 9:25 by Chairman Cotten. Present were:

Representative Sam Cotten
" Al Ose
" Oral Freeman
" Mike Hershberger
" Kathryn Ostrosky
Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Kevin Waring, Director, Planning Division, C&RA
Art Hartenberger, Director, Planning, Juneau Borough

Meeting was for discussion of HB 140-Official maps. Mr. Waring began.

- 1300-Waring-This bill is identical with the one introduced last year. The Municipal League does not necessarily support this particular bill but supports the concept of official maps. Also endorsed by the Planning Association of Alaska. This bill defines what an official map is. Title 29 already authorized for official maps. Map lays out the future development plans of city and provides notice to property owner of what the municipality will eventually want. Bill is beneficial to both parties—municipality reserves the right and has the time to acquire and the owner knows where and when he can build. The bill is a sound concept and provides fair provision for informing property owners.
- 1350-Cotten-Does a municipality already have the power to condemn?
Waring-Yes, they have the power of eminent domain. As condition of plat approval they can usually require dedication of streets, etc.
- 1370-Cotten-Say a person constructs a warehouse on their property. That would probably influence the decision of the planning commission, wouldn't it?
- 1390-Waring-Yes or else it would cost municipality money to reroute whatever they planned on putting there, or having to condemn and acquire a fairly new structure. (Gave example of 5 years ago in Anchorage when they didn't have an official map someone built a hotel on the land they wanted to put a hiway and the city had to reroute the bypass. Situation could have been avoided with official map.)
- 1423-Freeman-Is there anything in the law which prevents people from adopting an official map? Mr. Waring replied no. The bill clarifies existing legislation.
- 1435-Freeman-He is suspicious of mandatory legislation. Doesn't like the word "shall". Local people don't have much of a choice.
- 1449-Waring- The statutes already require an official map along with a comprehensive plan.

HB 140 cont'd

- 1458-Art said the official map in Juneau is basically the comprehensive plan in map form. There are lots of communities with comprehensive plans which have not been adopted by ordinance.
- 1479-Chairman Cotten observed there seems to be a lack of requirements.
- 1482-Mr. Freeman said the reason for that was because many of the comprehensive plans were ridiculous and the municipalities didn't want to adopt them by ordinance.
- 1510-Art said it was in the best interest to have an official map, otherwise the State would come in and tell the municipality what to do.
- 1537-Representative Cotten that in Section D the State could already do that.
- 1544-Mr. Waring thought that the language didn't mean the Borough had to but that they would have the same consistent policy. Keeps the property owners from being surprised by the municipalities. Main purpose of map is right of ways.
- 1570-Mr. Freeman asked if the map could be amended. Kevin said yes it could and was quite common to update it. Oral thought that was not really protecting the public then if the map could be so easily changed. Kevin said the map could be modified but the original represented the best plan.
- 1608-Representative Ostrosky remarked that it forces the community to take a long long range look at plan.
- 1616-Mr. Cotten asked what is the process for amending the map. Art said that through a series of public hearings recommendations are made to the planning commission who in turn recommend to the borough assembly and it is adopted by ordinance.

Art also brought up the point that the communities would have to spend lots of money to have all this land surveyed. What kind of price tag does that require?

- 1673-Mr. Hershberger thinks that the communities ought to spend the money. There is too much lack of planning.
- 1686-Mr. Cotten thought section B contained some confusing language. The 18 month and 5 year figures. Kevin answered that the five years applied to the map itself. The assembly has to review and reapprove the map every five years. The 18 month figure comes from the Greater Anchorage Borough.
- 1720-Mr. Waring offered a suggestion for line 22. After the word building, add the words "or other structure located within the bed of a street" etc. Left out in typographical error probably.
- 1741-Hershberger moved that the language be adopted as an amendment.
- 1750-Chairman Cotten said it could be added without objection.
- 1756-Mr. Freeman wanted to change the shall to may in line 12. Representative Ostrosky the sponsor, thought that might be too permissive and wasn't quite clear on the difference.
- 1767-Mr. Waring reiterated that existing legislation already made planning, platting and zoning mandatory for first and second class boroughs thus making an official map mandatory.

Meeting was adjourned at 10:00.

OFFICIAL MAP ACT

What Is It?

Amends the Alaska Statutes to specify what types of public improvements may be on a local government's official map.

Enables first and second class boroughs and first class cities in the unorganized borough to reserve land for future streets, schools, park land and trails.

Establishes a reasonable length of time for the acquisition of such sites.

Why Do We Need It?

Local communities need a tool to implement their comprehensive plan in the face of rapid projected growth for the years ahead.

Taxpayers will otherwise bear the brunt for high costs of condemnation if expensive buildings or development are allowed on a site for future public improvements or facilities.

Without site reservation prior to or coincident with development, schools tend to be left with marginal site locations when subdivision development preempts all available good land.

Parks and trails which are the setting for the Alaskan "good life" become prohibitively expensive if not acquired as part of an overall plan.

Property owners and prospective buyers deserve to know what to expect in the way of future public improvements such as a street, school or park on or adjacent to their property.

How Does It Work?

The local community through its elected body enacts its official map after public input and adequate planning.

The map is effective for a five-year period after which time it is reviewed. Property is released from any reserve restriction automatically unless an additional five-year extension is approved by ordinance. Each local body sets its specific terms and procedures for implementation of the act.

Compliance with the act is obtained by setting an 18-month reservation on any site for future public acquisition if the owner proceeds to initiate development in violation of the map. Specifically this would be from the time of application for a building permit, special exception, or submission of a preliminary plat.

If the local government does not acquire the property within the 18 months, the reservation becomes void. The property owner would receive an option to purchase that would reflect the amount of taxes accruing to the property site during this reserve 18-month period.

The local governing body will establish provision for review of hardship cases.

The local governing body may adopt and modify by ordinance the map upon recommendations of the planning commission and consistent with the general plan.

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

Introduced:

Referred:

IN THE _____

BY _____

BILL NO. _____

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the adoption of official maps by first class cities in the unorganized borough and first and second class boroughs."

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

* Section 1. As 07.15 is amended by adding a new section to read:

Sec. 07.15.345. OFFICIAL MAP. (a) The assembly of a first or second class borough may adopt and modify, by ordinance, an official map based upon the recommendations of the planning commission and consistent with the comprehensive plan. The map may show existing and proposed future streets, schools, park land and trails and the area needed to acquire, widen and enlarge them. It shall be prepared in sufficient detail to permit the establishment of the future acquisition lines on the ground and shall be attested to by a registered land surveyor. After adoption a certified copy of the map shall be recorded in each recording district within which any of the land shown on the map is located.

(b) For the purpose of preserving the integrity of such official map, no plat shall be recorded and no permit shall hereafter be issued for any building in the bed any street, school site, park land or trail etc. shown or laid out on such map except as provided in this section. However, the reservation of particular property for public use under the map shall cease and become void 18 months after an owner of the property reserved makes application for a preliminary plat, or for a building permit for the location or construction of a building or structure within the area reserved, unless during that time the borough has filed the property or filed eminent domain proceedings to acquire the property. Property reserved on the map but not acquired within five years after the reservation is recorded in the district recorder's office, shall automatically be released from the restrictions

of the map unless affirmative action is taken by ordinance to hold or reserve the property on the map for another five year period.

(c) The adoption of an official map does not of itself give the borough a right, title, or interest in areas identified for public purposes but authorizes the borough to acquire an interest without paying compensation for buildings or structures which are erected in those areas without a permit or in violation of the conditions of a permit.

(d) At the request of the state, the assembly may reserve land for the state in the same manner and on the same terms that it reserves lands for the borough.

(e) Any owner of property reserved on the official map shall receive an option to purchase from the municipality at the time the owner files a preliminary plat or requests a building permit. The option should reflect the amount of taxes accruing to the property during the 18 month reserve period.

*Section 2 AS 29.10.244 is added to read:

AS 29.10.244 OFFICIAL MAP. First class cities in the unorganized borough may provide for an official map in the manner provided in AS 07.15.345.

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

X-Office of the Mayor
Planning Department
November 4, 1969
W. S. M. ©

OFFICIAL MAP
CASE NO. 69-43-OFF. MAP

Addendum to report submitted
December 27, 1968-August 13, 1969

The attached proposed Official Map Ordinance provides for essentially the following:

1. A procedure for initiation and preparation for an Official Map
 2. A procedure for adoption of the Official Map requiring:
 - a. maps
 - b. public hearing
 - c. notice to property owners
 - d. ordinance
 - e. filing the Official Map with the register of deeds
 3. A requirement that the officer responsible for issuing building permits shall deny all requests involving the area reserved
 4. A procedure for appeal if a permit is denied requiring:
 - a. application
 - b. referral to the Planning Commission
 - c. hearing
 - d. findings
 5. Opportunity (six months) to acquire the land should it be determined that a building permit must be issued by consideration of justice and equity.
- alt?

This ordinance has been discussed and developed by both the Planning Director and the City Attorney. Although there is not complete agreement on all sections, it is recommended that this ordinance be approved by the Commission.

PROPOSED OFFICIAL MAP ORDINANCE

ORDINANCE NO. _____

AN ORDINANCE RELATING TO OFFICIAL MAPS
AND THE EFFECT THEREOF, AND ESTABLISHING
PROCEDURES IN CONNECTION THEREWITH FOR
PROCESSING APPROVAL, FILING AND APPEALS
THEREUNDER

THE CITY OF ST. LOUIS PARK DOES ORDAIN:

Section 1. Official maps as authorized by Minnesota Statutes, Sections 462.351 through 462.364 shall be regulated as follows:

Section 6:400. Title. This ordinance shall be known, cited and referred to as the "St. Louis Park Official Map Ordinance," except as referred to herein, where it shall be known as "this ordinance."

Section 6:402. Purpose and Intent. Municipalities are faced with mounting problems in providing means of guiding future development of land so as to insure a safer, more pleasant and more economical environment for residential, commercial, industrial, and public activities and to promote the public health, safety, morals and welfare. Municipalities can prepare for anticipated changes and by such preparations bring about significant savings in both private and public expenditures. Municipal planning, by providing public guides to future municipal action, enables other public and private agencies to plan their activities in harmony with the municipality's plans. Municipal planning will assist in developing lands more wisely to serve more effectively, will make the provision of public services less costly, and will achieve a more secure tax base. It is the purpose of the City Council of the City of St. Louis Park to provide a uniform procedure for adequately conducting and implementing its municipal planning for the City of St. Louis Park through proper use of Official Maps as authorized by the laws of the State of Minnesota. Land that is needed for future street purposes and as sites for other public facilities and services is frequently diverted to non-public uses which could have been adjusted to meet the public need or could have been located on other lands without hardship or inconvenience to the owners. When this happens, public uses of land may be denied, or it may be obtained later only at prohibitive cost or at the expense of dislocating the owners and occupants of the land, or it may force the City to forego the needed public facility, or result in the selection of an inferior location. Identification on an Official Map of land needed for future public uses permits both the public and private property owners to adjust their building plans equitably and conveniently before investments are made which will make such adjustments difficult to accomplish. The City of St. Louis Park, through action on its City Council, having adopted a Comprehensive Plan for the City and as a part thereof having adopted a Land Use Plan, a Thoroughfare Plan and a Community Facilities Plan, by this ordinance relating to Official Maps expresses its intent to implement the policies and objectives stated therein.