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HCRA

HB 273

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HB 342

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ALASKA MINERS ASSOCIATION, INC.

FAIRBANKS BRANCH

PRESIDENT

Mark B. Ringstad
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Fairbanks, Alaska 99707

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Fairbanks, Alaska 99701
Phone: 456-5005

March 25, 1977

Community & Regional Affairs Committee
Attn: Liza Rudd, Chm.
Pouch V
Juneau, Alaska 99881

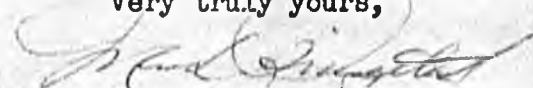
Dear Ms. Rudd:

I would like to comment on HB-273 which I believe is presently before your committee.

Everyone I have talked to here in the Fairbanks area believes it is too restrictive being strictly confined to education. The language of the bill should include the possibility of any area to have a service area by majority vote of the people owning property within the area.

Mr. Wolfgang Falke is personally carrying the wishes of the Fairbanks people to your committee to express our feelings in more detail.

Very truly yours,



Mark B. Ringstad



Dedicated to the development of Alaska's Mineral Resources



March 26, 1977
Dean G. Barnard
SR Box 20096
Fairbanks, Alaska

Representatives
Parr, Bennett, Brown
Carpenter and Smith

Re. House Bill No.273

The new legislation should not substantially alter the powers of Third Class Boroughs but rather should clarify existing powers. Also the Third Class Boroughs may have the powers-on a area wide bases to form-alter or abolish service areas for any borough wide services. And the right of the people to petition for additional services.

The new legislation should provide for the transfer of power from the old to the new borough in a orderly manor so that they could exercise powers existing, till the public could vote on approval of the continuation on a service area basis.

I feel this House Bill no.273 with the proper amendments should be passed and put into law soon as possible. I feel a clear and concise law on the Third Class Borough will help other none classified boroughs to become Third Class Boroughs if they see fit. This is not a Fairbanks problem. This is a state wide problem, with towns such as Haines in mind.

I hope you as representatives of the people of Alaska are able to act on our wishes soon as you can.

Very truly yours,
Third Class Borough Member.

Dean G. Barnard

MILLERS FALLS
ERAZER
COTTON CONTENT

TO COMMITTEE MEMBERS CONCERNING H.B. 273

The question of the amount of government necessary to supply the services required by the residents of the area is frequently raised and there are always complaints about excessive taxes and governmental interference.

When the condition exists where large concentrations of people develop, a governmental body such as a town or city government is necessary to perform the daily tasks that the residents do not have time for. These tasks include police and fire protection, garbage collection, street cleaning, sewer and water systems and other social services requested by the majority plus taxation and collection to pay for these services. Within the limits of the town or city all residents share equally in whatever the elected government does or doesn't do because of the proximity of the residences. In these areas complaints of excessive government and taxes are seldom aimed at the local government body because most people realize that the services supplied are required to maintain a level of social relationship that they desire within their town.

In the areas away from large concentrations of people, towns and cities, the social relationship and the amount of government necessary to maintain the social relationship is changed. In these outlying areas what a resident does has no effect on his neighbors simply because he has no neighbors in the same sense as a town resident.

The town resident accepts local government and the cost of that government because he realizes that he cannot provide the same services at the same cost and he cannot be assured of protection of his property and his life unless his neighbors are subject to the same laws that govern his action. All town residents realize that any action by one directly affects the other, socially and economically. As a resident of the town he has ready access to all services provided by the government and is willing to pay for these services.

Conversely the outlying resident has little or no access to any services provided by the local government.

Since the North Star Borough is a second class borough, property is taxed at the same rate as town property in order to pay for services that only the town people can utilize.

At present approximately 40% of the North Star Borough population lives in towns that cover 3% of the total land area. Because of this concentration of people in two locations, Fairbanks and North Pole, 60% of the people are paying for services they are not able to utilize unless they live within several minutes drive from one of the towns where the bulk of the North Star Borough tax money is spent.

In addition to the general tax imposed by the borough government all residents of this North Star Borough must pay an additional tax to support the services they want for their area such as police protection, Fairbanks and North Pole, garbage collection, (Fairbanks and North Pole or by contract services areas,) Sewer and water systems, (Fairbanks and North Pole or by paying for installation of septic tanks and wells).

As stated above 60% of the residents of the North Star Borough are paying for services they cannot receive in addition to those services they desire. These residents have indicated a desire to express a choice between a second class borough and a third class borough in the form of a petition to place reclassification from a second to a third class borough on the ballot.

The petition signatures have in no way stated nor indicated that they want no government only that they want a government of which they can share the benefits equally. As a third class borough all service areas required or requested by the residents will be continued or formed for whatever class of service fits the needs and desires of those affected while being relieved of the tax burden that a second class borough government adds.

Respectfully,

Donald Fiscus

Box 1166
Fairbanks, Alaska
March 11, 1977

Dear Legislator:

Please find enclosed a copy of my letter addressed to Lisa Rudd, Committee Chairman, Community and Regional Affairs, respecting HB 273. I hope that my comments therein will be of some assistance in formulating necessary legislation facilitating the transfer of borough powers should re-classification take place.

Very truly yours,


WOLFGANG FALKE

DTS:nw

Enclosures

MEMORANDUM

State of Alaska

TO: *Lee McAnerney*
Commissioner
Dept. of Community & Regional Affairs

DATE: *January 5, 1977*

FILE NO:

Avrum Gross
Attorney General

TELEPHONE NO:

FROM: *Rod Pegues*
Assistant Attorney General

SUBJECT: *Powers of third class borough*

This responds to your request for an opinion on this subject of December 29, 1976. Pursuant to your request we have reviewed our informal opinion of August 8, 1968, on this subject and AS 29.41.

We agree with your views on the matter. The third class borough's sole function is to provide education. It is empowered to levy and collect taxes, to borrow money, and to establish service areas to that end. It has no other function. It would be inconsistent with AS 29.41 for a third class borough to exercise a power of a first or second class borough which is not in furtherance of its assigned function and prescribed powers. Thus, in order to collect taxes, a third class borough obviously must possess the power to file tax liens and foreclose on them. To operate a school system, it must possess the power to acquire and manage property and enter into contracts. This is what the last sentence of AS 29.41.020, which constitutes the assembly the school board as well is conclusive on this point. It is irrefutable evidence of the legislature's intent that the third class borough has no other function.

The opinion on this subject of August 8, 1968, is in error on these points and is overruled.

DJ:sg

JUM

State of Alaska

COMMUNITY AND REGIONAL AFFAIRS

RECEIVED
Department of Law
Juneau, Alaska

DEC 30 1976

AM
7:30 PM 12/30/76

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Rod Peques, Esquire
Assistant Attorney General

DATE: December 29, 1976

FILE NO:

ru:

The Honorable Avrum Gross
Attorney General

TELEPHONE NO:

Lee McAnerney
Commissioner *Lee*

SUBJECT: Request for Opinion

As you are undoubtedly aware, there is an effort being made by residents of the Fairbanks North Star Borough, a second-class borough, to reclassify that borough as a third-class borough. As a function of the reclassification process, the borough assembly must evaluate and issue findings relative to the ability of the borough to function subsequent to reclassification, AS 29.08.040(g) and AS 29.33.260. However, before it can perform that responsibility the assembly must know what the powers of a third-class borough are. The Fairbanks Borough Assembly believes, and we concur, that the powers of a third-class borough are not clearly defined in Title 29. Accordingly, this request for your opinion.

There is an unnumbered opinion dated August 8, 1968, signed by then Assistant Attorney General Robert E. Price which reaches certain conclusions relative to the powers of a third-class borough. Summarized, the opinion states that the only powers that can be exercised on an area-wide basis by a third-class borough are tax assessment and collection and education, but that the borough may on a service area or non area-wide basis, exercise all other municipal powers except planning and zoning, which may not be exercised at all. A copy of the subject opinion is attached.

Being somewhat familiar with Ch. 122, SLA 1968, I am inclined to disagree with the conclusions reached in the earlier opinion. As you know, the third-class borough concept was created for one purpose: to respond to the absence of a legal entity to assume the duties and responsibilities of the former Haines Independent School District which was dissolved in 1968. I do not believe that the Legislature intended to simply create another class of borough that was different from second and first-class boroughs only by virtue of the absence of the planning and zoning power and the inability to exercise powers on an area-wide basis. Moreover, it would seem that Mr. Price's conclusion that no municipal powers except education and tax assessment and collection may be exercised on an area-wide basis, is in direct conflict with Section 1, Article X, of the Alaska Constitution which calls for ". . . a minimum number of local government units . . ." Quite obviously, creation of a regional municipality lacking authority to provide services on a region-wide basis creates, not dissipates, the need for additional governmental structures.

After carefully and thoroughly reviewing the provisions of Title 29, pertaining to third-class boroughs, and it is my conclusion that third-class boroughs have

authority to exercise the education and tax assessment and collection powers only. It seems that the crux of this issue is the second sentence of AS 29.41.010(a), which provides that "Provisions of law relative to first and second-class organized boroughs apply with respect to third-class boroughs only to the extent they are consistent with this chapter." Because Chapter 41 mandates the exercise of the education and tax assessment and collection powers only, I read the subject sentence to mean that in exercising the education and tax assessment and collection powers, the third-class borough must operate substantially the same as a first or second-class borough. I do not, as Mr. Price apparently has, read the subject sentence to extend to the third-class borough all powers, duties, rights and responsibilities normally associated with first or second-class borough status so long as those powers, duties, rights and responsibilities are not in conflict with the provisions of Chapter 41.

AS 29.41.010(b) extends authority to third-class boroughs to establish service areas. This provision seems to me to mean that service areas may be established to provide a higher or lower level of education service than that provided on an area-wide basis; I do not read it to mean that a service area may be created to provide any municipal service.

Would you please review the 1968 opinion and AS 29.41, and let me know if you agree with my conclusions?

Attachments

DEPARTMENT OF LAW
OFFICE OF THE ATTORNEY GENERAL

POUCH K. STATE CAPITOL - JUNEAU 99501

August 8, 1968

MEMORANDUM

RECEIVED

TO: Larry Montgomery, Director
Local Affairs Agency
Office of the Governor

AUG 8 1968

LOCAL AFFAIRS AGENCY

FROM: G. Kent Edwards
Attorney General

REP

By: Robert E. Price
Assistant Attorney General

RE: Third Class Borough Law

This is in response to your memorandum of August 2 in which you requested the opinion of this department on several questions from John D. Gustafson, Presiding Officer of the Fairbanks North Star Borough Assembly. These questions are:

1. Is a third class borough limited to the exercise of the two mandatory areawide powers of education and tax assessment and collection?
2. In what manner and to what extent may the third class borough exercise the power of flood control?
3. Would bonds be sold on an areawide basis or just on the established service area?"

ANSWER 1.

29. 41. 010
AS 07.17.020(a) states:

^
"The third class borough shall exercise the areawide powers of education and tax assessment and collection [as] provided for second class boroughs. (in this title)"

IN THE MANNER

The reference in this section to the areawide powers the second class boroughs is to AS 07.15.310 (Scope of

Larry Montgomery, Director
Local Affairs Agency

27.33.030

27.33.030 Areawide Powers), AS 07.15.320 (Assessment and Collection) and AS 07.15.330 (Education). The specific inclusion of Education (AS 07.15.330) and Tax Assessment and Collection (AS 07.15.320) as areawide powers of the third class borough infers the exclusion of other powers set out in AS 07.15 (Article 2^o Scope of Areawide Powers), i.e., AS 07.15.340 (Planning and Zoning), AS 07.15.350 (Additional Areawide Powers), and AS 07.15.360 (Dog Control). See the discussion of the maxim "Expressio unius est exclusio alterius" in Southerland on Statutory Construction, Vol. II, § 4915. Therefore, the third class borough is limited to the exercise of the two mandatory areawide powers of education and tax assessment and collection.

ANSWER 2.

The third class borough may exercise the power of flood control either (1) on the basis of the exercise of the power of a second class borough in the area outside cities only or (2) on the basis of a service area, provided, that, in either case, the project complies with the statutory grant of power.

AS 07.17.010 states, in part: "Provisions of law relating to first and second class organized boroughs apply with respect to third class boroughs only if and to the extent they are consistent with this chapter."

First, on the question of non-areawide power of a third class borough, there is no explicit reference to it in AS 07.17. However, in accordance with the provision of AS 07.17.010 above cited, the third class borough has such non-areawide power because there is no apparent basis why this power would be inconsistent with AS 07.17. The third class power should comply with AS 07.15.720 (Powers of Second Class Borough) in its exercise of this power. A first class city has the authority for flood control under AS 29.10.117. On the authority of a borough to carry out a reclamation project, I attach to this memo for your consideration an informal opinion of the Attorney General on 12/30/65. It will be a technical question, of course, whether or not the borough can undertake a flood control project through the use of a non-areawide power only.

Second, on the question of a service area of a third class borough, AS 07.17.020(b) states:

"The third class borough may establish, operate, alter or abolish service areas as provided for second class boroughs in this title."

The reference to the power of second class boroughs over service

areas is to AS 07.15.050, which states:

- (a) Service areas to provide special services within a first or second class borough may be established, operated, altered, or abolished by the assembly by ordinance.
- (b) The assembly may levy or authorize the levying of taxes, charges, or assessments in service areas to finance the special services. No special assessment may be levied except as provided by law for first class cities.
- (c) The assembly may provide for appointed or elected boards to supervise the furnishing of special services in service areas.
- (d) A new service area may not be established if the new service can be provided by an existing service area, or by annexation to a city, or incorporation as a city.
- (e) The assembly may delegate any of the powers prescribed in § 710 of this chapter to a service area. In a second class borough each delegated power must be approved by a majority of the qualified voters voting on the question who reside within the service area. The rate of taxation and the issuance of bonds shall remain subject to the approval of the assembly."

Further, on the same subject, the Alaska Constitution, Art. X, § 5 states:

"Service areas to provide special services within an organized borough may be established, altered, or abolished by the assembly, subject to the provisions of law or charter. A new service area shall not be established if, consistent with the purposes of this article, the new service can be provided by an existing service area, by incorporation as a city, or by annexation to a city. The assembly may authorize the levying of taxes, charges, or assessments within a service area to finance the special services."

There is the inference in these quoted provisions that a service area may not encompass an area which is coterminous or substantially coterminous with the borough boundaries. The Final Report on Borough Government, prepared by the Alaska Legislative Council and the Local Affairs Agency and published in January, 1961, states, at p. 43: "The need may arise within a borough for services not required throughout its entire jurisdiction." Therefore, it was the thought of those who prepared the Borough Act of 1961 and the inference of the language of the provisions of that legislation itself that service areas were only to encompass an area less than the entire area of its jurisdiction. The provisions of the borough system in Alaska are unique and the decisions of other jurisdictions on the same question are not relevant to this opinion. Cf. McQuillin on Municipal Corporations, Vol. 14, § 38.52. See The Metropolitan Experiment in Alaska, edited by Ronald C. Cease and Jerome R. Saroff, 1968, pp. 11, 16, 42. It will be a technical question, of course, whether or not the borough can undertake a flood control project through the use of a service area which is not coterminous or substantially coterminous with the boundaries or area of the borough.

ANSWER 3.

AS 07.15.030 states in part:

"First and second class boroughs may incur indebtedness in the same manner and to the same extent as first class cities

* * *

(3) on a service area basis for functions performed in a service area only; payment of debt principal and interest as well as other costs shall be limited to the service area, except that, subject to the election requirements of AS 07.30.010(b), the full faith and credit of the entire borough may be pledged to guarantee payment of principal and interest."

This provision is applicable to third class boroughs because it is "consistent", in accordance with the principle of AS 07.17.010, with the service area power of AS 07.17.020(b).

Therefore, third class borough service area bonds must limit payment of debt principal and interest as well as other costs to the service area.

GKE/REP/er

Att.

February 23, 1977

Daily News-Miner
200 N. Cushman
Fairbanks, Alaska 99701

Dear Editor:

In yesterday's front page news "3rd Class Election: Still no date", you (or who?) stated "The Third Class Borough Committee, which collected the signatures, has asked for a change in the law so that it specifically states that service areas for powers besides education are allowed."

This statement is far and away from the truth. The fact is that a Third Class Borough has the specific power to establish, operate, alter or abolish service areas in the same manner as provided for Second Class Boroughs to exercise those powers applicable to all municipalities (which include flood control, recreation, libraries, fire protection, etc.) There is no such thing as a service area for education. Education and tax assessment and collection must be exercised by a Third Class Borough on an area wide basis in the same manner as provided for Second Class Boroughs. This is the law, plain and clear!

The Third Class Borough Committee has asked its Fairbanks legislators to clarify the law, not to change it, so that the governor and his aides, his attorney general in specific, must agree with the law.

On January 5, 1977, the attorney general issued an opinion requested by the Department of Community and Regional Affairs. That opinion of the attorney general stated: "The Third Class Borough's sole function is to provide education."

It is impossible for me not to believe this opinion by our appointed attorney general was made with full knowledge that it was not according to law and would not be upheld by our courts. The sole function of the opinion was, and is, to mislead the residents of the Fairbanks North Star Borough and thereby discourage them from voting in favor of Third Class reclassification of the borough.

Can the attorney general do this? True, it is the function of the courts to interpret the law, but they won't until an actual case or controversy exists. As stated by Assistant Attorney General Rod Pegues on a recent television interview, an actual case or controversy will not exist until the Third Class Borough comes into existence and the State or some group attempts to prevent the new borough from exercising its municipal powers.

Because the court will not interpret the law until after an actual case or controversy has arisen, the only alternative method of enjoining the publication of this clearly erroneous opinion of the attorney general is to pressure our governor to require the attorney general to re-evaluate his opinion. This is why the Third Class Borough Committee went to Juneau. We wanted to make the legislator aware of the problem and to clarify existing legislation, not to change powers already existing in Third Class Boroughs.

Very truly yours,

FALKE WOLFGANG
Box 1166, Fairbanks, Alaska

FW:nw

P.O. Box 1166
Fairbanks, Ak. 99707
March 17, 1977

Daily News-Miner
200 N. Cushman
Fairbanks, Alaska 99701

Dear Editor:

In response to Mr. Wm. F. Humpheries letter to the editor of 3-2-'77:
Under a third class borough what would become of the borough powers
such as animal control and borough transit?

Under present law, those powers, as well as all municipal powers, will
be continued by the new third class borough in the same manner as
they are provided by the second class borough.

Under a new third class borough administration of course there could,
and I am confident that there will, become before the voters the
question in which form the people wish to have those powers administered.
Public hearings shall be held for each power in question to establish
boundaries for service areas throu-out the borough and the people in
each area and in each city then determen by vote if they wish to have
those services to be continued. Sound's fair, doesn't it?

This is another reason why a third class borough indeed would be able
to serve the people of Fairbanks and its souraunding areas so much
better than our present administration.

Very truly yours,


Wolfgang Falke

A couple questions

322 2nd St., Graehl
Fairbanks
March 2, 1977

Dear Editor:

Following are a couple of questions
maybe you or someone on the Third
Class Borough Committee could an-
swer.

Under a third class borough what
would become of important borough
powers such as animal control (takes
care of loose and vicious dogs), and
borough transit? I think that many
persons who now oppose public tran-
sportation because of the higher tax
load, or other reasons, may be very
glad to have borough transit around
when President Carter's energy con-
servation proposals are unveiled and
become law this Spring! I am quite sure
oil companies will be ordered to make
much more home heating oil and much
less gasoline. I'm sure the President
and Congress will feel that warm
homes are more important than
unrestricted private auto driving in
Alaska and the U.S.A. Then borough
transit will become much more im-
portant to many people than it is now.
William F. Humpheries

Room 620
Judith Pinero

FAIRBANKS NORTH STAR BOROUGH

Box 1267, Fairbanks, Alaska 99707

MEMORANDUM

TO: Butch Stain, Borough Assemblyman
FROM: Ronald A. Garzini, Staff Director RAG
SUBJECT: Third Class Borough
DATE: January 27, 1977

I have put together some things which you should be aware of when discussing the declassification of the Fairbanks North Star Borough from second to third class with our legislators. I have kept to the facts as well as I can with my obvious bias.

It appears that the major objections to the present second class Borough arise from zoning administration and enforcement and the expansion of the borough budget with no obvious increase in service. I think you could point out to our legislative delegation our efforts at straightening out our present zoning problems and, in fact, the impetus for the third class movement began at a zoning hearing where we were attempting to resolve some of the problems.

The spread sheet entitled "Initial Allocations of the Borough Budget" pretty well shows the percent dedicated to each program in the Borough. It's interesting to note that if you eliminate the programs that would not exist in a third class Borough, you would only remove 15% from the existing Borough budget. (Certainly over time that could change.)

Some specific thoughts are:

1. With a third class Borough, the mayor of the municipality is selected from the Assembly rather than elected at-large. I frankly think the people of the Fairbanks area prefer having a separately elected mayor who they can hold accountable for administration. I am sure you realize that with the workload the present Assembly has and the workload the present

School Board has, combining these two workloads would be unbelievably difficult. The Board/Assembly would be the Board of Equalization, School Board, tax collector, service area coordinator, and central treasurer, etc.

2. Assessment and Collection of Taxes

a. The third class borough assembly would hold the central treasury for Fairbanks local government. Having a board, whose primary function is education, hold the central treasury for municipal governments in an area is highly irregular and I'm sure it's not good management by any existing precedent.

b. We presently have fifteen service areas and three more underway. If a third class borough were to come into being, I predict we would have fifty service areas in short order and just dealing with the fifteen we have is becoming a major problem. We are presently working with ninety service area commissioners.

3. Education - The school board would cease to exist with a third class Borough and the workload of the school board/assembly would once again include handling their insurance, their engineering, data processing, assessing, and all the other functions we provide for education. I feel that these additional duties thrust upon the education function would prevent the elected body from spending the time they really should on educational matters. The Superintendent would have duties unheard of in municipal experience.

4. Flood Control - The Borough is obligated for the maintenance of the flood levee. We own all the land within the levee; we are obligated to 1% of the final cost of the project, and we are responsible for land acquisition, rights of way, relocation, and coordination. We are responsible for protecting the levy and works by controlling surface activity adjacent to them. A third class Borough service area for flood control would be phenomenally complex, extremely dull to the average citizen, and probably something the State of Alaska would unwillingly assume if a third class Borough were formed.

5. Planning and Zoning - The responsibility for subdivisions; i.e, platting, it appears, would go to the State Division of Lands. It would be interesting to see how third class Borough people would like to relate to state government types for approval of their subdivisions. My impression is that the only thing third class Borough people like less than Borough employees is state and federal employees. We are undertaking a major effort presently to relocate our landfill. We expect that the proper place for the landfill will turn out to be above the flood plain, outside the city. Presently the operation of our solid waste program runs about \$300,000 per year. I assume the State of Alaska would not like to operate the landfill; I doubt if the City of Fairbanks would like to bear the capital expense, which we estimate at two million dollars, to establish a solid waste disposal system for the Fairbanks area.

There is need for planning coordination with the Highway Department and the State Division of Lands in the area of transportation and water and sewer planning, as well as hydrological and soils coordination with the appropriate state and federal agencies. We have a strong input into the development of state roads and trails within the Fairbanks area. I can't see the formation of a service area to provide a vehicle for local input; therefore, I assume the state, again, would have to bear the burden of determining what the public sentiment is through hearings and employee growth. The two cities would definitely need to create planning and zoning departments.

6. Animal Control - I cannot envision the Fairbanks area without an Animal Control program. With over 50% of the population now outside the City of Fairbanks, and with the majority of our collections now being outside the city limits, I personally don't think that having the city run an Animal Control program would be very effective. It would be like taking a cup of water out of a bowl. The dogs would just drift in from the outlying areas. We are presently catching 500 animals per month and expect this year, if present trends continue, to dis-

pose of 4,000 animals. Rabies is on the increase in Alaska and we expect to hold two free rabies clinics this year to do what we can to prevent rabies getting started in the interior.

7. Parks & Recreation - As Chairman of the Parks & Recreation Committee, I'm sure you are more aware than most of the level of recreation activity that the Borough has in the area. The City, which has a tax base one-third the size of the Borough's would be sore pressed to continue the level of service we now provide. In addition, a number of our activities in recreation have long term agreements in them. Specifically, Fairbanks Lions Park - the Lions are putting up \$25,000 per year for four years for the Borough to develop the facility. Most of our BOR grants have a 25 year contract inherent with them (I wonder if we would have to give the money back.) An attached sheet shows an inventory of our park properties.

8. Solid Waste - We presently have a North Pole Solid Waste Transfer Station which has been extremely successful and well received; and we have a Salcha Landfill. I am sure that these would become individual service areas. Our main concern, however, lies with the current Fairbanks landfill which must be moved and the tax base of the City of Fairbanks would probably not be able to deal effectively with the capital costs of re-establishing a new landfill.

9. Air Pollution - We presently spend on air pollution only what we get from State and Federal agencies. Our program costs us nothing locally; therefore, eliminating it would save us nothing. However, the ability of local people to govern the air quality enforcement program and bring some local sensibility to it, we feel, is a highly desirable asset. Our local pollution control commission has the authority to grant variances from the regulations which we propose when the situation is appropriate. I have no doubt the State of Alaska or the Federal government would very quickly leap in and do just what we are doing or more in the way of air quality control.

10. Public Transportation has been voted on by the people in the Fairbanks area twice. It received approximately 55% of the vote in a borough-wide election, and approximately 60% in a city election. Our ridership and support from the public has increased dramatically. We presently plan starting July 1 to serve our rural areas where it is feasible. We have spent state grant money to buy equipment and I assume we would have to sell it. I also predict that we would have a transit service area, because the people appear to consistently vote yes in elections regarding transit.

11. Library - We expect this summer to open up the Fairbanks Regional Library which was overwhelmingly voted on by the people of Fairbanks. It is a beautiful structure, one which we should be proud of (fig trees and all). It is a 47,000 square foot building with a 5.9 million dollar cost and, I'm sure, an operating budget of at least three-quarters of a million dollars. Designed to serve all of Northern and Central Alaska, I frankly doubt that the City of Fairbanks can afford, with its current financial problems, to operate this facility. If they were to charge us to check out books, I doubt very many people would check out books at \$1.50 apiece.

12. Local Service Roads. We currently receive, as a result of state bond issues, money for local borough roads. This funding level has averaged a half a million dollars per year and the Planning Commission and the Borough Assembly have a great deal to say about where and in what priority our roads are built. I assume the roads would continue to be built, however, I see state government being involved in this decision making process in our absence.

13. Finances - For the past couple of years, we have made a concerted effort to develop a substantial savings account so that we could deal with fire protection and the heavy cost of capitalization when area-wide or non-area-wide fire protection came to pass. Our billion dollar tax base is really the only hope the foothills have of meeting the capital costs of adequate fire

protection.

The City of Fairbanks is presently trying to establish user fees for the water and sewer system and finding it very difficult. Experience has shown that the costs of collecting user fees quite often exceeds the funds collected. For instance, our Parking Management Study shows that if the city took the parking meters out, they would actually save money. I can't imagine attempting to apply user fees to Parks and Recreation facilities, summer playgrounds, the landfill, the library, animal control; with the city establishing city resident rates and borough resident rates in an attempt to equitably share the burden for the level of service requested by our 60,000 citizens. We presently have a five year lease on our building and we are in our first year; the building would certainly be far to large for a third class Borough.

I think a great deal can be said at this time in the way of criticism of our present second class borough. It is certainly an inferior form of government for the Fairbanks area; it's a very unresponsive form of government for an area this size; suffice to say a third class borough would be worse. I personally view the only logical form of government for an area with our characteristics would be a first class borough or unified municipality. Within such a governmental structure, service areas could be designed so that people only paid for the level of service they receive; whereas a resident of the City of Fairbanks might receive a high level of service and a 20 mill tax rate, a resident of 50 Mile Steese Highway might well only have a 4 mill tax rate since he receives little service beyond education. A classic example of our problem is the fact that we presently have the financial ability to provide fire protection to the foothills, and it appears the the people want fire protection in the foothills, however, due to the innumerable problems - including the third class borough controversy - we are unable to do anything. Area-wide fire protection is the only sensible approach, however, our major concern is what will the reaction be of the city residents if we do what we really know we should do.

We should be doing something about roads outside the city limits also, and duplicating the city's public works staff is ridiculous. We already have too many managers and assistants, finance directors, attorneys, purchasing agents, labor relations experts, computers, etc. Financially, we're in excellent shape and looking to lowering taxes (since we have no power to provide services) while the city is laying off workers.

In conclusion, a third class borough with fifty service areas is not the solution, nor is continuing as we are. I hope this limited analysis is of some aid in your briefing.

RAG:cmo

cc Department Heads
cc Borough Assemblymen

FAIRBANKS NORTH STAR BOROUGH
Initial Allocations per original Borough Budget - 7/1/76
Ordinance No. 76-20

ACCOUNT	APPROPRIATION	OTHER REVENUE	LOCAL TAX	PER CENT OF LOCAL TAX
Education	\$ 6,092,476	\$ -0-	\$ 6,092,476	46%
Assembly Reserve *	1,063,895	-0-	1,063,895	8
Assembly	214,290	-0-	214,290	2
Mayor's Office	230,885	-0-	230,885	2
Transit**	45,000	-0-	45,000	0
Impact Information	62,000	-0-	62,000	0
Elections	27,300	-0-	27,300	0
Finance***	1,432,117	17,000	1,415,117	11
Assessing	507,783	-0-	507,783	4
Law	123,665	-0-	123,665	1
Planning & Zoning	498,568	125,900	372,668	.
Engineering	220,180	-0-	220,180	2
Environmental Services	596,679	163,400	433,279	3
Town & Village Assoc.	34,914	-0-	34,914	0
Community Service	55,900	-0-	55,900	0
Animal Control	273,299	16,000	221,299	2
Parks & Recreation	537,756	304,900	232,856	2
Library	385,913	5,000	380,913	3
North Pole Library	98,796	-0-	98,796	0
Unallocable****	-0-	1,385,000	(1,385,000)	-(10)
Capital Outlay	743,135	743,35	-0-	0
Debt Service	<u>3,829,419</u>	<u>1,000,000</u>	<u>2,829,419</u>	<u>21</u>
	<u>\$ 17,037,970</u>	<u>\$3,760,335</u>	<u>\$ 13,277,635</u>	<u>100%</u>

*Contains reserves for transit, wage settlements, swimming pools

**Local cost this year expected to be \$51,000

***Contains rent, insurance, central duplication, communications, (\$23,000 day care) etc

****Interest income, tobacco tax, land sales, mineral revenues, etc. Not able to apply to any specific department

FUNCTIONS OF FAIRBANKS NORTH STAR BOROUGH

<u>FUNCTION</u>	<u>DATE OF ASSUMPTION</u>	
Assessment and Collection of Taxes	January 1, 1964)
Education	January 1, 1964)
Planning & Zoning	January 1, 1964)
Animal Control	Election - October 5, 1965)
Flood Control	Election - October 5, 1965)
Hospital	Election - June 21, 1966 (not exercised at present))
Library	Election - June 21, 1966)
Fireworks Control	February 8, 1968 (29.48.020))
Air Pollution Control	May 14, 1970 (29.48.035))
Disaster and Civil Defense	August 27, 1970 (29.48.035))
Construction and Maintenance of Local Service Roads	A.S. 19.30.251 (SLA 1971))
Garbage and Solid Waste Disposal	September 28, 1972 (29.48.030) (transfer from cities))
Parks & Recreation	Election - October 3, 1972)
Public Transportation System	June 20, 1974 (29.48.030) Election - October 7, 1975)

) Mandatory with
) formation of
) Borough

FAIRBANKS NORTH STAR BOROUGH
PARKS AND RECREATION DEPARTMENT

PROPERTY INVENTORY

<u>PARKS</u>	<u>LOCATION</u>	<u>FACILITIES</u>	<u>ACRES</u>
Birch Hill Park	Birch Hill	I,N,U,V,H	439.69
Fairbanks Park	Lathrop St/16th Ave/22nd Ave	F,G,H,M,O,R,T,X	159.00
Crowden	2nd Ave/Crosson/Wilbur	A,B,C,L,P,S	73.00
Peirce Park	University Ave/Ceist Rd	I,N,U,H	21.81
Allridge Park	Cowles/24th Ave.	A,S,X	10.14
Nussbaumer Park	Haines/E Street	A,L,P,X	4.46
South Fairbanks Park	22nd Ave/Kellum/Gilmore	U,W	3.62
Griffin Park	Wendell/Chena River	P,S,Y	3.00
Wien Park	Airport Way	Z	3.00
Lazelle Coasting Hill	Lazelle Road	E	2.31
Baseball Park	19th Ave/Gillam	B	2.22
Bluebell Park	Bluebell/16th	A,P,Z	1.35
Noble St. Park	12th Ave/Noble St	A,Z	1.04
Bentley Park	South Tip Chena River	A,P	1.00
Baranof Park	Baranof/E/F Sts.	A,P	0.60
Mercier Playground	22nd/Mercier St	A	0.30
Graehl Park	Near Wendell St Bridge	A,K	0.30
Riverside Park	Island Homes/Slater Dr	P,Z	0.50
North Pole Park	North Pole	A,C,N,P,X	10.00
Ringstad Park	Crosson/Stewart Sts.	U,W	3.00
Aurora Playground	Central/Dogwood	A	0.20
Bjerremark Playground	Bjerremark (B35,L50)	U	0.40
Graehl Playground	Second Ave (B18,L15)	U	0.40
Johnston Playground	Tamarac/Noyes Slough (B5,L6)	U	0.40
Leneta Playground	Kathryn/Noyes Slough	U	0.20
Townsite Park	4th/3rd/Clay/Cemetery	U	5.00
Two Sites - Chena River & Pikes Landing Road		K,U	5.00
South Bank Chena River - East of Wendell St. Bridge		A,K,X	0.50
Lions Playground	15th/Turne	A	0.20
Hamilton Acres Park	Hamilton/Glacier	W	13.44
Slaterville Park	Slater/Church	U	1.80
Noyes Slough Park	College Road/Noyes Slough	U	24.99
Kendall Subdivision	Mattie Lane/Robana Rd.	U	2.00

FACILITIES KEY

A - Playground	N - Nature Trail
B - Baseball Field	O - Park/Recreation Division Offices
C - Camper Park	P - Picnic Area
D - Day Camp	Q - Soccer Field
E - Coasting Hill	R - Recreation Center
F - Football Field/Track	S - Softball Field
G - Skating Rinks	T - Tennis Courts
H - Hockey Rink	U - Undeveloped
J - Cross Country Ski Trail	V - Summer Camp
J - Historical Site	W - Wilderness
K - Boat Launch Ramp	X - Restrooms
L - Little League Baseball Field	Y - Horseshoe Courts
M - Meeting Room	Z - Landscaped Area



Alaska State Legislature

POUCH Y, STATE CAPITOL
JUNEAU, ALASKA 99811
907 465-3800

Feb. 8, 1977

Mr. Richard Brown, Chr.
Third Class Borough Committee
SR Box 10657
Fairbanks, AK 99701

Dear Richard:

Your Fairbanks Caucus met Feb. 1, 1977, to discuss the problems confronting the Third Class Borough Committee.

We agreed with Senator John Butrovich -- the Attorney General's opinion notwithstanding -- that the legislative intent of Senate Bill 328 in 1968 was to establish a third class borough with service areas which could self-impose powers beyond education, tax assessment and collection.

We further agreed to seek legislation from two directions. First, Senator John Huber will draft a bill designed to allow local option on some areawide borough powers under Title 29, Chapter 33 (Areawide Borough Powers & Duties). His bill would permit voters in the borough to exempt themselves from Sec. 29.33.090 (Zoning). Next, Representative Charles Parr will draft a bill designed to clarify the authority of third class boroughs under Title 29, Chapter 41 (Powers of Third Class Boroughs). The idea would be to give the force of law to the intent expressed by Senator Butrovich in SB 328.

Both Senator Huber and Representative Parr have stated they will review drafts of their bills with our entire Fairbanks Caucus before introduction to allow co-sponsors. At that time, each of us will make individual decisions on the bills.


Mr. Richard Brown


-2-

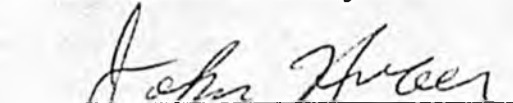
Feb. 8, 1977

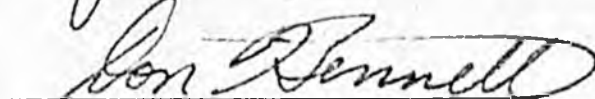
Thank you for appearing Jan. 28th at our caucus luncheon.
We understand your concern on this matter.


Sincerely,

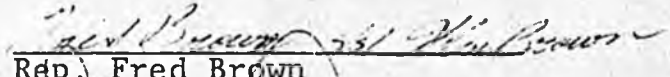

Sen. John Butrovich



Sen. Glenn Hackney

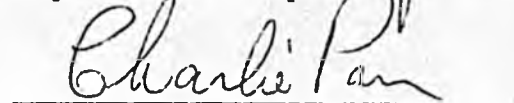

Sen. John Huber

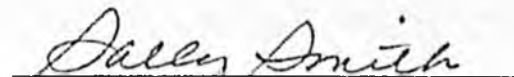

Rep. Don Bennett


Rep. Larry Carpenter


Rep. Fred Brown


Rep. Steve Cowper


Rep. Charles Parr


Rep. Sally Smith

HB

342

Questionnaires

1. Are people in your village talking about OCS? Yes -- 47%, No -- 42%, Don't know -- 11%

If people in your village are talking about OCS, what kind of things are they saying?

- "Evil to be unalterably opposed to"
- Concern over fishing and industry locations
- Concern over Washington, D. C. position on 200-mile fishing limit
- Where will they drill and what about oil spills?
- What about: health care, housing, economic impact, seafood?
- Concern over life style impact, renewable resources, environment
- "Don't want anything to do with OCS for fear of hurting subsistence"
- "That ice too dangerous for industry -- don't want no drilling on our land"
- "When will it come and what are we going to do?"

2. Have you been to any other meetings on OCS? Yes -- 35%, No -- 65%

If you have been to other meetings on OCS, what type of information did you learn?

- Few specifics
- Yakutat information
- "I just feel like I'm wasting my breath"
- Mostly general information
- Offshore drilling technical information
- That there's lots of grave concern about being overwhelmed by development
- Western civilization bullshit

3. Have you seen any slides or films on OCS? Yes -- 30%, No -- 70%

4. Have any of the following people visited your village recently to talk about OCS?

Federal government:	Yes -- 14%,	No -- 73%,	Don't know -- 13%
State government:	Yes -- 20%,	No -- 73%,	Don't know -- 7%
Regional corporation:	Yes -- 13%,	No -- 74%,	Don't know -- 13%
Oil company:	Yes -- 13%,	No -- 75%,	Don't know -- 12%
Other:	Yes -- 13%,	No -- 75%,	Don't know -- 12%
(Borough planners, Kodiak Borough)			

5. How do you feel about OCS in relation to the following?

	Good	Bad
a. Jobs	29%	17%	29%	25%
b. Profit to corporation	25%	25%	50%	
c. Cultural impact	10%	5%	17%	68%
d. Subsistence life style	9%		24%	67%

6. How would you rate your need for more information on the topics listed?

	Need info desperately	Would be very useful	Could use it	No need
a. Offshore facility	40%	43%	13%	4%
b. Joint venture arrangements	40%	34%	13%	13%
c. How to stop OCS	36%	42%	11%	11%
d. Onshore facilities	62%	25%	10%	3%
e. Powers of a city (taxing, zoning, etc.)	45%	40%	15%	
f. Funding sources	73%	21%	6%	

7. If it was your decision to go or not to go along with OCS development in your village area:

- a. Do you need more information before deciding? Yes -- 95%, No -- 5%
- b. Are you ready now to say yes, go ahead? Yes -- 2 responses, No -- 2 responses
- c. Are you ready now to say no, we don't want it? Yes -- 2 responses, No -- 0 responses

8. Do you feel the state is doing enough to assist villages in OCS planning? Yes -- 17%, No -- 78%, Almost -- 5%

9. Who should use the available federal and state monies to develop an OCS plan for your area?

- Federal government -- 2%
- Regional corporations -- 29%
- State government -- 5%
- Subregional associations -- 16%
- Village -- 43%

10. Do you feel follow-up activities to the meeting would be useful? Yes -- 100%, No -- 0%

Don Gilman Kenai Pen. Boro

weakest area of bill - ~~commission~~
15 members too large (council)

bill is mandated planning & zoning
→ provide for Monies to Municipalities

Hubert

Peter Hubert - Sealaska

Don't enact bill until ANCSA Corps. receive
land → but have selected?

Don't implement bill till ANCSA Corps.
receive land -

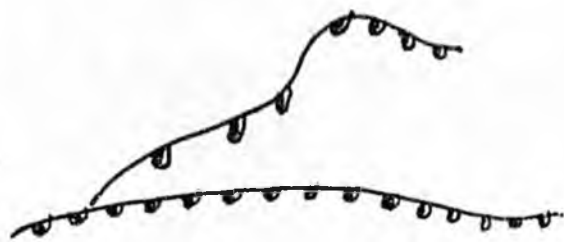
large private owners ~~disorganized~~ dis-
enfranchised in coastal planning.

Composition council - all selected by
Gov. - Make 1 member from each
coastal policy district, rather than
local elected officials -

Les Sharp - JNO

memberships on council wd. be
burden on Monies.

Glenn Atkins Coastal Mgmt. Prog.



charter re contractors

not passed / intent on list.
to report areas
rebat when facility
smaller
defining "community"
p. 8, line 24: add or
please
effective after 1/72

Mike M 3rd Co. Board
re primary
5000

V. DalPiaz - ACS -

1. Max. local participation for planning - but statewide resp.
suggests voting at large mems. on council
2. Public hearings for dist. c.m. plans -
Comm. hearings recorded
3. Protection, enhancement emphasis, not development
No interim protse. while plans being formulated in act now -
4. Shd. be under DNR, not CORA

M. DeMan

1. Coastal policy council - state members
shd. advise public board -
2. Remember property rights of land owners
3. Shd. be planning for something



The State Affairs Committee has had SENATE JOINT RESOLUTION SJR NO. 20 (requesting establishment of a Farmers Home Administration state office in Alaska) under consideration and the committee recommends it do pass. The report was signed by Senator Willis, Co-Chairman, and concurred in by Senators Kerttula, Huber and Ray. 20

SENATE JOINT RESOLUTION NO. 20 was referred to the Rules Committee.

The Resources Committee has had SENATE BILL NO. 196 (regulation of shellfish pots) under consideration and the committee recommends it be replaced with COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 196, entitled: SB 196

"An Act relating to the regulation of shellfish pots and buoys used in the ta: ing of king crab."

and that the committee substitute do pass.

The report was signed by Senator Poland, Chairman, and concurred in by Senators Tillion, Croft, Huber, Meland, Colletta and Butrovich.

SENATE BILL NO. 196 was referred to the Rules Committee.

Fiscal note accompanying SENATE BILL NO. 196 appears in Senate Supplement No. 31 to today's journal.

The Community and Regional Affairs Committee has had SENATE BILL NO. 220 (management of coastal resources of the state) under consideration and a majority of the committee recommends it do pass with the following amendment: SB 220

Page 2, Line 28: Change "eight" to "nine"
Page 3, Lines 3 & 4: Delete "the area of the North Slope Borough and"
Page 3, Line 6: Add new section "(B) the North Slope Borough:" and reletter accordingly

The report was signed by Senator Orsini, Chairman, and concurred in by Senators Hackney and Willis. Senator Ferguson signed "no recommendation".

Letter of Intent by the Community and Regional Affairs Committee appears in Senate Supplement No. 31 to today's journal.

SENATE BILL NO. 220 was referred to the Finance Committee.

SB The President stated the journal would reflect that
220 Senator Ferguson dissents from the Letter of Intent by
the Community and Regional Affairs Committee.

SB The Resources Committee has had SENATE BILL NO. 227
227 (regulating procedures on applications for permits for
use of state's air, land, or water resources) under
consideration and a majority of the committee recommends it
be replaced with COMMITTEE SUBSTITUTE FOR SENATE BILL NO.
227 and that the committee substitute do pass. The report
was signed by Senator Poland, Chairman, and concurred in by
Senators Tillion, Meland, Butrovich and Colletta. Senator
Huber signed "no recommendation".

SENATE BILL NO. 227 was referred to the Rules Committee.

CS The State Affairs Committee has had COMMITTEE SUBSTITUTE
HB FOR HOUSE BILL NO. 233 amended (land under the Alaska
233 Native Claims Settlement Act) under consideration and a
am majority of the committee recommends it be replaced with
SENATE COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 233, entitled:

"An Act relating to selection of state
land and federal land withdrawal and
classification; and providing for an
effective date."

and that the Senate Committee Substitute do pass with the
following amendment:

Page 2, Line 1: delete "Office of the Governor"
and insert "Department of Natural Resources"

The report was signed by Senator Kerttula, Co-Chairman,
and concurred in by Senators Huber and Willis. Senator
Ray signed "no recommendation".

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 233 amended was
referred to the Resources Committee.

CS The State Affairs Committee has had COMMITTEE SUBSTITUTE
HB FOR HOUSE BILL NO. 234 amended (special appropriation for
234 Steering Council for d-2 lands) under consideration and
am a majority of the committee recommends it be replaced with
SENATE COMMITTEE SUBSTITUTE FOR COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 234, entitled:

"An Act making special appropriations for
the work of the Steering Council for Alaska
Lands; and providing for an effective date."

AMENDMENT #1

OFFERED IN THE SENATE:

By: Resources Committee

To: _____ SENATE BILL No. 220

HOUSE BILL No. _____

PAGE: 2

LINE: 28

Sec. 44.19.891. ALASKA COASTAL POLICY COUNCIL.

After (1) substitute new language as follows:

Eight public members appointed by the Governor from a list
comprised of ^{At least} three names from each region, nominated by the
municipalities of each region. The nominees shall

STATE
of ALASKA

MEMORANDUM

TO: [Senator Poland
Senator Orsini
Representative Rudd ←
Jack Chenoweth
Ron Lind
Fran Ulmer

DATE : March 25, 1977

FROM:

Murray Walsh *MW*
Alaska Coastal Management Program
Division of Policy Development and Planning
Office of the Governor

SUBJECT: SB 220/HB 342: Fiscal Note

We have prepared a fiscal note for SB 220/HB 342. Since the bill will complement and augment an existing program, we have tried to present a basic understanding of the present and near future financial expectations of the Alaska Coastal Management Program, rather than just showing the expected increases that would result from passage and implementation of SB 220/HB 342.

We hope this information is useful and instructive to you, and please call on us for further explanation or clarification of the fiscal or any other aspects of the coastal program.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 220 / HB 342
Title "An Act relating to the management of coastal resources of the state"
Requested by The Senate Rules Committee by request Date 3/7/77
of the joint Administration-Legislative
Committee on coastal management

II. FISCAL DETAIL

Agency Affected Office of the Governor (DPDP) and Dept. of Comm. & Reg. Affair
Program Category Affected Coastal Zone Management
Budget Request Unit(s) Affected 01-47-6-02-00-00

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	1,000.0	1,000.0	1,000.0	1,000.0
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	1,000.0	1,000.0	1,000.0	1,000.0
OTHER (Specify)						

POSITIONS

FULL TIME	4	4	4	4	4	4
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY						

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

A. Assumptions.

1. Passage of the bill will make federal approval under section 306 of the Coastal Zone Management Act of 1972, and award of additional funding under that section, possible; and this should occur in June of 1978.
2. No increase in state cash appropriations will be needed to match the incoming federal grants. The larger federal grants can be matched with local participation and state agency in-kind services.
3. Only four new positions in state government (3 in CRA, 1 in DPDP) should be needed to implement the bill. Almost all of the bill's provisions can be met with the existing personnel now in place in various state agencies as a result of the existing Alaska Coastal Management Program (ACMP). The new positions will be needed because of the substantial new role of local governments and the needs of the new council.

IV. DATE 3/23/77

PREPARED BY Murray R. Walsh

AGENCY DPDP, Governor's Office

PHONE 465-4973

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

III. Analysis, Continued

B. Program Summary.

The purpose of a fiscal note is usually to show what increases in state staff or expenditures can be expected as a result of legislation. In this case, SB 220/HB 342 would become the centerpiece of an existing program which began in the summer of 1974. The program, which is called the Alaska Coastal Management Program (ACMP) just as in the bill, has changed in many respects since it began, but the overall goal of wise use and protection of the coastal resources has never changed nor has the programmatic goal of federal approval under section 306 of the Coastal Zone Management Act of 1972 changed.

Analysis by the ACMP staff in the Office of the Governor, the Dept. of Law, and the federal Office of Coastal Zone Management shows that the proposed bill should make it possible for ACMP to be federally approved with little difficulty if the bill is enthusiastically administered. This approval would permit larger federal CZM grants to be made to the state. So, while the face sheet of this note is filled out according to the instructions for fiscal notes, we provide a more thorough look at the ACMP budget on the following charts. Grant application and BRU data, as well as ACMP staff experience and expectation have been melded to form general budget charts for fiscal years 1977, 78, and 79. The figures are reliable insofar as general allocations and magnitude; but they are not exact since there are many unknowns. The figures for FY 77 are also rough since they are drawn from two separate grant applications and a possible supplemental application.

The first chart might be thought of as the "pre-bill situation." Since FY 77 will end just after passage of the bill, there will be little of the bill reflected in the FY 77 chart. This is not awkward, since many of the bill's provisions were anticipated. The major difference from FY 77 to FY 78 and beyond will be the amount of local government involvement, which was only voluntary, and rather novel at the start of FY 77.

The second chart, for FY 78, is a projection of program development expenditures as the implementation of the bill begins. There is much to do: Local governments must be provided with enough funds to get their programs underway, and the Council will have quite a job in getting organized and establishing its guidelines and procedures. Additionally, the ACMP office will be pursuing approval of the program by the end of the fiscal year, and this will involve substantial time and money.

The third chart can be thought of as the first year of "regular" program administration. By this time the larger Sec. 306 grants will be available and local programs should be well underway. Also, some local governments may be done with developing their programs, and thus be eligible for administration grants with which to maintain their programs. This last topic

is not addressed in the proposed legislation, but making grants of CZM 306 funds for regular municipal and borough administration of local coastal programs is certainly permitted and encouraged in the national CZM program.

The first and second charts will be largely unchanged whether or not SB 220/HB 342 passes or not, except that the funds for local grants in the second (FY 78) chart might be less because the local demand would probably not be as high without the existence of a bill like SB 220/HB 342.

The third chart (FY 79) may not be valid at all if the bill does not pass because there is considerable uncertainty over whether ACMP could be federally approved without the help of SB 220/HB 342, or something similar.

Chart One-Fiscal Year 77.

Approximate ACMP Receipts:*

Federal:	\$1,200,000
State Cash Appropriation:	250,000
TOTAL	<u>\$1,450,000</u>

Approximate ACMP Expenditures:

ACMP Office Use...	
Public Participation	\$ 200,000
Program Elements	100,000
Grant and Contract Adm.	50,000
Grants to Local Gov'ts	350,000
Assistance to Local Gov't	225,000
State Agency Projects	525,000
TOTAL	<u>\$1,450,000</u>

Chart Two-Fiscal Year 78

Approximate ACMP Receipts:*

Federal:	\$1,200,000
State Appropriation:	250,000
TOTAL	<u>\$1,450,000</u>

Approximate ACMP Expenditures:

ACMP Office Use...	
Public Participation	\$ 225,000
Program Elements	75,000
Grant and Contract Adm.	50,000
Grants to Local Gov'ts	625,000
Assistance to Local Gov't	75,000
State Agency Projects	400,000
TOTAL	<u>\$1,450,000</u>

Chart Three-Fiscal Year 79 (If approval under Sec. 306 of the Coastal Zone Management Act has been achieved, and the federal funding is thereby available.)

Approximate ACMP Receipts:*

Federal:	\$2,000,000
State Appropriation:	250,000
TOTAL	<u>\$2,250,000</u>

Approximate ACMP Expenditures:

ACMP Office Use:	
Public Participation:	\$200,000
Program Elements:	75,000
Grant and Contract Adm	75,000
Program Development Grants to local government:	700,000
Program Administration Grants to local gov't:	600,000
Assistance to Local gov't:	100,000
State Agency Projects:	500,000
TOTAL	<u>\$2,250,000</u>

- * The receipts shown here are those monies under ACMP Office control only. The federal grants do require state matching shares, of which the annual ACMP appropriation is a part. The rest of the match is made up from local and state agency in-kind contributions to the program. Grants to local governments usually require that the local government contribute some value to its own program in cash or in kind, and this contribution is used as part of the overall match for the federal funds. The match ratio now is 4 federal dollars for every 1 state dollar. The state usually has no trouble finding enough matching share, and this is why we do not expect to ask for any larger annual appropriation than \$250,000 per year.

C. Personnel.

SB 220/HB 342 will cause a dramatic increase in local involvement in ACMP. Thus, we see the need of at least three mid-range planners in addition to the existing CRA staff to handle the increased demand for grants and services. All other aspects of SB 220/HB 342 have been foreseen except the Alaska Coastal Policy Council, and the ACMP office will need a para-professional administrator to attend to the needs of the Council. All these people can easily be paid from the present program revenue.

SECTION-BY-SECTION ANALYSIS

SB 220 - HB 342

(An Act Relating to the Management of the Coastal Resources of the State)

In this analysis --

Council means the
Program means the
District Program means the
Service Area means the

Alaska Coastal Policy Council
Alaska Coastal Management Program
District Coastal Management Program
Coastal Resource Service Area

Area which Merits Special Attention
Coastal Resource District
Use of Direct and Significant Impact
Uses of State Concern

Defined in section 46.35.210(1)
Defined in section 46.35.210(2)
Defined in section 46.35.210(5)
Defined in section 46.35.210(6)

Major Economic Activity
Village

Defined - 46.35.160(b)
Defined - 46.35.180(d)

* Section. 1.

Sets out the legislative findings which show that

- The development of valuable resources which exist along Alaska's coast may outstrip the capabilities of coastal communities to deal with the impacts of accelerated development in the coastal areas; and that there is
- Great need for sound water and land use planning along the coast which would allow for development and use of the resources while at the same time protecting the natural and scenic values of the coast;

* Sec. 2

Sets out the legislative policy which provides that

- The coastal resources of the State should be preserved, protected, restored and enhanced as necessary, but also developed and used, for the benefit of this and future generations; that
- Coordinated planning and decision making among the various levels of governments and citizens of the State should be encouraged; that
- A management program, which would set out the State's policies, objectives and procedures regarding the coast should be developed; that
- Such a management program provide for the resolution of conflicts which may arise between public and private coastal resource activities as well as those which may have a direct and significant impact upon the coastal areas of the State; that

- Such a management program provide for participation by the public, local governments, and agencies of the State and Federal governments in the development and implementation of the program; that
- Such a management program utilize existing governmental structures and authorities; and finally that
- State agencies comply with the policies, and the guidelines and standards adopted by the Alaska Coastal Policy Council.

* Sec. 3

Adds new sections to Chapter 19 (Office of the Governor) of Title 44 (State Government) which would establish the Alaska Coastal Policy Council to carry out the State' policies.

Sec. 44.19.891

- (a) Creates the Alaska Coastal Policy Council within the Governor's Office. The council would consist of 15 members; eight would be public members, appointed by the governor, and seven would be Administration members. The eight public members would have to be mayors, or members of assemblies or councils of incorporated local governments from one of eight designated coastal regions. The seven Administration members would be the Director of DPDP, and the Commissioners of the Departments of Commerce and Economic Development, Community and Regional Affairs, Environmental Conservation, Fish and Game, Natural Resources, and Transportation and Public Facilities.

- (b) The public members would serve two year terms and could be reappointed. Their terms would be staggered.
- (c) The Council would select co-chairmen from among its membership, one from the public members and one from the Administration designees.
- (d) Members of the Council would be allowed to select one person as a permanent alternate to represent them at Council meeting.
- (e) Four public members and three designated members would constitute a quorum.
However, one or more members would be able to hold hearings.
Decisions of the Council would be by majority vote of those present and voting.
- (f) Council members would be entitled to per diem and travel expenses, and
- (g) A vacancy among the public members would be filled by appointment of the Governor for the unexpired portion of the term.

Sec. 44.19.892

Sets out the powers of the Council, which would include

- Applying for and accepting of grants, contributions, and appropriations, including Federal monies which would become available for coastal planning and management.
- Contracting for services.
- Consulting and cooperating with all parties concerned with or having jurisdiction over coastal planning and management.

Sec. 44.19.893

Sets out the duties of the Council, which would include

- Developing guidelines and standards for the preparation and approval of the Alaska Coastal Management Program.
- Establishing continuing coordination among the various State agencies to facilitate the development and implementation of the Alaska Coastal Management Program, as well as
- Initiating an interagency program of comprehensive coastal resource planning for each of the eight coastal regions represented on the Council.
- Providing, on a continuing basis, data and information to Coastal Resource Districts to carry out their planning and management functions under the Alaska Coastal Management Program.
- Submitting annually to the Legislature those portions of the Alaska Coastal Management Program approved or amended by the Council during the preceding year.

Sec. 44.19.894

Designates the staff of the Office of Coastal Management within DPDP to be the staff to the Council in carrying out its duties.

* Sec. 4

Adds a new chapter to Title 46 (Water, Air and Environmental Conservation) to develop the Alaska Coastal Management Program.

Sec. 46.35.010

- ((a) (Provides that the Council approves the Alaska Coastal Management Program.)
- (b) Provides that portions of the Alaska Coastal Management Program could be approved by the Council as they are developed.

- (c) The Council would review the Program, and when appropriate revise it to
- Add newly approved District Coastal Management Programs;
 - Intergrate newly approved District Coastal Management Programs, and/or revisions and amendments of District Coastal Management Programs with existing programs, and/or with plans developed by State agencies.
 - Add new or revised State statutes, policies, regulations or other appropriate material.
 - Review the effectiveness of implementation of District Coastal Management Programs.
 - Consider new information acquired by the State and by Coastal Resource Districts.
- (d) All reviews and revisions by the Council would have to be in accordance with the guidelines and standards adopted by the Council.

Sec. 46.35.020

Lists the eight objectives of the Alaska Coastal Management Program. They include

- The use, management, restoration and enhancement of the overall quality of the coastal environment.
- The development of industrial or commercial enterprises consistent with the social, cultural, historic, economic and environmental interests of the people.

- The orderly, balanced utilization and protection of the resources of the coastal areas consistent with sound conservation and sustained yield principles.
- The management of coastal land and water uses in such a manner that those uses which are dependent on a coastal location (economically and/or physically) are given a higher priority than those uses which do not require a coastal location.
- The protection and management of significant historic, cultural, natural and aesthetic values, and natural systems or processes within the coastal area.
- The prevention of damage to or degradation of land and water (reserved for their natural values) as a result of inconsistent land or water usages (adjacent to that land).
- The recognition of the need for a continuing supply of energy to meet the requirements of the State and the nation, and
- The full and fair evaluation of all demands on the land and water in coastal areas.

Sec. 46.35.030

Provides for the creation of Coastal Resource Districts to develop District Coastal Management Programs. The District Coastal Management Program would be based on a comprehensive resource use plan, or a comprehensive statement of needs, policies, objectives and standards which would govern the use of the various resources in the Coastal Resource District. Each District Program would have to be consistent with the guidelines and standards of the Alaska Coastal Management Program, and would include

- The delineation of the boundaries of the Coastal Resource District.
- A listing or definition of land and water uses and activities which would be subject to a District Coastal Management Program.
- The policies and regulations which would be applied to the land and water uses and activities which would be subject to a District Coastal Management Program.
- A description of the uses and activities which would be proper and those which would be improper within the boundaries of a Coastal Resource District.
- The policy which would be applied, and the procedures which would be used to determine which proposals for land or water uses or activities would be allowed.
- The designation of areas in a Coastal Resource District which merit special attention, and the criteria which would be applied for their use.

Sec. 46.35.040

Specifies the duties of the Alaska Coastal Policy Council. Among these would be

- The development, identification and definition of guidelines and standards for use by Coastal Resource Districts and State agencies within six months of the effective date of this Act. (These guidelines and standards, developed by the Council, would essentially cover the same items listed in the previous section (46.35.030).)

In addition, the guidelines and standards which would be developed by the Council would be used to measure the progress

Coastal Resources Districts are making in developing and implementing their own District Programs.

- The development of an ongoing program which would provide technical and financial assistance to the Coastal Resource Districts in the development and implementation of their District Programs.
- The review and approval of District Programs.
- The initiation of a process for identifying and managing, uses of State, regional and/or district concerns within specific coastal areas.
- The development of procedures and/or guidelines for coordination and cooperation with Federal agencies which manage and use Federal lands in coastal areas.

Sec. 46.35.050

Provides that Coastal Resource Districts would be required to complete and submit to the Council for approval a District Program within 30 months of the effective date of this Act, or within 30 months of certification of the results of a Coastal Resource District's organization, whichever would occur later.

Sec. 46.35.060

- (a) Provides that if certain portions of a District Program submitted to the Council for approval were not in compliance with the provisions of the Act, the Council could still approve those portions which were consistent.

- (b) Those portions of a District Coastal Management Plan which would or could not be approved by the Council because of deficiencies would be mediated. Such mediations would include public hearings in the affected Coastal Resource District, and meetings between the Council and Coastal Resource District officials to resolve the differences and correct the deficiencies.
- (c) If differences could not be resolved by mediation the Council would then call for a public hearing, and the differences would be resolved in accordance with the Administrative Procedure Act (44.62). The Council would be required to enter its findings, and then could require that
 - The affected District Program be amended to be consistent with the Act, or that
 - The Program be revised to accommodate a use of State concern.
- (d) Designates the Superior Court as the court which would have jurisdiction to enforce orders of the Council.

Sec. 46.35.070

- (a) Provides for the standards the Council would have to follow in approving or disapproving a District Program. The Council must approve a District Program if it is consistent with the Act and the guidelines and standards adopted by the Council.
- (b) Even if a District Program were not consistent, the Council would have to approve it if it were determined that strict adherence to the guidelines and standards
 - would result in violation of another law, or

- would cause substantial harm to another value in the Coastal Resource District, or that
 - the inconsistency is of a technical nature and would not result in substantial harm.
- (c) This section also provides that the Council would have to approve a restriction or exclusion (of a District Program) of a use of State concern, if it found that
- The Coastal Resource District had consulted with the appropriate State agencies; that
 - The restriction or exclusion was based on the fact that no suitable alternative site was available; and that
 - The restriction or exclusion was based on an analysis which showed that the proposed use would have been incompatible with the proposed site.
- (d) Under this section a decision by the Council would have to be made within 90 days.

Sec. 46.35.080

Provides that the Alaska Coastal Management Program would take effect upon adoption of a concurrent resolution by a majority of each house, or by a vote of the majority of each house at a time the houses are convened in joint session to confirm executive appointments.

Sec. 46.35.090

- (a) Provides that District Programs (approved by the Council for a Coastal Resources District) which do not have planning and zoning authority would be implemented by the appropriate State agencies.

- (b) Those Coastal Resource Districts who exercise planning and zoning authority would implement their own Programs (once they had been approved by the Council).

Sec. 46.35.100

- (a) Deals with compliance and enforcement of District Programs. It provides that municipalities and State agencies would administer land and water use regulations in conformity with approved Programs.
- (b) The sections states that if it were found that a District Program was not being enforced, implemented or complied with, the Council would convene a public hearing to consider the matter. After the hearing the Council could order the affected Coastal Resource District and/or State agency to take the necessary actions to enforce, implement or comply with an approved District Program.
- (c) In determining whether an approved District Program is being enforced, implemented or complied with by a Coastal Resource District which exercises planning and zoning authority, the Council would find in favor of the respective Coastal Resource District if
- Zoning or other regulations had been adopted or were being enforced;
 - Variances had been granted which complied with the elements of the District Program, or which had been approved by the Council; and

- Procedures and standards of the Act had been followed and considered by the Coastal Resource District.
- (d) In determining whether a State agency was enforcing, implementing, or complying with a District Program with respect to its exercise of regulations or control of the resources, the Council would find in favor of the State agency if the
- Use or activity for which the permit, license, or approval had been granted was consistent with the District Program, and if the
 - Requirements imposed by State statute, regulation, or local ordinance applicable to the use or activity were consistent with the District Program.
- ((e) The Superior Court would have jurisdiction to enforce orders of the Council.)

Sec. 46.35.110

Would provide for the establishment of Coastal Resource Service Areas with powers granted to perform the duties required in this Act, in the unorganized borough.

Sec. 46.35.120

- (a) Provides for the organization of Coastal Resource Service Areas in those Regional Education Attendance Areas which contain part of the coastline.
- (b) The section further provides that the Commissioner of the Department of Community and Regional Affairs could, after public hearings, consolidate two or more REAAs into a single Coastal Resource Service Area if

- A substantial portion of the coastal area in question belonged to or was administered by the Federal Government; i.e., an area over which the State could not exercise control as to its use; or if
 - There was the likelihood that an area in the unorganized borough which covered more than one REAA might be incorporated.
- (c) The section also provides that a determination for a possible consolidation of two or more REAAs (for the above stated reasons) would have to be made prior to organizing a Service Area, but no later than six months after the effective date of the Act.

Sec. 46.35.130

- (a) Provides for the three forms of organization of a Coastal Resource Service Area. It could be accomplished either by
- Submission of a petition to the Council by the number of voters equal to 15 percent of the number of votes cast in the last general election; or it could be accomplished by
 - Submission of a resolution to the Council by a city council, or a traditional governing body of not less than 25 percent of the number of cities and villages located within the Service Area; or it could be done at the
 - Direction of the Council whenever it appeared that a major economic development activity would occur in the Service Area. (Major economic activity is defined in Sec. 46.35.160(b)).

- (b) The Lt. governor would conduct an election on the question of organization of a Service Area within 60 days (but no later than 90 days) after the receipt of a petition or resolution, or at the direction of the Council.

Sec. 46.35.140

- (a) Provides that each Service Area would have an elected board which would have the same powers, duties and functions (to develop and implement a program) as those required of a Coastal Resource District.
- (b) The Board would have seven members, which would be elected at large, except that
- (c) The Commissioner of the Department of Community and Regional Affairs could (after consultation with residents of a Service Area) divide Service Areas into sections for the purpose of nominating and electing board members. (In accordance with AS 14.08.051(a)). Such division could also be requested in the petitions or resolutions submitted by Service Areas, or at the direction of the Council for organization of Service Areas as noted earlier. (Sec. 46.35.130(a))

Division into sections could also be proposed at any time by members of the respective Service Area boards. However, if such divisioning were to be proposed by a Service Area, it would have to be approved first by a majority of the qualified voters voting at the next regular election, or a special election called for that purpose.

If a division into sections for the purpose of nominating and electing board members were to be approved, it would take effect at the next regular election of Service Area board members.

- (d) The term of office for Service Area board members would be three years. Board members could be reelected. Terms would be staggered.
- (e) The Lt. governor would have to hold elections, with the first election to be held not less than 60 nor more than 90 days, after certification of the results of a Service Area organization election.
- (f) Subsequent elections would be held annually on the same date as the election for board members of REAAs.
- (g) Subsection (g) of this section provides for the appointment of a board member to fill a vacancy on a Service Area board.
(According to AS 14.08.041(a))
- (h) Recall of Service Area board members is subject to the same provisions as a recall for municipal officials. (Under AS 29.28.130 - 29.28.250).
(The Lt. governor would receive and review recall petitions, as well as conduct recall elections.)

Sec. 46.35.150

Provides that all elections in the Service Areas be administered by the Lt. governor as provided for in the Alaska Election Code.

(In addition, it provides that the Lt. governor may adopt regulations as necessary, and that all election costs would be borne by the State.)

Sec. 46 35.160

(a) Provides for the organization of a Service Area at the direction of the Council whenever it appeared that a major economic development activity would occur in a Service Area, or in waters adjacent to a Service Area which had not been organized. The Council would have to hold at least one public hearing in the affected area before an election could be held by the Council.

((b) Defines "major economic development activity".)

Sec. 46.35.170

- (a) Provides that if residents of a Service Area were to reject organization, and the Council found after public hearings that a major economic development activity was or would be occurring the Council could direct the Department of Community and Regional Affairs to prepare a District Program for submission to the Council and the Legislature.
- (b) In addition, the Department of Community and Regional Affairs would complete a District Coastal Management Program for a Service Area which had been organized, but which had
- Failed to make substantial progress in preparing an approvable District Program within 18 months of organization, or which had
 - Failed to submit for approval a District Program within 30 months of organization.

The preparation of a District Program by the Department of Community and Regional Affairs would be accomplished in consultation with the affected Service Area. The section further

provides that the District Program would reflect the expressed concerns of the residents of the Service Area to the maximum extent possible.

- (c) However, subsection (c) provides that before the Department of Community and Regional Affairs could complete a District Program, the Council would be required to meet with members of the Service Area board to determine if they could complete a District Program on their own within the time frame established in subsection (b) of this section (i.e., 18 or 30 months).

Sec. 46.35.180

- (a) Provides that a District Program would have to be submitted for review to each city or village within the Service Area before adoption by the board.

Within 60 days the council of a city, or the residents of a village could either approve, or enter their objections to the District Program.

- (b) If a city or village failed to approve portions of the District Program, the governing body would have to advise the Service Area board (or the Department of C&RA) of its objections, as well as suggest alternatives.

The Service Area board would accept new material from a city or village (which would be consistent with the guidelines and standards adopted by the Council) and the District Program would be modified accordingly.

- (c) Objections by a city council would be confined to elements of the District Program which would be within the corporate limits of the city. The objections of a village council would be confined to those elements of the District

Program which would be within the village and/or a two mile radius of the village.

((d) Defines "village".)

Sec. 46.35.190

- (a) A city which is within the coastal area, but which is not part of a Service Area could include itself in that Service Area if its governing body consented to the inclusion.
- (b) The initiation of mutual agreements and cooperative or joint administration of functions between a municipality and a Service Area is encouraged.

Sec. 46.35.200

Provides that upon adoption of the Alaska Coastal Management Program State departments, boards, and commissions would have to review their statutory authority, administrative regulations and applicable procedures to determine if any deficiencies or inconsistencies existed which would prevent them from complying with the statewide Program. State agencies would be required to take whatever actions were necessary to insure that they would be in full compliance with the statewide Program. This would include the preparation and submission of recommendations to the Council for needed legislation within six months from the effective date of the Program.

Sec. 46.35.210

Contains the definitions' section (pp. 21, 22, 23, 24), which includes definitions of

- (1) Area which merits special attention
- (2) Coastal Resource District

(3) Use of direct and significant impact

(4) Uses of State concern

* Sec. 5

Adds a new section to Chapter 47 (Department of C&RA) of Title 44 (State Government).

The section provides for various kinds of assistance for the development, implementation and maintenance of District Coastal Management Programs by the Department of Community & Regional Affairs.

* Sec. 6

Provides that the Administrative Regulation Review Committee would have to review the administrative regulations adopted by the various executive departments dealing with the State's coastal areas. The Committee would have to make recommendations by January 20, 1979 for annulment of regulations which in the Committee's opinion would not meet the intent of the Alaska Coastal Management Program. These recommendations would have to be transmitted to the first session of the Eleventh Alaska Legislature.

* Sec. 7

Provides for an effective date clause.

TECHNICAL AMENDMENTS TO SB 220 and HB 342 --

Page 2, line 10: Between "coastal" and "of" insert "land and water"

Page 2, lines 28 and following: Revise to read:

(1) eight public members shall be appointed by the governor; the governor shall select the mayor or one member of the assembly or council of a municipality from each of the following general regions:

Page 4, line 8: Substitute "Transportation and Public Facilities" for "Public Works"

Page 5, line 14: After "coastal" delete "area"

Page 6, line 13: Amend to read: "The Alaska Coastal Management Program"

Page 7, line 17: Delete "historical", insert "historic"

Page 8, line 6: Delete "in meeting", insert "to meet"

Page 8, line 13: Amend to read:

...based upon a municipality's existing comprehensive plan or a new comprehensive resource use plan or comprehensive statement of needs...

Page 9, line 9: Amend to read:

(1) by regulation, adopt under the provisions of the Administrative Procedure Act (AS 44.62), within six months of the effective date of this Act, for the use of and application by coastal resource districts and state agencies for carrying out their responsibilities under this chapter, guidelines and standards for...

[Page 10, line 7: Delete ", regional and district"]

Page 13, line 16: Amend to read: "...is not being implemented, enforced or complied with,..."

Page 13, line 21: Amend to read: "...considers necessary to implement, enforce or comply with..."

[Page 13, line 25: Delete "planning", insert "zoning"]

Page 15, line 28: Delete "governing body", insert "village council"

Page 19, line 27: Delete "and residents of a village", insert "or traditional village council"

Page 19, line 29: Delete "residents of a village", insert "or traditional village council"

Page 20, line 18: Delete "village", substitute "traditional village council"

March 17, 1977

TO: LISA
FROM: JUDITH
RE: CZM

The following are the major changes made from the HCR 123 working draft FYI.

- p.2 (6) new addition clarifies still further the policy of the state Coastal Zone Management program as the sole coordinating agency for coastal zone management in the state.
- p.3 Membership includes specific appointments from local areas along the coast. This was one of the agreements as a result of HCR 123 and the efforts to get a blend of local and state-level control.
- P.5 Line 23 (2) to include an interagency program of comprehensive coastal resource planning for each geographic region from which council appointments are selected.
- p.6 Line 25 Reviews and revisions to the CZM program were previously to be done annually but [annually] was deleted in the new draft.
- p.6 Line 26-28 (1) & (2) New language speaks to coordination with the district CZM programs.
- p.10, Sec. 46.35.060. (b)
Gives greater power to the Alaskan Coastal Policy Council to oversee and monitor district coastal management programs - once again an administration concern to maintain control at the state-level.
- p.19, Sec.46.35.180. (a)
New language requiring greater local area input and approval by the area residents affected by a district coastal management program within 60 days after submission for review.
- p.24, Sec. 44.47.095. Sec. 6.
New section mandating review by the Administrative Regulation Review Committee of all state executive departments which affect the resources and use of the resources of the state's coastal area.



THE CITY AND BOROUGH OF JUNEAU

CAPITAL OF ALASKA

155 SOUTH SEWARD ST. JUNEAU, ALASKA 99801

DATE: March 30, 1977

FILE NO. SB 220/HB 342

SUBJECT: House Bill 342, Management of
the Coastal Resources of the
State

The Honorable Lisa Rudd, Chair
House Community and Regional
Affairs Committee
Pouch V
Juneau, Alaska 99811

Dear Representative Rudd:

The Legislative Committee of the City and Borough of Juneau has reviewed and considered HB 342 and supports the general approach taken in the bill to management of our coastal resources. The committee supports maximum local participation in the policy making and enforcement aspects of coastal resource management and to that end requests that minor changes be considered which would help maximize local government input, participation and response under the bill.

The membership of the Alaska Coastal Policy Council is made up of seven state department or division heads who have been appointed to their position by the governor or one of his appointees. In addition, the governor appoints eight persons of his choosing from various regions who are elected local government officials. Thus, the governor appoints all fifteen of the council members. The appointment of the eight elected local government officials is made without the advice and consent of either the legislature or the local municipalities. In order to insure that the viewpoint of local government is represented by local government members who reflect the policies of the local governments involved, the appointing power as to the public members should be shifted to the local governments involved. It could be completely shifted to the local governments if the language between lines 28 and 29 on page 2 and lines 1 and 2 on page 3 is deleted and replaced by the following language:

(1) eight public members, who shall be the mayor or member of the assembly or council of a municipality shall be appointed. One public member shall be appointed from each of the following general regions:

Following line 24 on page 3, add the following language which would be a continuation of (1):

Initially, and upon a vacancy or upon or prior to the expiration of the term of an incumbent, public members shall be appointed for the term or unexpired term in the following manner:

(A) Upon notification to municipalities in a general region by the governor or the council of a vacancy or a prospective vacancy in the seat representing the general region, the assembly or council of each municipality therein may, by motion or resolution, nominate its mayor or a member of its assembly or council to fill the vacancy. Upon making such a nomination, the municipality shall notify the governor and each of the other municipalities within the region of its nomination. If, subsequent to the making of such nominations, a majority of the municipalities within the general region adopt resolutions selecting one of the nominees as the region representative, such person shall be deemed appointed to the council.

(B) The person appointed shall notify the governor, the council, and each municipality in the region of the appointment. The person selected shall include with such notice a copy of each of the resolutions selecting that person as the representative of the general region.

(C) If the governor has not received notification of an appointment under (A) and (B) within 90 days of the last date upon which notice to a municipality was sent by the council or the governor, the governor shall appoint a public member for that general region from among the nominations supplied him under (A).

The procedure suggested above could be altered, however, the two elements which are essential to this procedure are:

1. That the representative for the general region should be appointed by the municipalities which will be the front line for enforcement of the coastal resources management program, and

March 30, 1977

2. That in the event the municipalities are not able to agree, the governor be limited in his appointments to the public member seats to persons who have been nominated by municipalities.

Other references to the appointment of public members by the governor which appear in the bill should be deleted or changed to conform to the change proposed above. Lines 1 and 2 of page 5 should be changed to read as follows:

(a)(1) of this section, the alternate designated under (d) shall serve until a replacement who shall serve for the unexpired portion of the term has been appointed in accordance with the procedures set forth in (a)(1) of this section.

Municipalities are the key to the implementation of the Alaska coastal management program. By providing municipalities with an opportunity to select their representatives for the council, the state will be taking a step in the direction of creating greater credibility of the state program, encouraging the fullest possible local input to and cooperation with the council and providing an environment in which local enforcement of the district coastal management program can be expected to be the most vigorous. In addition, allowing municipalities to select their representative in each general region will probably help insure a better balance on the council between those who represent state interests and those who most accurately reflect local needs and interest.

While the municipality has not taken a position relative to the following points I believe they are points which might be appropriate for committee discussion.

1. There appears to be a conscious effort not to specify which agency or body has the responsibility for developing the Alaska coastal management program. While it is the council which initially approves the program, it does not clearly appear that the council has any responsibility for developing or assembling the program. It develops guidelines for the preparation of the program; it reviews the program, and it approves the program in part or in whole. Section 46.35.010 on page 6 clearly gives the council the power to review the program but merely provides that the program be revised when appropriate without noting what body or agency has the revisory power. Subsection (c)(1) of subject section provides that the council add newly approved district management coastal programs to the Alaska coastal management program.

2. Proposed sections 60 and 70 set forth the procedure for council approval of district coastal management programs. Proposed section 80 provides that the Alaska coastal management program adopted by the council takes effect upon its approval by the state legislature. Thus, it would appear that district coastal management programs would, by their incorporation in the Alaska coastal management program, be subject to legislative approval. Section 90, however, indicates that council approval is all that is needed for the district coastal management program of a district which exercises zoning or other resource control. Thus, while it is not really clear in the proposed legislation, it does appear that if the state is to be responsible for implementation of a district coastal management program, that program must be approved by both the council and the legislature while council approval is all that is necessary for a district which exercises zoning or other resource controls. If the foregoing reading is accurate as to legislative intent, then changes should be made to the language in section 10(c)(1) which appears to provide for the incorporation of approved district programs into the Alaska program which then receives legislative approval. In addition, the language at lines 12 and 13 on page 13 should be changed so that after the word "programs" in line 12 it would read "which have received final approval by the council or the legislature, as required, and are in effect." Language of this nature would help remove the ambiguity of whether or not both council and legislative approval are required for both state enforced and locally enforced programs. If, on the other hand, it is the intent of the legislature that district programs which are to be implemented through local zoning and other resource controls should be fixed in concrete through the mechanism of legislative approval, section 100 should be redrafted to remove the very strong implication that legislative approval is not needed except where state implementation is contemplated.
3. Returning to page 7, it does not appear in the list of objectives that the interests of the region or district are to be considered. If these are deemed appropriate for consideration, the addition of the phrase ", the region and the district" at the end of the sentence ending on line 18 on page 7 would incorporate such standards.
4. It would appear from reading section 30 starting on page 8, and in particular subsections (5) and (6), that implementation of the district coastal management program is contemplated through a mechanism which is

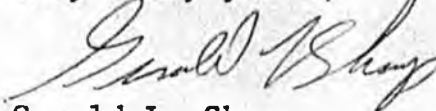
March 30, 1977

similar to conditional use procedures in conventional zoning programs. If it is contemplated that each use of land or water regulated under the district program is to be regulated as a conditional use, this aspect of the legislation could be subject to attack as many courts do not hesitate to overturn ordinances which purport to be zoning ordinances but under which all or almost all land uses are subject to the conditional use procedure. Such courts seem to balk at the idea that the legislative or regulatory body can decide on a case-by-case basis whether each or most uses under a general zoning will be allowed. Such an approach can be likened to spot zoning for each use. Of course, if there are sufficient standards that there is little discretion as to whether or not an application for a particular use is to be granted, such procedures are less vulnerable to attack.

5. At pages 10 and 11, the bill contemplates a mediation process which is to be utilized as to those district programs or parts thereof which are not approved by the council. The committee may want to consider whether it would be more appropriate to give the coastal resource district an opportunity to revise all or certain parts of its plan to bring it into compliance with council requirements before forcing the district into mediation. While the conventional concept of mediation involves a neutral third party who attempts to obtain agreement between the disputants, it appears that section 60(b) contemplates that the council itself acts as mediator. This appears to be something more akin to negotiation than mediation. However, it appears that in either event the coastal resource district is not in much of a position to resist changes requested by the council as the council has the ultimate authority to order the program amended. It must be admitted, however, that this is a commendable effort to provide a vehicle for the resolution of disputes between inferior and superior agencies prior to the superior agency invoking its power of a final and formal disapproval.

In closing, the municipality encourages the committee to increase or strengthen the authority and role of municipalities in the coastal resource management scheme.

Very truly yours,



Gerald L. Sharp
City/Borough Attorney

cc: Representatives Smith, Anderson, Miles,
Ose, Snider, Kelly, Lethin and Phillips
Don Berry, Executive Director
Alaska Municipal League

GLSmmb

Proposed Amendments to House Bill 342:

Sec. 46.35.130. Page 15, line 21 amended to read;

ORGANIZATION OF COASTAL RESOURCE SERVICE AREA.

Sec. 46.35.140. Page 16, line 10 amended to read;

COASTAL RESOURCE SERVICE AREA BOARDS.

Page 16, line 15(b) amended to read;

A coastal resource service area board shall contain seven members.

Page 16, line 27 amended to read;

proposed at anytime by the members of the coastal resource service area board.

Page 17, lines 3,5,13,18,22 and 25 in each case "coastal area board" to be amended to read; coastal resource service area board.

Page 18, line 7, amended to read;

coastal resource service area board elections.

Page 18, Sec. 46.35.170 (a) amended to read;

(a) If an area designated in sec. 120 of this chapter is not organized as a service area and [IF RESIDENTS OF A COASTAL RESOURCE SERVICE AREA REJECT ORGANIZATION OF THE SERVICE AREA AT AN ELECTION CALLED FOR THE PURPOSE] and the council finds, after public hearings, that major economic development activity has occurred or will occur within the [SERVICE] area, the council may direct the Department of Community and Regional Affairs to prepare and recommend for consideration by the council and for submission to the legislature a district coastal management program for the [SERVICE] area. Preparation of the program shall, to the maximum extent consistent with this chapter, reflect the expressed concerns of the residents of the service area.

Page 19, (b) amended to read;

(b) If/a coastal resource service area board organized under sec. 130 of this chapter fails [AT THE REQUEST OF THE COUNCIL, THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS SHALL COMPLETE THE DISTRICT COASTAL MANAGEMENT PROGRAM IN ACCORDANCE WITH THIS CHAPTER AND THE GUIDELINES AND STANDARDS ADOPTED BY THE COUNCIL FOR A COASTAL RESOURCE SERVICE AREA WHICH HAS BEEN ORGANIZED BUT WHICH HAS FAILED] to make substantial progress in the preparation of an approvable district coastal management program within 18 months of certification of the results of an organization election or fails to submit [HAS NOT SUBMITTED] for approval to the council a program within 30 months of certification of the results of its organization election, the department, at the request of the council, shall

complete the district coastal management program in accordance with this chapter and the guidelines and standards adopted by the council. Preparation of the program shall be conducted in consultation with the coastal resource service area board and shall, to the maximum extent consistent with this chapter, reflect the expressed concerns of the residents of the service area.

Page 19, (c)line 19, amended to read;

meet with the members of the coastal resource service area board...

MEMORANDUM

TO: [Senator Poland
Senator Orsini
Representative Rudd ←
Jack Chenoweth
Ron Lind
Fran Ulmer

DATE : March 25, 1977

FROM:

Murray Walsh *MW*
Alaska Coastal Management Program
Division of Policy Development and Planning
Office of the Governor

SUBJECT: SB 220/HB 342: Fiscal Note

We have prepared a fiscal note for SB 220/HB 342. Since the bill will complement and augment an existing program, we have tried to present a basic understanding of the present and near future financial expectations of the Alaska Coastal Management Program, rather than just showing the expected increases that would result from passage and implementation of SB 220/HB 342.

We hope this information is useful and instructive to you, and please call on us for further explanation or clarification of the fiscal or any other aspects of the coastal program.

*Girdwood Com. Council
Sewell Faulkner
Dana Brockway
Chris von Unkef*

*Box 4-1503
Anch. 99509
Frank*

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 220 / HB 342

Title "An Act relating to the management of coastal resources of the state"

Requested by The Senate Rules Committee by request Date 3/7/77
of the joint Administration-Legislative
Committee on coastal management

II. FISCAL DETAIL

Agency Affected Office of the Governor (DPDP) and Dept. of Comm. & Reg. Affairs

Program Category Affected Coastal Zone Management

Budget Request Unit(s) Affected 01-47-6-02-00-00

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	1,000.0	1,000.0	1,000.0	1,000.0
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	1,000.0	1,000.0	1,000.0	1,000.0
OTHER (Specify)						

POSITIONS

FULL TIME	4	4	4	4	4	4
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY						

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

A. Assumptions.

1. Passage of the bill will make federal approval under section 306 of the Coastal Zone Management Act of 1972, and award of additional funding under that section, possible; and this should occur in June of 1978.
2. No increase in state cash appropriations will be needed to match the incoming federal grants. The larger federal grants can be matched with local participation and state agency in-kind services.
3. Only four new positions in state government (3 in CRA, 1 in DPDP) should be needed to implement the bill. Almost all of the bill's provisions can be met with the existing personnel now in place in various state agencies as a result of the existing Alaska Coastal Management Program (ACMP). The new positions will be needed because of the substantial new role of local governments and the needs of the new council.

IV. DATE 3/23/77

PREPARED BY Murray R. Walsh

AGENCY DPDP, Governor's Office

PHONE 465-4973

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

III. Analysis, Continued

B. Program Summary.

The purpose of a fiscal note is usually to show what increases in state staff or expenditures can be expected as a result of legislation. In this case, SB 220/HB 342 would become the centerpiece of an existing program which began in the summer of 1974. The program, which is called the Alaska Coastal Management Program (ACMP) just as in the bill, has changed in many respects since it began, but the overall goal of wise use and protection of the coastal resources has never changed nor has the program's goal of federal approval under section 306 of the Coastal Zone Management Act of 1972 changed.

Analysis by the ACMP staff in the Office of the Governor, the Dept. of Law, and the federal Office of Coastal Zone Management shows that the proposed bill should make it possible for ACMP to be federally approved with little difficulty if the bill is enthusiastically administered. This approval would permit larger federal CZM grants to be made to the state. So, while the face sheet of this note is filled out according to the instructions for fiscal notes, we provide a more thorough look at the ACMP budget on the following charts. Grant application and BRU data, as well as ACMP staff experience and expectation have been melded to form general budget charts for fiscal years 1977, 78, and 79. The figures are reliable insofar as general allocations and magnitude; but they are not exact since there are many unknowns. The figures for FY 77 are also rough since they are drawn from two separate grant applications and a possible supplemental application.

The first chart might be thought of as the "pre-bill situation." Since FY 77 will end just after passage of the bill, there will be little of the bill reflected in the FY 77 chart. This is not awkward, since many of the bill's provisions were anticipated. The major difference from FY 77 to FY 78 and beyond will be the amount of local government involvement, which was only voluntary, and rather novel at the start of FY 77.

The second chart, for FY 78, is a projection of program development expenditures as the implementation of the bill begins. There is much to do: Local governments must be provided with enough funds to get their programs underway, and the Council will have quite a job in getting organized and establishing its guidelines and procedures. Additionally, the ACMP office will be pursuing approval of the program by the end of the fiscal year, and this will involve substantial time and money.

The third chart can be thought of as the first year of "regular" program administration. By this time the larger Sec. 306 grants will be available and local programs should be well underway. Also, some local governments may be done with developing their programs, and thus be eligible for administration grants with which to maintain their programs. This last topic

is not addressed in the proposed legislation, but making grants of CZM 306 funds for regular municipal and borough administration of local coastal programs is certainly permitted and encouraged in the national CZM program.

The first and second charts will be largely unchanged whether or not SB 220/HB 342 passes or not, except that the funds for local grants in the second (FY 78) chart might be less because the local demand would probably not be as high without the existence of a bill like SB 220/HB 342.

The third chart (FY 79) may not be valid at all if the bill does not pass because there is considerable uncertainty over whether ACMP could be federally approved without the help of SB 220/HB 342, or something similar.

Chart One-Fiscal Year 77.

Approximate ACMP Receipts:*

Federal:	\$1,200,000
State Cash Appropriation:	250,000
TOTAL	<u>\$1,450,000</u>

Approximate ACMP Expenditures:

ACMP Office Use...	
Public Participation	\$ 200,000
Program Elements	100,000
Grant and Contract Adm.	50,000
Grants to Local Gov'ts	350,000
Assistance to Local Gov't	225,000
State Agency Projects	525,000
TOTAL	<u>\$1,450,000</u>

Chart Two-Fiscal Year 78

Approximate ACMP Receipts:*

Federal:	\$1,200,000
State Appropriation:	250,000
TOTAL	<u>\$1,450,000</u>

Approximate ACMP Expenditures:

ACMP Office Use...	
Public Participation	\$ 225,000
Program Elements	75,000
Grant and Contract Adm.	50,000
Grants to Local Gov'ts	625,000
Assistance to Local Gov't	75,000
State Agency Projects	400,000
TOTAL	<u>\$1,450,000</u>

Chart Three-Fiscal Year 79 (If approval under Sec. 306 of the Coastal Zone Management Act has been achieved, and the federal funding is thereby available.)

Approximate ACMP Receipts:*

Federal:	\$2,000,000
State Appropriation:	<u>250,000</u>
TOTAL	\$2,250,000

Approximate ACMP Expenditures:

ACMP Office Use:	
Public Participation:	\$200,000
Program Elements:	75,000
Grant and Contract Adm:	75,000
Program Development Grants to local government:	700,000
Program Administration Grants to local gov't:	600,000
Assistance to Local gov't:	100,000
State Agency Projects:	<u>500,000</u>
TOTAL	\$2,250,000

* The receipts shown here are those monies under ACMP Office control only. The federal grants do require state matching shares, of which the annual ACMP appropriation is a part. The rest of the match is made up from local and state agency in-kind contributions to the program. Grants to local governments usually require that the local government contribute some value to its own program in cash or in kind, and this contribution is used as part of the overall match for the federal funds. The match ratio now is 4 federal dollars for every 1 state dollar. The state usually has no trouble finding enough matching share, and this is why we do not expect to ask for any larger annual appropriation than \$250,000 per year.

C. Personnel.

SB 220/HB 342 will cause a dramatic increase in local involvement in ACMP. Thus, we see the need of at least three mid-range planners in addition to the existing CRA staff to handle the increased demand for grants and services. All other aspects of SB 220/HB 342 have been foreseen except the Alaska Coastal Policy Council, and the ACMP office will need a para-professional administrator to attend to the needs of the Council. All these people can easily be paid from the present program revenue.

THE FOLLOWING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

625

THE ALASKA COASTAL MANAGEMENT PROGRAM

OVERVIEW

INTRODUCTION

The Alaska Coastal Management Program is a state-initiated effort, supported by federal funds, to coordinate programs affecting coastal resources at all levels of government. Its aim is to promote more effective and efficient use of governmental management responsibilities at state and local levels, strengthen citizen involvement, and develop stronger communications and coordination among local, state, and federal land managers.

INITIATION OF THE PROGRAM

In the summer of 1974, the State applied for federal funding under the terms of the national Coastal Zone Management Act of 1972. These funds were made available to Alaska and other coastal states to assist in the "development" of a program to achieve the ends listed above.

The first phase: The process of coastal program development began in the Department of Environmental Conservation with emphasis on uses of scientific information to promote wiser management decisions. This work was to (1) aid the formulation of resource plans within departments, (2) assist permit review processes, (3) provide a basis for making state decisions on resource allocation, and (4) serve as a foundation for resource management policy.

Current status: As the work proceeded, it became clear that many additional activities were needed for the program formulation process. Principle among these was the need to identify decision-makers at the local, state, and federal levels; determine how these individuals and agencies work together; and assess the effectiveness of authorities available to them in managing coastal resources. In addition, efforts were needed to increase the amount of technical and financial assistance provided to municipal governments for planning and management activities. With these and similar considerations in mind, the Governor designated his Division of Policy Development & Planning as lead agency in February 1975.

THE NATIONAL "COASTAL ZONE MANAGEMENT ACT"

Intent of the Act: The Coastal Zone Management Act of 1972 established broad national policies for the protection and wise use of coastal resources, and encourages states to further these policies by:

"... developing land and water use programs for the coastal zone, including unified policies, criteria, standards, methods, and processes for dealing with land and water use decisions of more than local significance." [Sec. 302(h), P.L. 92-583]

The coastal area was singled out due to its national importance, and in response to the disproportionate pressures of resource use and population being experienced there.

Implementation of the Act: While Congress recognized the need for all levels of government to seek wiser management of coastal resources, the state, as middleman between national and local interests, was designated to take the lead in promoting this effort.

Options in Authority: States are given considerable flexibility for achieving the intent of the federal Act. Where an overabundance of small local governments has spawned conflicting and piecemeal resource management, a state might choose to create regional decision-making bodies or increase the state's role in key decisions. In other areas, a state might best serve the intent of the Act by improving the efficiency and accountability of its existing state and local structures and regulatory processes. Other states might benefit from a streamlining effort, to create a single body or bodies responsible for managerial or regulatory functions which had become overly dispersed through years of single-purpose legislation.

Options in Timeframe: Additionally, states are given a broad time range within which to work. While a program must be "developed" within three years, each state can choose its own pace for making site-specific resource use decisions. Highly developed states might find it essential to formulate an actual "plan", in which permissible, restricted, and priority uses are mapped out along the entire coast. Others might wish to make these decisions for only the most critical areas by using new or existing laws to protect areas (such as state parks) and promote wise development (such as facility-siting). Still others might choose to institute only the process for making site-specific decisions as needed in the future. In these states, emphasis is placed on identifying the management decisions already in place, and ensuring that laws and policy development mechanisms are sufficient to handle future needs.

Options in Boundaries: The Act requires each state to identify its "coastal zone", so as to ensure effective management of activities affecting coastal waters and adjacent shorelands. Within this area, federal funds can be used to support state and local management authorities identified as part of the program. Some of these authorities may apply to only portions of the "coastal zone", such as the State tidelands permitting system, state game refuge designations, or borough zoning ordinances. While some authorities may apply inland as well, federal funds can only be used in the designated zone. Additionally, some states may choose to institute a new regulatory tool or planning body with jurisdiction over this zone.

The "Carrot": Two elements of the federal Act encourage state participation. First, federal funds are available on a 2:1 matching basis for program design and implementation. These implementation funds follow the three years of program development. Second, states engaged in program implementation acquire a stronger role in federal decisions affecting activities in the coastal area. In addition, amendments to the Act now pending in Congress would provide millions of dollars of non-matching "OCS Impact Funds" to states and municipalities participating in coastal management and threatened by potential Outer Continental Shelf petroleum development. Such funds could be used to construct public facilities and provide services to meet the pressures caused by accompanying population increases. It should be noted that the Act only "encourages" state participation. No penalty or federally-conducted program occurs if a state chooses not to participate.

ALASKAN PROGRAM: ORGANIZATION, PURPOSE, CONTENT, BUDGET

ORGANIZATION

Coastal Management Policy Committee: Overall direction is provided by this committee, consisting of the Commissioners of Commerce & Economic Development, Community & Regional Affairs, Environmental Conservation, Fish & Game, Highways, Natural Resources, Public Works, and the Director of the Division of Policy Development & Planning.

Alaska Coastal Management Program Office (ACMP): This office, within the Division of Policy Development & Planning, responds to the guidance of the Policy Committee. It provides staff coordination among state agency efforts; and is responsible for ensuring that local governments, federal agencies, citizens, and other interests are involved in determining how Alaska will meet the intent of the federal Act. Five professional staff positions were established in July of 1975 to coordinate program development through 1977.

State Agencies: Most of the specific tasks and background work necessary in developing a coastal management program are carried out by state agencies and other organizations with expertise in various fields. These agencies include those represented on the Policy Committee.

Local Governments, Federal Agencies, Citizens, and Other Interests: While the state government is charged by the federal Act to take the lead in program development, it can only be successful by using the expertise and obtaining the advice of all those affected by coastal resource management.

PURPOSE

The State is addressing four major elements for improving the management of coastal resources in Alaska and meeting the intent of the federal Act. These are:

- (1) Policy Review: to ensure that needed policies are in existence to assist local, state, and federal programs affecting coastal resources;
- (2) Coordination of Management Activities: to coordinate existing management activities and recommend necessary administrative and legislative improvements at all levels of government;
- (3) Public Participation in Decision-making: to strengthen the involvement of citizens in decisions affecting the use of coastal resources; and
- (4) Support of Management with Information: to promote the development of a sound, interdisciplinary information base to support policy development, public participation, and management activities.

CONTENT

The State is addressing four main elements for improving the management of coastal resources in Alaska and meeting the intent of the federal Act. These elements coincide with the goals listed above, and are:

Policy Review
Coordination of Management Activities
Public Participation in Decision-making
Support of Management with Information

Policy Review: Existing policies must first be gathered and assessed before interested governmental agencies and citizens can suggest improvements to meet pressing issues. Policies will be extracted as expressed in the Alaskan Constitution, judicial decisions, state, federal, and local laws and regulations; functioning plans and programs, and other sources. Compilations of State laws and regulations, the Alaskan Constitution, and relevant judicial decisions were completed in December of 1975. The federal side will be completed in January 1976 and an overview of how local governments have exercised their authority will be completed in the spring. From this, policies will be extracted, comments solicited, and recommendations made. Additionally, the processes by which policies are formulated at all levels will be evaluated.

Coordination of Management Activities: The federal, state, and local legal summaries will provide the basis for work in this element. From this, existing management activities can be pin-pointed; the implementing bodies identified; and management practices and institutional relationships can be outlined. This provides the basis for identifying the key state and local authorities which constitute the legal framework of a "program" for managing coastal resources. In addition, a draft summary of these existing authorities and structures will be used in a preliminary review process beginning in July of 1976. Recommendations for intergovernmental coordination and administrative and legislative actions supplementing the legal framework can then emerge.

Public Participation in Decision-making: As public awareness must precede involvement, this has been the prime focus of activities to date. Two films were completed in January 1976 to stimulate interest in coastal area problems, and various information-distribution projects were initiated. Legislation was introduced by the Governor in January 1976 which, in addition to setting the tone for further program development, seeks to initiate assistance from local governments and citizens during Alaska's effort to meet the intent of the Congressional Act. Comment generated by the legislative hearings process of last Session and the interim has helped the Administration understand which approaches to coastal management Alaskans do not wish to follow, as well as pointing out the issues for which positive steps should be taken. Finally, while the range of interests must be involved in developing an Alaskan approach to coastal management, the program itself must ensure a strong public and intergovernmental role in resource management decisions. To accomplish this end, the legal summary previously mentioned points out the existing level of public involvement in numerous state and federal resource programs. An assessment and recommendations can then follow.

Support of Management with Information: During Alaska's three years of program development, emphasis is placed upon supplementing the existing information base to meet the most pressing management needs. This was the major focus of activity during the first year and a half of program development. Projects were completed and are continuing in state agencies to provide the primary management agencies with the information most needed in current management tasks. These projects include various resource and social inventories and impact studies, of a statewide or regional scale. Products of these efforts will be circulated in early 1976 to other government agencies and private groups with interest in their use.

BUDGET

From July 1974 through September 1975 Alaska received \$600,000 from the U.S. Department of Commerce for program development. This was matched by \$300,000 of donated services from state agencies. From October 1975 through September 1976 the State will receive \$900,000 from the federal government, and will match this with \$125,000 in cash and \$325,000 in donated services. Alaska additionally will receive a special supplement to prepare for OCS impacts. This \$300,000 grant will be matched by State cash and donated services, and local government services for passed-through funds.

Division of Policy Development & Planning
Office of the Governor
State of Alaska

January, 1976

April 15, 1977

TO: LISA
FROM: JUDITH
RE: Update on Coastal Zone Management

For your information the following items are attached:

- (a) Amendments adopted to date
- (b) The most current fiscal note and the original
- (c) Memorandum from Elke Kallab included in the members files regarding the proposed amendment to delete "regional and district". This was amended 4/13/77.
- (d) Due to questions raised by some of the committee members regarding the composition of membership and selection process of the Council, a meeting was held to arrive at new language to meet those concerns.

Similar concerns were also raised in testimony by Roger Allington of Sealaska and Virginia del Piaz of the Alaska Conservation Society. Representative Miles had also prepared language to address these concerns. What is attached is Representative Miles' and Virginia del Piaz's proposed amendments which are in the members' files.

Jack Chenoweth and Elke Kallab prepared the next attachment and presented it at the meeting (4/14/77). Those in attendance were the following: Senator Poland, Senator Croft, Senator Tillion, Representative Anderson, Elke Kallab, Jack Chenoweth and myself. The proposal was not received too favorably as it changes the emphasis of selection of membership to the Council to be based on governmental unit and the majority preferred the geographical representation that is currently in the bill.

After much discussion the amendment adopted by Senate Resources was considered to be the best compromise. Rep. Anderson was not completely convinced but said that if he could not arrive at something better he would be willing to go with the language adopted by Senate Resources as he was hopeful that HB 342 would move out of House Community & Regional Affairs Committee on Monday. The adopted Senate amendment in question is attached.

The final attachments reflect your concerns with some portions of the bill which I discussed with Jack and Elke and prepared for your review.

AMENDMENTS TO HB 342 - ADOPTED 4/6/77

- Page 2, line 10: Between "coastal" and "of" insert "land and water"
- Page 4, line 8: Substitute "Transportation and Public Facilities" for "Public Works"
- Page 5, line 14: After "coastal" delete "area"
- Page 6, line 13: Amend to read: "The Alaska Coastal Management Program"
- Page 7, line 17: Delete "historical", insert "historic"
- Page 8, line 6: Delete "in meeting", insert "to meet"
- Page 8, line 13: Amend to read:

...based upon a municipality's existing comprehensive plan or a new comprehensive resource use plan or comprehensive statement of needs...

- Page 9, line 9: Amend to read:

(1) by regulation, adopt under the provisions of the Administrative Procedure Act (AS 44.62), within six months of the effective date of this Act, for the use of and application by coastal resource districts and state agencies for carrying out their responsibilities under this chapter, guidelines and standards for...

AMENDMENTS TO HB 342 - ADOPTED 4/13/77

- Page 10, line 7: Delete ", regional and district"
- Page 13, line 16: Amend to read: "...is not being implemented, enforced or complied with..."
- Page 13, line 21: Amend to read: "...considers necessary to implement, enforce or comply with..."
- Page 13, line 25: Delete "planning", insert "zoning"
- Page 15, line 28: Delete "governing body", insert "village council"
- Page 19, line 27: Delete "and residents of a village", insert "or traditional village council"
- Page 19, line 29: Delete "residents of a village", insert "or traditional village council"
- Page 20, line 18: Delete "village", substitute "traditional village council"