

766

SCRA

SB

546

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SB

567

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.....B-5

Spending formula proposed

by Roxinne Ervasti
Associated Press

Juneau — A formula for allocating construction money throughout the state based on population and area has been proposed in the Legislature. One lawmaker said the idea might be looked upon as an "anti-pork barrel" bill.

The proposal was presented to the Senate and House Community and Regional Affairs committees Wednesday. The House panel did not discuss it but there was some debate over it in the Senate committee, which plans to introduce it soon.

The bill, yet to be drafted, would set up a "capital foundation fund" which the Legislature would appropriate to on an annual basis, starting with about \$85 million this year. Advisory committees in unorganized boroughs would set their own spending priorities.

The idea is to get more public input in unorganized boroughs, which now primarily rely on individual legislators to "bring home the bacon."

Sen. Arliss Sturgulewski, R-Anchorage, and chairman of the Senate panel, said the legislation would have been "an anathema" in the days before the state's oil wealth.

"But now we're seeing \$500 million proposed for capital improvements . . . what we're doing, by the Legislature being the sugar daddy, is throwing the burden on many municipalities for operational costs."

She said if a detailed study was made of the long-range results of current spending proposals on local entities, "the fiscal note would be staggering beyond belief."

In summary, the intent and provisions of the proposal are:

— Where there is local government, capital improvement plans would be developed much as they are now.

— In unorganized boroughs, advisory groups would set spending priorities.

— The allocations could be accumulated over several years for large projects, and they could be used as match for state and federal grants — thus assisting areas that have no way of raising match money now.

— Funds could be used for maintenance and operation as well as construction, thus getting around what Sturgulewski said is a situation where communities are indirectly encouraged not to maintain structures so that they can eventually get "construction" appropriations for repairs.

A suggested formula is that the fund total the equivalent of \$200 per capita in the state.

Allocation would be based on one-half the population of a municipality or unorganized borough, and one-half its area. Allocations would be determined by multiplying area and population times a construction cost differential. Each entity gets a minimum of 5 percent of the largest distribution made.

Sen. Bob Mulcahy, R-Kodiak, joked that the intent appeared to be to wipe out the "pork barrel" process.

"The legislative process, while it may not be all that good, is a heck of a lot better," he said. "I'm accountable back there. This would just create another layer of government."

Sen. Tim Kelly, R-Anchorage, said he could not support the concept.

"You're saying you would give \$12 million to the organized boroughs, which have a population of 349,000, and twice as much, \$25 million, to the unorganized boroughs,

which only have 80,000 people," he said.

Sen. Pat Fodey, D-Anchorage, said he saw the concept as a "reform" and said it would get money out to local areas immediately, in contrast to the backlog of bond projects approved by voters.

"It would have an important impact on the legislative process by making the local voice stronger," said Fodey. "I see it as having a leavening effect on the ups and downs of a change in legislative leadership."

Sen. Terry Stimson, D-Anchorage, supported it. "I see it causing a legislator to come down here with a list of priorities from the people back home who had an opportunity to set them," he said.

Sturgulewski said nothing would preclude the Legislature from making additional appropriations, but that her idea would guarantee a minimum kind of revenue sharing for capital construction.

Study in magnificent new edifices

If, a few months ago, anyone would have suggested that I would be advocating the need for another impact statement, my reaction would have been to suggest a sobriety test.

It does seem, however, that another impact statement is in order and should relate to property taxes. With all the people showing up in Juneau, hats in hands, and all chorusing a syncopated version of, "How about a free lunch," we really need to take a look at whether Alaska property owners can afford to lay out the birdseed required to satisfy the warblings of these insatiable songbirds. We may find that those tempting free lunches are accompanied by a sizable bill for the fancy fiddle music that renders their theme song.

Just suppose that the folks in Juneau do decide to part with the big bucks for a whole slew of public buildings for Anchorage. In the midst of all the jubilation and mutual backslapping over having managed to get our fair share of the pie, let's don't neglect a look at that day in the not so



hayden green

distant future when all the fanfare has subsided and the dust has settled and we are left sitting in the shadows of all these new and magnificent edifices.

Do you imagine: Juneau will continue to fork over the means to maintain and operate these buildings? I really don't think so. My guess is that the property owners will be called on to dig a little deeper and come up with the money to

feed this extra drain on the public expense burden

Doubtless, about this time, someone will decide that the roads servicing all these sparkling new structures are simply inadequate and demand improvements. No sooner has this situation been corrected when, lo and behold, we will discover that the parking downtown just will not meet the needs of all those people using all those roads to get to all those buildings, and we will be faced with the construction of parking garages to meet those needs. Who do you think will be allowed to pay for all this?

A lot has been written recently about the salary increases that the Legislature voted themselves. I want to go on record as stating that I think these people aren't being paid enough. Because, as my old daddy used to say, "If all you pay is peanuts, you're liable to attract nothing but monkeys," and judging from the chattering that continues to emanate from the capital, we in Alaska have managed to attract our own circus.

3/22/80

Legislature gets 'anti-pork' proposal

By ROXINNE ERVASTI
Associated Press Writer

JUNEAU—A formula for allocating construction money throughout the state based on population and area has been proposed in the Legislature. One lawmaker said the idea might be looked upon as an "anti-pork barrel" bill.

The proposal was presented to the Senate and House Community and Regional Affairs committees Wednesday. The House panel did not discuss it but there was some debate over it in the Senate committee, which plans to introduce it soon.

The bill, yet to be drafted, would set up a "capital foundation fund" which the Legislature would appropriate to on an annual basis, starting with about \$86 million this year. Advisory committees in unorganized boroughs would set their own spending priorities.

The idea is to get more public input in unorganized boroughs, which now primarily rely on individual legislators to "bring home the bacon."

Sen. Arliss Sturgulewski, R-Anchorage, and chairman of the Senate panel, said the legislation would have been "an anathema" in the days before the state's oil wealth.

"But now we're seeing \$500 million proposed for capital improvements . . . what we're doing, by the Legislature being the sugar daddy, is throwing the burden on many municipalities for operational costs."

She said if a detailed study was made of the long-range results of current spending proposals on local entities, "the fiscal note would be staggering beyond belief."

In summary, the intent and provisions of the proposal are:

- Where there is local government,

capital improvement plans would be developed much as they are now;

- In unorganized boroughs, advisory groups would set spending priorities;

- The allocations could be accumulated over several years for large projects, and they could be used as match for state and federal grants—thus assisting areas that have no way of raising match money now;

- Funds could be used for maintenance and operation as well as construction, thus getting around what Mrs. Sturgulewski said is a situation where communities are indirectly encouraged not to maintain structures so that they can eventually get "construction" appropriations for repairs.

A suggested formula is that the fund total the equivalent of \$200 per capita in the state.

Allocation would be based on one-half the population of a municipality or unorganized borough, and one-half its area. Allocations would be determined by multiplying area and population times a construction cost differential. Each entity gets a minimum of 5 percent of the largest distribution made.

Sen. Bob Mulcahy, R-Kodiak, joked

that the intent appeared to be to wipe out the "pork barrel" process. "The legislative process, while it may not be all that good, is a heck of a lot better," he said. "I'm accountable back there. This would just create another layer of government."

Sen. Tim Kelly, R-Anchorage, said he could not support the concept.

"You're saying you would give \$42 million to the organized boroughs, which have a population of 349,000, and twice as much, \$85 million, to the unorganized boroughs, which only have 80,000 people," he said.

Mrs. Sturgulewski said nothing would preclude the Legislature from making additional appropriations.

A related measure that has already been passed by her committee (CSSB348) would establish a system of planning grants for unorganized boroughs.

The grants, a minimum of \$25,000 plus \$25 per capita each year for up to three years, would allow the unorganized boroughs to study whether they want to organize.

Fink: Pay off state debts

By ROSEMARY SHINOHARA

Daily News reporter

A breeding ground for corruption and fraud would be created.

Alaska would have "social programs coming out our ears....They could lower the student/teacher ratio to one to one."

The state will pay people not to work.

State employes will reap much higher salaries.

And the state will be into all sorts of businesses, from banking to fishing.

That's Tom Fink's view of what will happen if the state decides to keep, rather than spend, it's huge revenue surplus.

Fink, a conservative Republican leader who served several years in the state House including a term as speaker, said he thinks whether the legislature attempts to keep the money, return it to the people or spend it, the state's going to end up spending it.

Given that, he's in favor of

holding down the state operating budget, and using the money for two major purposes:

- Paying off its \$750 million in bonded debt;
- And, paying for "a very expanded capital improvements program."

The state has so much money it could build a capital, build the \$3 billion to \$4 billion Susitna dams, pay for crossings on Turnagain and Knik arms, build roads, bridges and docks, he said.

Besides all of that, the state set aside a fund for local governments to draw on for their own capital improvement projects.

The important thing is to see that government does not have a surplus, he said. "We have to find a wise way to take it out of state hands. We ought to eliminate personal, corporate and the special oil and gas income tax. We can easily do that and still have a huge surplus."

Severance taxes on oil pumped out of the ground ought to be lowered until they're the same rate as other states



Tom Fink

charge, he said.

And he suggested the state could pay off some of the na-

tional debt with money left over. "Wouldn't that be wonderful?"

While he favors eliminating various taxes, Fink indicated he doesn't like the idea of the state giving \$350 to each resident, a proposal passed by the state House.

"I think it would attract a lot of people to Alaska just to get \$350." The type of person who would come for that probably wouldn't be a very good type for Alaska to have, he said.

What he thinks will happen, Fink said, is that state income taxes will be suspended. "There'll be 146 people we don't need to collect income tax. But we'll need 500 people to pass it out," he joked.

While he doesn't want the government to stockpile surpluses, Fink noted projections are that by the year 2,000, the state will have a \$200 billion surplus. "That's one-half million for every man, woman, and child. If you have a wife and 11 kids, that \$6.5 million," he noted.

Fink has a wife and 11 kids.

Contact List

5-13-80 m'y SB 546

Called Lee Sharp

Lenny Chitwood

Jennie Sooley

Sea Alaska - Bob Loescher

Thingit - Haida

5-2-10

SB 546

Thingit Home Lovers

Commit

By - my ... of town

etc ... OK ...

13 11

SB

562

Committee Log Book - 1980

Tape Number XXV

SENATE C/RA

Side Number 1

Committee _____

Dates 4/29/80 to --

PRESENT: Chairman Sturgulewski, Senators Kelly, Stimson, Mulcahy and Rodey.

Bill Numbers Discussed

SCR 66	CSSB 562	CSHB 192 am							
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Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1:40	005	SCR 66	Chairman Sturgulewski reviews SCR 66
	(063)		Recorder started to work better....
	124		Senator Rodey
	140		Senator Rodey moved to "do pass"
	154	CSSB 562	Chairman reviews SB 562
	193		Senator Mulcahy
	228		Representative Osterback
	288		Dep. Commissioner Marie Matsumo/ Dept. C/RA
	399		Chairman Sturgulewski and Murray Walsh/ Coastal mgmt.
	446		Sen. Rodey - REAA's
			Chairman Sturgulewski, Veronica Clark - Dept. C/RA
			Sen. Stimson
	558		Senator Mulcahy moves to pass CSSB 562
	580	CASHB 192	Chairman Sturgulewski, and Representative Gardiner
	753		Representative Gardiner suggests amendment
	138		Chairman Sturgulewski referred action to next date
			Discussion re Jack Krienharter/ amendments devised by Rep. Rogers, etc.
	456		Larry Crawford/ Gene Husick of Anch. Municipality
	760		Chairman Sturgulewski re scheduling for more work..

Side 2

REAA 8,9,10,

(18 19 21)
maybe

Introduced: 4/15/80
Referred: Community &
Regional Affairs

1 IN THE SENATE BY THE STATE AFFAIRS COMMITTEE
2
3 SENATE BILL NO. 562
4 IN THE LEGISLATURE OF THE STATE OF ALASKA
5 ELEVENTH LEGISLATURE - SECOND SESSION

6 A BILL

7 For an Act entitled: "An Act relating to the formation of coastal resource
8 service areas; and providing for an effective date."

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

10 * Section 1. AS 46.40.120(b) is amended to read:

11 (b) The commissioner of the Department of Community and Regional
12 Affairs may, after public hearings held in the area affected, consoli-
13 date two or more regional educational attendance areas as a single
14 coastal resource service area or may divide an existing regional educa-
15 tional attendance area into two or more coastal resource service areas
16 according to geographic, cultural or other features relevant to coastal
17 management planning

18 (1) if a substantial portion of the coastal area contains
19 land and water area owned by the federal government over which it
20 exercises exclusive jurisdiction or land held in trust by the federal
21 government for Alaska Natives over which the state would not exercise
22 control as to use, or

23 (2) if, after giving due consideration to the standards
24 applicable to incorporation of borough governments and the likelihood
25 that a borough will be incorporated within the area, the commissioner
26 determines that the functions to be performed under this chapter could
27 be undertaken more efficiently through the combination of two or more
28 regional educational attendance areas as a single coastal resource
29 service area or through the division of a regional educational attendance
area into two or more coastal resource service areas.

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

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Official Business

Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

4/28/80

TO: Tam Cook
FROM: Marjorie Gorsuch
RE: CS HB992/ CSSB 562

Please modify the CSHB992 (CSSB562) in a new CS to include the following:

- p. 1 line 12 "hearings held in the regional educational attendance area affected..."
- p. 1 line 13 "into no more than three coastal resource ..."
- p. 1 line 14 "according to geographic, cultural, economic, environmental or other features..."
- p. 1 line 16 Change word "district" to "area"
- p. 1 line 19 Add a new (2) which would provide:

Cities within the coastal resource service areas formed under this section are part of the coastal resource service area and may not exclude themselves.
- p. 1 line 19 Renumber as (3) Change "district" to "area"
- p. 2 line 2,3 Change "district" to "area"
- p. 2 line 8 Change "is excluded" to "excludes itself"
- p. 2 line 9 Change "must" to "shall"

Tam,

The Senate side would like the final version of the CS ready with these changes for its meeting Tuesday, April 29 at 1:30 P.M. The House would like theirs ready for Wed., April 30 at 8:30 A.M.

CS SB 562 / HB 992

SUGGESTED AMENDMENTS TO SB 562 / HB 992

1.

46.410.120 is amended
ADD (b) as is in statute 46.40.120 (b)

(c) For purposes of coastal zone management only, REAA the commissioner of the DCRA may, after public hearings held in the area affected, divide an existing REAA into two or more coastal resource service areas, according to geographic, cultural or other features relevant to coastal management planning.

(1) Other factors not withstanding, ^{each} ~~xxxx~~ coastal resource service district formed as a subdivision of an REAA, must contain at least one first class or home rule city.

(2) No coastal resource service ~~xxxx~~ district formed prior to the effective date of this act may ~~subdivide~~ be subdivided for coastal planning purposes.

~~(3) A subdivision of an REAA formed for the purposes of coastal management planning may join cooperatively with another coastal resource service area for coastal zone management purposes, upon approval of the Commissioner.~~

Sec. 2. AS 46.³⁵190 is amended to read:

46.35.190 COOPERATIVE ADMINISTRATION. ~~AND~~ (a) A city within the coastal ~~xxxxxxx~~ area which is not part of an adjacent coastal resource service area may ~~xxxx~~ exclude (INCLUDE) itself for purposes of this chapter ...

(1) ~~The 46.35.190~~ The provisions of 46.35.190 (a) do not apply to coastal resource service districts formed under 46.40.120 (c).

(b) Nothing in this chapter restricts or prohibits cooperative or joint administration of functions between a municipality, ~~and~~ a coastal resource service district formed under 46.40.120 (c) and a coastal resource service area organized under the provisions of this chapter upon initiation of a mutual agreement for the purpose.

(1) A mutual agreement for cooperative or joint administration is required when a city selects to exclude itself from an adjacent coastal resource service area under the provisions of 46.35.190 (a).

Suggested changes to minimize potential adverse effects of this legislation.

1. For each subdivision of an REAA, specify a minimum percentane of the REAA's coastline that must be in each subdivision (this would work toward minimizing potential super fragmentation by establishing a standard for CRA to use).

1124

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2. For each subdivision of an REAA, specify that it must contain at least one ~~first or second class~~ cities. This would also serve the purpose of minimizing numbers of subdivision and insuring a "lead" community which could administer the program, as Regional Corporations will be less likely to serve that role under the draft legislation. If this is adopted #1 above may not be essential.

(22)

3. Add language that states that 46.40.190 does not apply to subdivisions of an REAA. This further insures #2 above, i.e., that first class city cannot opt out of a subdivided REAA coastal resource service district. If opting out is allowed, then you could have small districts without any population to speak of.

4. Change 46.40.190 to provide for opting out rather than opting in. This would apply to all REAAs.

5. Change 46.40.190 (b) so that when a first class city opts out of a coastal resource service district, a cooperative agreement is mandatory.

Add language to require that in this case of an opted out first class city, a city representative sit on the coastal resource service district board and vice versa as ex officio members.

6. Regarding crsd boards, change the language to provide for board numbers from 5-11 (as is the REAA board) instead of the inflexible seven member board.

7. Insure that either by mentioning the REAAs which can subdivide or ~~or~~ otherwise, provide that the ability to subdivide is not retroactive. We want to avoid situations in which a crsd that has completed a czm plan won't go back, subdivide, and get funded agin for another czm plan.

incorporation

8. Eliminate all references to boro/standards being used for subdivisions. It would set a poor precedent to in any way imply that these small subdivisions are potential regional governments. Suggested language might be : "For purposes of coastal zone management planning only, coastal resource service districts may be formed from a part of an REAA" or other words that would state that boro incorporation standards are not being used.

opt out
to plan
district
standards

STATE OF ALASKA

COASTAL POLICY COUNCIL

April 17, 1980

LOCAL MEMBERS:

Donald Gilman,
Lower Cook Inlet,
Co-Chairman
Stanley Anderson,
Bering Straits
Jon Halliwell,
Northern Southeast
Eben Hobson,
Northwest
Malcolm "Pete" Isleib,
Prince William Sound
John Nelson,
Southwest
Robert Sanderson,
Southern Southeast
Lidia Selkregg,
Upper Cook Inlet
Betty Wallin,
Kodiak-Aleutians

The Honorable Arliss Sturgulewski, Chairman
Senate Community and Regional Affairs Committee
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator Sturgulewski:

The Alaska Coastal Policy Council, at its last meeting on March 18 and 19, 1980, took action on four items related to coastal management that will be of interest to the Legislature and in particular to the two Community and Regional Affairs Committees.

STATE MEMBERS:

Frances Ulmer,
Director of Policy
Development &
Planning
Co-chairman
Robert Ward
Commissioner of
Transportation &
Public Facilities
Charles Webber,
Commissioner of
Commerce &
Economic
Development
Robert LeResche,
Commissioner of
Natural Resources
Lee McAnerney,
Commissioner of
Community &
Regional Affairs
Ernst Mueller,
Commissioner of
Environmental
Conservation
Ronald Skogg,
Commissioner of
Fish & Game

Resolution 79-2 of the Rural Alaska Coastal Management Conference, requesting Continuation of Coastal Resource Service Area (CRSA) boards, was endorsed by the council with a request for implementation powers deleted. Resolution 79-6 of the Rural Alaska Coastal Management Conference requesting the creation of interior resource districts, was endorsed in its entirety by the council. Copies of the resolutions, as the council endorsed them, are attached for your information.

The council supports CSSB 348, CSSB 349, and CSHB 581, as described by Ms. Margo Waring, which deal with local governments and make provisions for unorganized boroughs, including the division of rural education attendance areas.

Finally, the council voted to request amendment of section 46.40.120 (b) of the Alaska Coastal Management Act as follows:

The Commissioner of the Department of Community and Regional Affairs may, after public hearings held in the area affected, consolidate two or more regional education attendance areas as a single coastal resource service area or may subdivide an existing regional education attendance area, according to geographic, cultural, or other features relevant to coastal management planning.

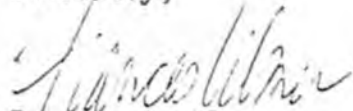
This proposed amendment is now before the House of Representatives as HB 992, currently pending in the House Community and Regional Affairs Committee.



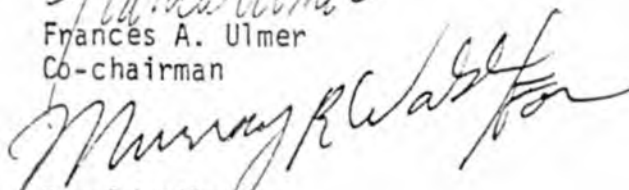
The Honorable Arliss Sturgulewski -2- April 17, 1980

If further information is required, please contact Murry Walsh,
Coordinator of the Office of Coastal Management (465-3540).

Sincerely,



Frances A. Ulmer
Co-chairman



Donald Gilman
Co-chairman

Attachments

RESOLUTION 79-2 OF THE RURAL ALASKA COASTAL MANAGEMENT CONFERENCE

AS ENDORSED BY THE ALASKA COASTAL POLICY COUNCIL

ENTITLED: REQUESTING CONTINUATION OF COASTAL RESOURCE SERVICE AREA BOARDS.

WHEREAS, the Alaska Coastal Management Act of 1977 allows for the formation of coastal resource service areas in the unorganized borough for the purpose of developing coastal management programs, and

WHEREAS, the Department of Community and Regional Affairs provides funding and technical assistance so that coastal management plans may be developed and approved; and

WHEREAS, the coastal resource service area is formed after an election by the communities in the affected region; and

WHEREAS, the coastal resource service area boards are comprised of members from those various communities; and

WHEREAS, there is currently no provision for funding of coastal resource service area boards after the approval of their plans; and

WHEREAS, there is no mechanism for coastal resource service areas to monitor the implementation of their plans; and

WHEREAS, there is no mechanism for coastal resource service areas to monitor consistency determinations made by state agencies;

NOW THEREFORE BE IT RESOLVED that the Alaska State Legislature amend the Alaska Coastal Management Act of 1977 in order that the coastal resource service boards maintain their identity and be funded after approval by the Coastal Policy Council and the legislature of their coastal management plans.

RESOLUTION 79-6 OF THE RURAL ALASKA COASTAL MANAGEMENT CONFERENCE

AS ENDORSED BY THE ALASKA COASTAL POLICY COUNCIL

ENTITLED: REQUEST FOR CREATION OF INTERIOR RESOURCE DISTRICTS.

WHEREAS, the State of Alaska and the federal government have released oil and gas lease schedules for the next five years; and

WHEREAS, the State of Alaska and the federal government have enacted legislation providing for the formation of coastal resource districts; and

WHEREAS, the federal government and the State of Alaska provide funds for implementation of coastal zone management plans to the coastal districts; and

WHEREAS, the State of Alaska's five year schedule includes oil and gas lease sales in the interior of Alaska; and

WHEREAS, oil and gas development and pipeline construction in the Interior has the same impact as offshore development; and

WHEREAS, these interior areas have no legislative basis for creating district plans and no source of funding districts in the event of oil and gas lease sales and pipeline construction; and

WHEREAS, the Department of Community and Regional Affairs is allocated funds for the development of coastal districts,

Now, therefore, be it

RESOLVED, that the Department of Community and Regional Affairs search for a method of funding resource districts in the areas of the Interior which will be impacted by state oil and gas lease sales and pipeline construction, and

BE IT FURTHER RESOLVED that the Alaska State Legislature fund interim planning districts.

April 10, 1980

Don Gilman, Co-chair
Alaska Coastal Policy Council
Soldotna, Alaska
and
John Haltermann, Co-chair
Alaska Coastal Policy Council
Juneau, Alaska

Dear Messrs. Gilman and Haltermann:

Recently Representative Osterback sponsored, through the house Resources Committee, HB 992, An Act relating to the formation of coastal resource service areas; and providing for an effective date. This bill, as I understand it, seeks to solve problems encountered in the Alaska Peninsula/Aleutian chain in establishing viable coastal resource service districts.

A similar bill may be introduced on the Senate side, by Senator Mulcahy. As Chair of the Senate Community and Regional Affairs Committee, I would appreciate hearing from you regarding this bill--your and the Council's view both of the problem and of this particular solution to that problem.

Thank you for your cooperation.

Sincerely,

Arliss Sturgulewski
Senator, District 10-H

CITY OF UNALASKA

PO. BOX 89
UNALASKA ALASKA 99685
581-1251

"Capital of the Aleutians"



March 17, 1980

Mr. Lawrence H. Kimball, Jr.
Director, Division of Community Planning
Alaska Department of Community and Regional Affairs
225 Cordova, Building B, Suite 104
Anchorage, Alaska 99501

copy
Dear Mr. Kimball:

The City Council, by motion, has instructed me to contact your office to determine the feasibility of amending AS 46.40.120 to permit the Commissioner discretionary authority to establish coastal resource service areas which encompass areas smaller than REAA's. It is the view of the City Council that participation in a properly drawn service area could be a more effective mechanism for Unalaska's taking part in coastal management under the Act than either as its own district or as part of a district taking in most of the Chain.

Any assistance which your office could render in drafting a candidate amendment would aid us greatly in approaching our legislators on the question and would be greatly appreciated.

Sincerely yours,

CITY OF UNALASKA PLANNING DEPARTMENT

Rich
Richard Careaga, AICP
Director of Planning

RECEIVED
DEPT. OF COMM & REG. AFFAIRS
COMM. PLANNING
Date 3/19

CITY OF UNALASKA

PO BOX 89
UNALASKA ALASKA 99685
581-1251

"Capital of the Aleutians"



UNALASKA, ALASKA

March 24, 1980

Mr. Lawrence H. Kimball, Jr.
Director
Division of Community Planning
Department of Regional and Community Affairs
225 Cordova, Building B.
Anchorage, AK 99501

Dear Mr. ^{Garry} Kimball

In response to your letter of March 21, 1980 concerning the language of a possible amendment to AS 46.40.120(b), I can state the amendment accomplishes precisely the purpose which the City Council hopes for. I have discussed the language of the amendment with City Manager Burton; it has the support of the City administration. At the next regular City Council meeting (April 10, 1980), we shall report on the swift response which we have had from the Division to our request for assistance and inform the Council of the proposed amendment.

Thank you, again, for the attention which you have given this matter.

Sincerely,

CITY OF UNALASKA PLANNING DEPARTMENT


Richard Careaga, AICP
Director of Planning

RECEIVED
DEPT. OF COMM & REG AFFAIRS
COMM. PLANNING

Date 3/26

Application of ACMP to the
Aleutian/Pribilof Island Region

Problem:

Options provided under the Alaska Coastal Management Act for formation of "coastal resource districts" are not applicable to the Aleutian/Pribilof Island Region.

Background:

The Aleutian/Pribilof Island Region presents a unique situation relative to the establishment of coastal resource service areas. Within the Region are three first-class cities (Sand Point, King Cove and Unalaska) as well as regional educational attendance areas 8, 9 and 10 (Aleutian Chain, Pribilof and Adak).

Under present law the first-class cities have the option of becoming single coastal resource service areas, thus establishing their own coastal management planning programs within their respective political boundaries, or of joining forces with the REAA's to develop a regional planning effort.

In addition, the three REAA's may become separate coastal resource service areas or, under authority granted in AS 46.40.120(b) the Commissioner of the Department of Community and Regional Affairs, may consolidate REAA's 8, 9 and 10 into one or two service areas for coastal management purposes.

Given these conditions there exists the possibility of one or six, or any combination within these numbers, coastal resource service areas being created within the Aleutian/Pribilof Island Region.

The population of the Region is approximately 3600 with 2274 (63%) residing in the three first-class cities (Sand Point 773, King Cove 733 and Unalaska 768). The second-class communities of Akutan and St. Paul contain 652 residents, 85 and 567 respectively. Total Regional population residing in incorporated municipalities totals 2926 or 81%. Clearly, if the first-class communities elect to establish their own programs within their jurisdictions, the remaining area (REAA's 8, 9, & 10) will be substantially diluted of human resources with which to develop and implement a coastal management program.

Land interests in the region are geographically complex. Village corporations were unable to select ANCSA entitlements within the core townships of Native villages due to the configuration of islands and Federal reserves. As such, village corporations selected deficiency lands under the Act this resulted in the ownership of land many miles from their respective villages. An example is the Tanadquisix Corporation at St. Paul (Pribilof Islands). Tanadquisix Corporation has substantial land holdings approximately 200 miles away on Unalaska Island. This is the case for a majority of the Aleutian's village corporations thus creating an extremely fragmented pattern of land ownership and land interests throughout the chain.

Several Aleutian villages are vacant of population, yet represent vast land holdings and thus development interests for shareholders residing elsewhere. Unga and Sanak are two cases in point. Village Corporation members from Unga and Sanak reside in Sand Point yet hold major land interests outside of Sand Point's City boundaries. They fear that should Sand Point elect to become a coastal resource service area they, as residents of Sand Point, will be precluded from having a voice in a coastal management program which encompasses their corporate land holdings.

The communities, on the other hand, would prefer to work with the respective corporations in a coastal management program but do not care to be involved or necessarily influenced by actions a thousand miles away.

The Aleutian/Pribilof Island Region situation strongly indicates the need to provide a third option for creating coastal resource service areas. This option would address the need to create service districts which emphasize common interests and geographic proximity in areas where land mass, economic interests and population are not contiguous.

Proposed Legislative Amendment

Section 3 AS 46.40.120(b) is amended to read:

geographic features

(b) The Commissioner of the Department of Community and Regional Affairs may, after public hearings held in the area affected, consolidate two or more regional educational attendance areas as a single coastal resource service area or may subdivide an existing regional education attendance area according to geographic, cultural or other features relevant to coastal management planning.

Sharing Program.

9
Saint Paul
PRIBILOF ISLANDS
St. George

10
Adak
ANDREANOF ISLANDS

8
Nelson Lagoon
Herend
Pavloff Harbor
Squaw
Butkotsk
King Cove
Cold Bay
False Pass
Unimak Island
Senak

768
Dutch Harbor
Unalaska Island
Unimak Island
Ft Glenn
Nikolski
FOX
Unalaska ALEUT CORP.

Atka Island
Atka
Sequiam Pass
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ISLANDS

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ISLANDS

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B R

CITY OF UNALASKA

PO BOX 89
UNALASKA ALASKA 99685
581-1251

"Capital of the Aleutians"



March 17, 1980

Mr. Lawrence H. Kimball, Jr.
Director, Division of Community Planning
Alaska Department of Community and Regional Affairs
225 Cordova, Building B, Suite 104
Anchorage, Alaska 99501

Dear Mr. Kimball:

The City Council, by motion, has instructed me to contact your office to determine the feasibility of amending AS 46.40.120 to permit the Commissioner discretionary authority to establish coastal resource service areas which encompass areas smaller than REAA's. It is the view of the City Council that participation in a properly drawn service area could be a more effective mechanism for Unalaska's taking part in coastal management under the Act than either as its own district or as part of a district taking in most of the Chain.

Any assistance which your office could render in drafting a candidate amendment would aid us greatly in approaching our legislators on the question and would be greatly appreciated.

Sincerely yours,

CITY OF UNALASKA PLANNING DEPARTMENT

Rich
Richard Careaga, AICP
Director of Planning

RECEIVED
DEPT. OF COMM & REG. AFFAIRS
COMM. PLANNING
Date 3/19

CITY OF UNALASKA

PO BOX 89
UNALASKA ALASKA 99685
591-1251

"Capital of the Aleutians"



March 24, 1980

Mr. Lawrence H. Kimball, Jr.
Director
Division of Community Planning
Department of Regional and Community Affairs
225 Cordova, Building B.
Anchorage, AK 99501

Dear Mr. Kimball *Garry*

In response to your letter of March 21, 1980 concerning the language of a possible amendment to AS 46.40.120(b), I can state the amendment accomplishes precisely the purpose which the City Council hopes for. I have discussed the language of the amendment with City Manager Burton; it has the support of the City administration. At the next regular City Council meeting (April 10, 1980), we shall report on the swift response which we have had from the Division to our request for assistance and inform the Council of the proposed amendment.

Thank you, again, for the attention which you have given this matter.

Sincerely,

CITY OF UNALASKA PLANNING DEPARTMENT

Richard
Richard Careaga, AICP
Director of Planning

RECEIVED
DEPT. OF COMM & REG. AFFAIRS
COMM. PLANNING

Date 3/26

Application of ACMP to the
Aleutian/Pribilof Island Region

Problem:

Options provided under the Alaska Coastal Management Act for formation of "coastal resource districts" are not applicable to the Aleutian/Pribilof Island Region.

Background:

The Aleutian/Pribilof Island Region presents a unique situation relative to the establishment of coastal resource service areas. Within the Region are three first-class cities (Sand Point, King Cove and Unalaska) as well as regional educational attendance areas 8, 9 and 10 (Aleutian Chain, Pribilof and Adak).

Under present law the first-class cities have the option of becoming single coastal resource service areas, thus establishing their own coastal management planning programs within their respective political boundaries, or of joining forces with the REAA's to develop a regional planning effort.

In addition, the three REAA's may become separate coastal resource service areas or, under authority granted in AS 46.40.120(b) the Commissioner of the Department of Community and Regional Affairs, may consolidate REAA's 8, 9 and 10 into one or two service areas for coastal management purposes.

Given these conditions there exists the possibility of one or six, or any combination within these numbers, coastal resource service areas being created within the Aleutian/Pribilof Island Region.

The population of the Region is approximately 3600 with 2274 (63%) residing in the three first-class cities (Sand Point 773, King Cove 733 and Unalaska 768). The second-class communities of Akutan and St. Paul contain 652 residents, 85 and 567 respectively. Total Regional population residing in incorporated municipalities totals 2926 or 81%. Clearly, if the first-class communities elect to establish their own programs within their jurisdictions, the remaining area (REAA's 8, 9, & 10) will be substantially diluted of human resources with which to develop and implement a coastal management program.

Land interests in the region are geographically complex. Village corporations were unable to select ANCSA entitlements within the core townships of Native villages due to the configuration of islands and Federal reserves. As such, village corporations selected deficiency lands under the Act this resulted in the ownership of land many miles from their respective villages. An example is the Tanadqusix Corporation at St. Paul (Pribilof Islands). Tanadqusix Corporation has substantial land holdings approximately 200 miles away on Unalaska Island. This is the case for a majority of the Aleutian's village corporations thus creating an extremely fragmented pattern of land ownership and land interests throughout the chain.

Several Aleutian villages are vacant of population, yet represent vast land holdings and thus development interests for shareholders residing elsewhere. Unga and Sanak are two cases in point. Village Corporation members from Unga and Sanak reside in Sand Point yet hold major land interests outside of Sand Point City boundaries. They fear that should Sand Point elect to become a coastal resource service area they, as residents of Sand Point, will be precluded from having a voice in a coastal management program which encompasses their corporate land holdings.

The communities, on the other hand, would prefer to work with the respective corporations in a coastal management program but do not care to be involved or necessarily influenced by actions a thousand miles away.

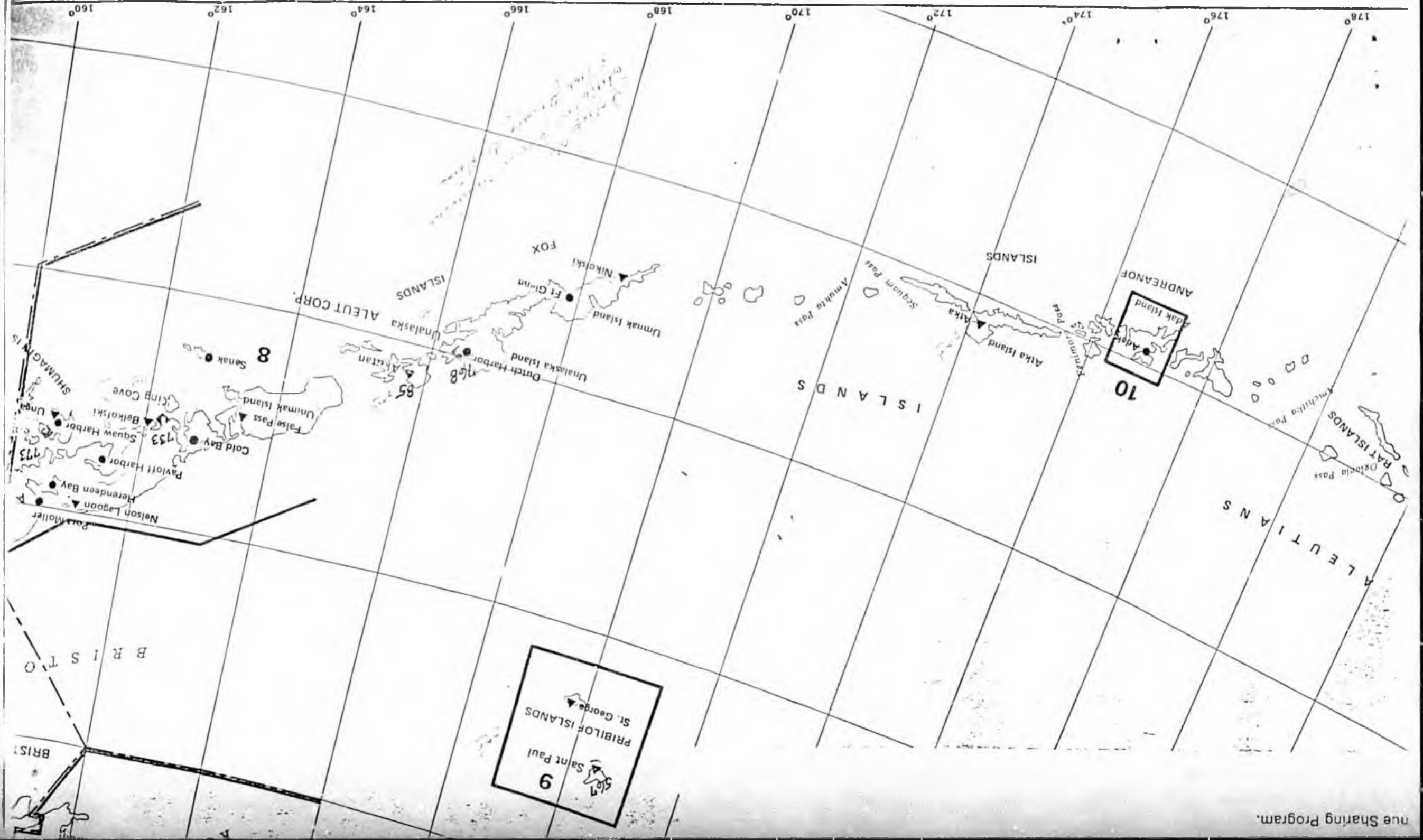
The Aleutian/Pribilof Island Region situation strongly indicates the need to provide a third option for creating coastal resource service areas. This option would address the need to create service districts which emphasize common interests and geographic proximity in areas where land mass, economic interests and population are not contiguous.

Proposer: Legislative Amendment

Section 3 AS 46.40.120(b) is amended to read:

Geographic features

(b) The Commissioner of the Department of Community and Regional Affairs may, after public hearings held in the area affected, consolidate two or more regional educational attendance areas as a single coastal resource service area or may subdivide an existing regional education attendance area according to geographic, cultural or other features relevant to coastal management planning.



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Aleutian/Pribilof Island Region

Problem:

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Background:

The Aleutian/Pribilof Island Region presents a unique situation relative to the establishment of coastal resource service areas. Within the Region are three first-class cities (Sand Point, King Cove and Unalaska) as well as regional educational attendance areas 8, 9 and 10 (Aleutian Chain, Pribilof and Adak).

Under present law the first-class cities have the option of becoming single coastal resource service areas, thus establishing their own coastal management planning programs within their respective political boundaries, or of joining forces with the REAA's to develop a regional planning effort.

In addition, the three REAA's may become separate coastal resource service areas or, under authority granted in AS 46.40.120(b) the Commissioner of the Department of Community and Regional Affairs, may consolidate REAA's 8, 9 and 10 into one or two service areas for coastal management purposes.

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Land interests in the region are geographically complex. Village corporations were unable to select ANCSA entitlements within the core townships of Native villages due to the configuration of islands and Federal reserves. As such, village corporations selected deficiency lands under the Act this resulted in the ownership of land many miles from their respective villages. An example is the Tanadqusix Corporation at St. Paul (Pribilof Islands). Tanadqusix Corporation has substantial land holdings approximately 200 miles away on Unalaska Island. This is the case for a majority of the Aleutian's village corporations thus creating an extremely fragmented pattern of land ownership and land interests throughout the chain.

Several Aleutian villages are vacant of population, yet represent vast land holdings and thus development interests for shareholders residing elsewhere. Unga and Sanak are two cases in point. Village Corporation members from Unga and Sanak reside in Sand Point yet hold major land interests outside of Sand Point's City boundaries. They fear that should Sand Point elect to become a coastal resource service area they, as residents of Sand Point, will be precluded from having a voice in a coastal management program which encompasses their corporate land holdings.

The communities, on the other hand, would prefer to work with the respective corporations in a coastal management program but do not care to be involved or necessarily influenced by actions a thousand miles away.

The Aleutian/Pribilof Island Region situation strongly indicates the need to provide a third option for creating coastal resource service areas. This option would address the need to create service districts which emphasize common interests and geographic proximity in areas where land mass, economic interests and population are not contiguous.

Proposed Legislative Amendment

Section 3 AS 46.40.120(b) is amended to read:

(b) The Commissioner of the Department of Community and Regional Affairs may, after public hearings held in the area affected, consolidate two or more regional educational attendance areas as a single coastal resource service area or may subdivide an existing regional education attendance area according to geographic, cultural or other features relevant to coastal management planning.

STATE OF ALASKA

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF COMMUNITY PLANNING

Veronica
JAY S. HAMMOND, GOVERNOR

225 CORDOVA, BUILDING B
ANCHORAGE, ALASKA 99501

March 21, 1980

Mr. Richard Careaga
Director of Planning
P.O. Box 89
Unalaska, Alaska 99685

Dear Mr. *Richard* Careaga:

In response to your letter of March 17 requesting our assistance in drafting an amendment to AS 46.40.120(b), I would like to relay the following information.

The City Councils of Sand Point and King Cove have made identical requests. In order to accommodate these requests in a timely manner I drafted a proposed amendment and presented same to the Alaska Coastal Policy Council on Wednesday, March 19.

Following my presentation and brief discussion the Council voted 11-0 in favor of a resolution supporting the proposed amendment. This support will accompany the proposed amendment to Juneau where we will request it be introduced via committee. We will meet with Sand Point officials and legislators for the affected area next week in Juneau to discuss the matter.

I have enclosed a copy of the proposed amendment for your City Council's review. Should the Council support it as written, I would appreciate a letter to that effect. Should there be a need to amend the language please contact me immediately as time is of the essence.

Thank you for your assistance in this matter and please assure the City Council and Mayor Holmes that we will keep them informed as things progress.

Thank you also for the courtesies extended during our recent visit. I enjoyed our stay.

Best regards,

Larry
Lawrence H. Kimball, Jr.
Director

Attachment

The Honorable Bill Parker
Chairman
Community and Regional Affairs
Committee

Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Mr. Chairman:

SUBJECT: HB 992

At your request, the Department of Community and Regional Affairs has prepared background information on HB 992 and explored alternatives to the bill.

BACKGROUND

The Alaska Coastal Management Act of 1977, as amended, allows residents of the unorganized borough to organize coastal resource districts encompassing one or more regional educational attendance areas (REAs). Each district prepares a coastal management program to be submitted to the Coastal Policy Council and State Legislature. The Commissioner of Community and Regional Affairs presently has authority to combine two or more REAs into a single coastal resource service area. All municipalities which exercise planning powers are also districts. This system seems to

districts the regional center has chosen not to join the adjacent service area. Consequently, in the Bering Straits region there are two coastal resource districts, the City of Nome and the Bering Straits Coastal Resource Service Area; in the ~~Lower~~ Yukon/~~Lower~~ Kuskokwim region, there are also two coastal resource districts, the City of Bethel and the ~~Lower~~ Yukon/~~Lower~~ Kuskokwim Coastal Resource Service Area.

In addition to the regions discussed in the foregoing paragraphs, there are six coastal REAAs which have ^{not yet} ~~been notified to~~ organize coastal resource districts. *They are the following characteristics:*

1. Four of them--the Aleutian Islands (REAA 8), Northern Panhandle (REAA 18), Southern Panhandle (REAA 19) and Prince William Sound (REAA 21)--have several first class or home rule cities each and no clearly defined regional center. Therefore, each region has several school districts, several coastal resource districts, and no established central gathering place or service center (except Anchorage or Juneau ^{or Seward}).

2. Federal landholdings consume much of the land within each region. Federally owned land is not part of the State's coastal zone. Settled area and non-federal land often occur as isolated pockets separated by thousands of acres of federally owned land.

HB 992 resulted from concern that none of the organizational options offered by the Alaska Coastal Management Act may be well suited to situations of the second set of REAAs discussed above (REAAs 8, 9, 10,

18, 19, 21). Attachment 2 describes advantages and disadvantages of the status quo [AS 46.40120(b)], HB 992, three legislative alternatives and one administrative alternative.

Sincerely,

Lee McAnerney
Commissioner

cc: The Honorable Arliss Sturgulewski
Alaska State Senate

bcc: Lawrence H. Kimball, Jr., DCRA
Murray Walsh, OCM
Mark Stephens, DCRA
Veronica Clark, DCRA
Mary Jo Waits, DCRA

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Region

Coastal Resource Districts

(Including cities and boroughs within regions defined by REAAs)

AA 1	Northwest Alaska	* Northwest-Alaska Coastal Resource Service Area
REAA 2	Bering Straits	* Nome * Bering Straits Coastal Resource Service Area
REAA 3&4	Lower Yukon/ Lower Kuskokwim	Bethel * Lower Yukon/Lower Kuskokwim Coastal Resource Service Area
REAA 6&7	Nushagak-Bristol Bay	Dillingham Bristol Bay Coastal Resource Service Area (potential)
REAA 7	lake/Peninsula-Bristol Bay	* Bristol Bay Borough * Bristol Bay Coastal Resource Service Area (potential)
REAA 8	Aleutian Islands	Unalaska King Cove Sand Point Aleutian Chain Coastal Resource Service Area (potential)
REAA 9	Pribilof Islands	Pribilof Islands Coastal Resource Service Area (potential)
REAA 10	Adak	Adak Coastal Resource Service Area (potential)
REAA 18	Northern Panhandle	* Yakutat — * Haines (City) * Skagway * Juneau — <i>Felice</i> Hoonah * Sitka * Kake Northern Panhandle Coastal Resource Service Area (potential)
REAA 19	Southern Panhandle	* Petersburg * Wrangell * Klawock * Craig * Hydaburg * Ketchikan Gateway Borough Southern Panhandle Coastal Resource Service Area (potential)
REAA 20	Metlakatla/Annette	* Annette Islands Indian Reserve
REAA 21	Chugach	* Cordova * Valdez Prince William Sound Coastal Resource Service Area (potential)

* Program under way or completed

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Status: juo

AS 46.40.120(b) allows the Commissioner of Community and Regional Affairs to consolidate two or more REAAs into one coastal resource service area after considering standards applicable to incorporation of borough governments or the likelihood that a borough would be incorporated within the area.

HB 992

Under HB 992, AS 46.40.120(b) would be amended to allow the Commissioner of Community and Regional Affairs to not only consolidate two or more REAAs into one coastal resource service area, but also subdivide REAAs into separate coastal resource service areas according to geographic, cultural, or other features relevant to coastal management planning. Borough incorporation standards would also be considered.

Legislative alternative #1

Retain the language of HB 992, but restrict application of the subdivision provision to the Aleutian Chain (REAA 1), Northern Panhandle (REAA 18), Southern Panhandle (REAA 19), and Prince of Wales Sound (REAA 21).

Answer
By using the REAA as the basic unit for planning in the unorganized borough, the present law does not create any new boundaries for delivery of government services.

oHB 992 still uses REAAs as the basic unit of reference for coastal resource service areas.

oFirst-class or home-rule cities of the unorganized borough might be more inclined to join coastal resource service areas smaller than the entire REAA in which they are located.

oHB 992 would allow residents to plan for those areas which affect them most directly and with which they are most intimately familiar.

This provision would restrict application of the subdivision section to areas most likely to express interest in them.

Look
The present law allows first-class and home rule cities (and second-class cities under certain circumstances) to develop coastal management programs separate from the region and a number of cities do not see it in their interest to join forces with another REAA. Consequently, coastal resource service areas are not being organized in several REAAs and yet many cities have legitimate interest in influence development outside their corporate limits.

Indiscriminate subdivision of an REA could produce fragmented coastal management programs.

oThe restriction may be unnecessary since coastal resource service areas have organized districts in most of other coastal REAAs.

oThere may be constitutional question about treating regions differently.

Legislative alternative #2

Retain the language of HB 992, but add the following provision:

If an REAA is divided and an organization election is called in one subdivision, an election will automatically be called in all other subdivisions of the REAA. If any one of the subdivisions elects to organize a district, all other subdivisions are automatically organized. The coastal management program from all subdivisions of an REAA must be coordinated from the outset and submitted simultaneously to enable the Coastal Policy Council and State Legislature to reach a reasonable conclusion about the compatibility of the plans. Although each subdivision would have its own board, there would be a seven-member regional oversight board with representation from the entire REAA (or combination of REAAs on a one-man, one-vote basis.

Y6611/

Administrative alternative

No legislative change, but a coastal resource service area could voluntarily organize itself in such a way that board members from one area would meet routinely with local people in that area and use the full board meetings as a means to combine sectional ideas and make compromises if necessary.

Advantages

- °All of the advantages of HB 992
- °Greater coordination among plans than would be afforded under HB 992.

Local involvement in regional coastal management planning with as few new formal structures as possible

Disadvantages

- °Certain areas may be prematurely coerced into preparing a coastal management program by virtue of actions taken by neighboring areas.
- °Any section could delay approval of the programs of other sections.
- °Creation of another layer of government thereby making the process more cumbersome and costly. X0/XYXY000//11X01X00//

The representation and consequent voting strength of any given area on the seven member service area board would be less than an entire REAA than in a subdivision of

4/25/80

TO: Margo
FROM: Marjorie

Re HB 992 SB562

Change #2 to require that for each subdivision of an REAA must contain at least one first class, or home rule city (Valdez and Cordova are both home rule as are Petersburg and Wrangell). Also, we need to be aware that in REAA 7 there is no first class or home rule city, only the second class city of Port Heiden)

#9 for consideration should be:

An REAA subdivided for the purpose of coastal management planning may ~~be~~ combined with another coastal resource service area for coastal zone management purposes.

jointly/cooperatively



STATE OF ALASKA

*Margo - than
Aut 80*
JAY S. HAMMOND, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B - JUNEAU 99811

April 21, 1980

The Honorable Bill Parker
Chairman
Community and Regional Affairs
Committee
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Mr. Chairman:

At your request, the Department of Community and Regional Affairs has prepared background information on HB 992 and explored alternatives to the bill.

BACKGROUND

The Alaska Coastal Management Act of 1977, as amended, allows residents of the unorganized borough to organize coastal resource districts encompassing one or more regional educational attendance areas (REAs). The Commissioner of Community and Regional Affairs has authority to combine two or more REAs into a single coastal resource service area prior to organizational elections. Municipalities which exercise planning powers are also districts; they may join an adjacent coastal resource service area but are not required to do so. Each district prepares a coastal management program to be submitted to the Coastal Policy Council and State Legislature. This system seems to work well in certain areas, but has been received with reservation in others. Attachment 1 lists each coastal REA and coastal resource districts within each REA and indicates whether the district's coastal management program is under way or completed. REAs which have not yet conducted coastal management elections but could do so under the present law are described as "potential" districts.

Coastal resource districts have been organized in three regions of the unorganized borough; another region is seriously considering following suit. Districts have formed in the Northwest Alaska region (REA 1), the Bering Straits region (REA 2), and the Yukon/Kuskokwim region (REAs 3 and 4); district formation is under consideration in the Bristol Bay region (REAs 6 and 7). These four regions have the following traits in common:

The Honorable Bill Parker
April 21, 1980
Page 2

1. Each region has one dominant regional center: Kotzebue in the Northwest Alaska region; Nome in the Bering Straits region; Bethel in the Yukon/Kuskokwim region and Dillingham in the Bristol Bay region.
2. All of the communities in the Northwest Alaska region and all but one in each of the other regions are second class cities or unincorporated and therefore obtain educational services from an REAA. (First class and home rule cities operate their own school districts.)
3. In two of the three regions which have organized coastal resource districts the regional center has chosen not to join the adjacent service area. Consequently, in the Bering Straits region there are two coastal resource districts, the City of Nome and the Bering Straits Coastal Resource Service Area; in the Yukon/Kuskokwim region, there are also two coastal resource districts, the City of Bethel and the Yukon/Kuskokwim Coastal Resource Service Area.

In addition to the regions discussed in the foregoing paragraphs, there are six coastal REAAs which have not yet organized coastal resource districts. They have the following characteristics:

1. Four of them--the Aleutian Islands (REAA 8), Northern Panhandle (REAA 18), Southern Panhandle (REAA 19) and Prince William Sound (REAA 21)--have several first class or home rule cities each and no dominant regional center. Therefore, each region has several school districts, several coastal resource districts, and no established central gathering place or service center (except Anchorage, Juneau, or Seattle).
2. Federal landholdings consume much of the land within each region. Federally owned land is not part of the State's coastal zone. Settled areas and non-federal land often occur as isolated pockets separated by thousands of acres of federally owned land.

HB 992 resulted from concern that options offered by the Alaska Coastal Management Act may not be well suited to the second set of REAAs discussed above (REAAs 8, 9, 10, 18, 19, 21). Attachment 2 describes advantages and disadvantages of the status quo [AS 46.40120(b)], HB 992, two legislative alternatives and one administrative alternative.

Sincerely,

Marie Matsumoto-Pignatelli
for Lee McAnerney
Commissioner

Attachments

The Honorable Bill Parker
April 21, 1980
Page 3

cc: ✓ The Honorable Arliss Sturgulewski
Alaska State Senate

The Honorable Bob Mulcahy
Alaska State Senate

The Honorable Al Osterback
Alaska State House of Representatives

Keith Specking
Office of the Governor

<u>Region</u>	<u>Coastal Resource Districts</u> (Including cities and boroughs within regions generally defined by REAAs)
REAA 1 Northwest Alaska	* NANA Coastal Resource Service Area
REAA 2 Bering Straits	* Nome * Bering Straits Coastal Resource Service Area
REAA 3&4 Lower Yukon/ Lower Kuskokwim	Bethel * Yukon/Kuskokwim Coastal Resource Service Area
REAA 6&7 Nushagak-Bristol Bay Lake/Peninsula-Bristol Bay	Dillingham * Bristol Bay Borough * Bristol Bay Coastal Resource Service Area (potential)
REAA 8 Aleutian Islands	Unalaska King Cove Sand Point Aleutian Chain Coastal Resource Service Area (potential)
REAA 9 Pribilof Islands	Pribilof Islands Coastal Resource Service Area (potential)
REAA 10 Adak	Adak Coastal Resource Service Area (potential)
REAA 18 Northern Panhandle	* Yakutat * Haines (City) * Skagway * Juneau Pelican Hoonah * Sitka * Kake Northern Panhandle Coastal Resource Service Area (potential)
REAA 19 Southern Panhandle	* Petersburg * Wrangell * Klawock * Craig * Hydaburg * Ketchikan Gateway Borough Southern Panhandle Coastal Resource Service Area (potential)
REAA 20 Metlakatla/Annette	* Annette Islands Indian Reserve
REAA 21 Chugach	* Cordova * Valdez Prince William Sound Coastal Resource Service Area (potential)

* Program under way or completed

Status quo

AS 46.40.120(b) allows the Commissioner of Community and Regional Affairs to consolidate two or more REAAs into one coastal resource service area after considering standards applicable to incorporation of borough governments, the likelihood that a borough would be incorporated within the area, or the extent of federally owned land and water within the area.

HB 992

Under HB 992, AS 46.40.120(b) would be amended to allow the Commissioner of Community and Regional Affairs to not only consolidate two or more REAAs into one coastal resource service area, but also subdivide REAAs into separate coastal resource service areas according to geographic, cultural, or other features relevant to coastal management planning. Borough incorporation standards would also be considered, as would federal ownership of coastal land and water.

Legislative alternative #1

Retain the language of HB 992, but restrict application of the subdivision provision to the Aleutian Chain (REAA 8), Northern Panhandle (REAA 18), Southern Panhandle (REAA 19), and Prince William Sound (REAA 21). Allow the Commissioner of Community and Regional Affairs to combine REAAs with subdivisions of other REAAs if such combinations satisfy standards mentioned in HB 992.

Advantages

By using the REAA as the basic unit for planning in the unorganized borough, the present law does not create any new boundaries for delivery of government services.

HB 992 also uses REAAs as the basic unit of reference for coastal resource service areas.

First-class or home-rule cities of the unorganized borough might be more inclined to join coastal resource service areas smaller than the entire REAA in which they are located.

HB 992 would allow residents to plan for those areas which affect them most directly and with which they are most intimately familiar.

This provision would restrict application of the subdivision section to areas most likely to express interest in them.

Disadvantages

The present law allows first-class and home rule cities (and second-class cities under certain circumstances) to develop coastal management programs separate from the region. Many cities do not see it in their best interest to join forces with an entire REAA. Consequently, coastal resource service areas are not being organized in several REAAs, yet many cities have legitimate interest in influencing development outside their corporate limits.

Indiscriminate subdivision of an REAA could produce fragmented coastal management programs.

The restriction may be unnecessary since coastal resource service areas have organized districts in most of the other coastal REAAs.

There may be constitutional questions about treating regions differently by specifying the geographic area rather than by specifying standards which must be met.

Legislative alternative #2

Retain the language of HB 992, but add the following provision:

If an REAA is divided and an organization election is called in one subdivision, an election will automatically be called in all other subdivisions of the REAA. If any one of the subdivisions elects to organize a district, all other subdivisions are automatically organized. The coastal management program from all subdivisions of an REAA must be coordinated from the outset and submitted simultaneously to enable the Coastal Policy Council and State Legislature to reach a reasonable conclusion about the compatibility of the plans. Although each subdivision would have its own board, there would be a seven-member regional oversight board with representation from the entire REAA (or combination of REAAs) on a one-man, one-vote basis.

Administrative alternative

A coastal resource service area encompassing one or more REAAs could voluntarily organize itself in such a way that board members from one area would meet routinely with local people in that area and use full board meetings as a means to combine sectional ideas and make compromises if necessary.

*Such regions
like USB did
for planning purposes*

Advantages

All of the advantages of HB 992.

Greater coordination among plans than would be afforded under HB 922.

Local involvement in regional coastal management planning with as few new formal structures as possible.

No legislative change would be needed.

Disadvantages

Certain areas may be prematurely coerced into preparing a coastal management program by virtue of actions taken by neighboring areas.

Any section could delay approval of the programs of other sections.

Creation of another layer of government would make the process more cumbersome and costly.

The representation and consequent voting strength of any given area on the seven-member service area board would be less in an entire REAA than in a subdivision of it.

STATE OF ALASKA

58562

COASTAL POLICY COUNCIL

April 17, 1980

LOCAL MEMBERS:

Donald Gilman,
Lower Cook Inlet,
Co-Chairman
Stanley Anderson,
Bering Straits
Jon Halliwell,
Northern Southeast
Eben Hopson,
Northwest
Malcolm "Pete" Isleb,
Prince William Sound
John Nicori,
Southwest
Robert Sanderson,
Southern Southeast
Lidia Selkregg,
Upper Cook Inlet
Betty Wallin,
Kodiak-Aleutians

The Honorable Arliss Sturgulewski, Chairman
Senate Community and Regional Affairs Committee
Alaska State Senate
Pouch V
Juneau, Alaska 99811

Dear Senator *Sturgulewski*:

The Alaska Coastal Policy Council, at its last meeting on March 18 and 19, 1980, took action on four items related to coastal management that will be of interest to the Legislature and in particular to the two Community and Regional Affairs Committees.

STATE MEMBERS:

Frances Ulmer,
Director of Policy
Development &
Planning,
Co-chairman
Robert Ward,
Commissioner of
Transportation &
Public Facilities
Charles Webber,
Commissioner of
Commerce &
Economic
Development
Robert LeResche,
Commissioner of
Natural Resources
Lee McAnerney,
Commissioner of
Community &
Regional Affairs
Ernst Mueller,
Commissioner of
Environmental
Conservation
Ronald Skoog,
Commissioner of
Fish & Game

Resolution 79-2 of the Rural Alaska Coastal Management Conference, requesting Continuation of Coastal Resource Service Area (CRSA) boards, was endorsed by the council with a request for implementation powers deleted. Resolution 79-6 of the Rural Alaska Coastal Management Conference requesting the creation of interior resource districts, was endorsed in its entirety by the council. Copies of the resolutions, as the council endorsed them, are attached for your information.

The council supports CSSB 348, CSSB 349, and CSHB 581, as described by Ms. Margo Waring, which deal with local governments and make provisions for unorganized boroughs, including the division of rural education attendance areas.

Finally, the council voted to request amendment of section 46.40.120 (b) of the Alaska Coastal Management Act as follows:

The Commissioner of the Department of Community and Regional Affairs may, after public hearings held in the area affected, consolidate two or more regional education attendance areas as a single coastal resource service area or may subdivide an existing regional education attendance area, according to geographic, cultural, or other features relevant to coastal management planning.

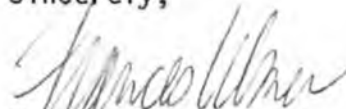
This proposed amendment is now before the House of Representatives as HB 992, currently pending in the House Community and Regional Affairs Committee.



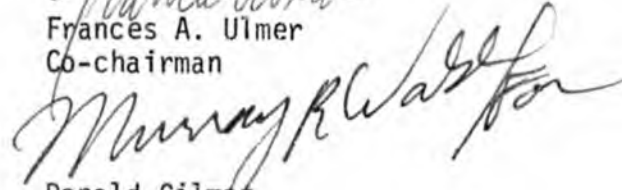
The Honorable Arliss Sturgulewski -2- April 17, 1980

If further information is required, please contact Murry Walsh,
Coordinator of the Office of Coastal Management (465-3540).

Sincerely,



Frances A. Ulmer
Co-chairman



Donald Gilman
Co-chairman

Attachments

RESOLUTION 79-2 OF THE RURAL ALASKA COASTAL MANAGEMENT CONFERENCE

AS ENDORSED BY THE ALASKA COASTAL POLICY COUNCIL

ENTITLED: REQUESTING CONTINUATION OF COASTAL RESOURCE SERVICE AREA
BOARDS.

WHEREAS, the Alaska Coastal Management Act of 1977 allows for the formation of coastal resource service areas in the unorganized borough for the purpose of developing coastal management programs, and

WHEREAS, the Department of Community and Regional Affairs provides funding and technical assistance so that coastal management plans may be developed and approved; and

WHEREAS, the coastal resource service area is formed after an election by the communities in the affected region; and

WHEREAS, the coastal resource service area boards are comprised of members from those various communities; and

WHEREAS, there is currently no provision for funding of coastal resource service area boards after the approval of their plans; and

WHEREAS, there is no mechanism for coastal resource service areas to monitor the implementation of their plans; and

WHEREAS, there is no mechanism for coastal resource service areas to monitor consistency determinations made by state agencies;

NOW THEREFORE BE IT RESOLVED that the Alaska State Legislature amend the Alaska Coastal Management Act of 1977 in order that the coastal resource service boards maintain their identity and be funded after approval by the Coastal Policy Council and the legislature of their coastal management plans.

RESOLUTION 79-6 OF THE RURAL ALASKA COASTAL MANAGEMENT CONFERENCE

AS ENDORSED BY THE ALASKA COASTAL POLICY COUNCIL

ENTITLED: REQUEST FOR CREATION OF INTERIOR RESOURCE DISTRICTS.

WHEREAS, the State of Alaska and the federal government have released oil and gas lease schedules for the next five years; and

WHEREAS, the State of Alaska and the federal government have enacted legislation providing for the formation of coastal resource districts; and

WHEREAS, the federal government and the State of Alaska provide funds for implementation of coastal zone management plans to the coastal districts; and

WHEREAS, the State of Alaska's five year schedule includes oil and gas lease sales in the interior of Alaska; and

WHEREAS, oil and gas development and pipeline construction in the Interior has the same impact as offshore development; and

WHEREAS, these interior areas have no legislative basis for creating district plans and no source of funding districts in the event of oil and gas lease sales and pipeline construction; and

WHEREAS, the Department of Community and Regional Affairs is allocated funds for the development of coastal districts,

Now, therefore, be it

RESOLVED, that the Department of Community and Regional Affairs search for a method of funding resource districts in the areas of the Interior which will be impacted by state oil and gas lease sales and pipeline construction, and

BE IT FURTHER RESOLVED that the Alaska State Legislature fund interim planning districts.

Application of ACMP to the
Aleutian/Pribilof Island Region

Problem:

Options provided under the Alaska Coastal Management Act for formation of "coastal resource districts" are not applicable to the Aleutian/Pribilof Island Region.

Background:

The Aleutian/Pribilof Island Region presents a unique situation relative to the establishment of coastal resource service areas. Within the Region are three first-class cities (Sand Point, King Cove and Unalaska) as well as regional educational attendance areas 8, 9 and 10 (Aleutian Chain, Pribilof and Adak).

Under present law the first-class cities have the option of becoming single coastal resource service areas, thus establishing their own coastal management planning programs within their respective political boundaries, or of joining forces with the REAA's to develop a regional planning effort.

In addition, the three REAA's may become separate coastal resource service areas or, under authority granted in AS 46.40.120(b) the Commissioner of the Department of Community and Regional Affairs, may consolidate REAA's 8, 9 and 10 into one or two service areas for coastal management purposes.

Given these conditions there exists the possibility of one or six, or any combination within these numbers, coastal resource service areas being created within the Aleutian/Pribilof Island Region.

The population of the Region is approximately 3000 with 2200 residing in the three first-class cities (Sand Point 773, King Cove 733 and Unalaska 768). The second-class communities of Akutan and St. Paul contain 652 residents, 85 and 567 respectively. Total Regional population residing in incorporated municipalities totals 2926 or 81%. Clearly, if the first-class communities elect to establish their own programs within their jurisdictions, the remaining area (REAA's 8, 9, & 10) will be substantially diluted of human resources with which to develop and implement a coastal management program.

Land interests in the region are geographically complex. Village corporations were unable to select ANCSA entitlements within the core townships of Native villages due to the configuration of islands and Federal reserves. As such, village corporations selected deficiency lands under the Act this resulted in the ownership of land many miles from their respective villages. An example is the Tanadqusix Corporation at St. Paul (Pribilof Islands). Tanadqusix Corporation has substantial land holdings approximately 200 miles away on Unalaska Island. This is the case for a majority of the Aleutian's village corporations thus creating an extremely fragmented pattern of land ownership and land interests throughout the chain.

Several Aleutian villages are vacant of population, yet represent vast land holdings and thus development interests for shareholders residing elsewhere. Unga and Sanak are two cases in point. Village Corporation members from Unga and Sanak reside in Sand Point yet hold major land interests outside of Sand Point's City boundaries. They fear that should Sand Point elect to become a coastal resource service area they, as residents of Sand Point, will be precluded from having a voice in a coastal management program which encompasses their corporate land holdings.

The communities, on the other hand, would prefer to work with the respective corporations in a coastal management program but do not care to be involved or necessarily influenced by actions a thousand miles away.

The Aleutian/Pribilof Island Region situation strongly indicates the need to provide a third option for creating coastal resource service areas. This option would address the need to create service districts which emphasize common interests and geographic proximity in areas where land mass, economic interests and population are not contiguous.

Proposed Legislative Amendment

Section 3 AS 46.40.120(b) is amended to read:

(b) The Commissioner of the Department of Community and Regional Affairs may, after public hearings held in the area affected, consolidate two or more regional educational attendance areas as a single coastal resource service area or may subdivide an existing regional education attendance area according to geographic, cultural or other features relevant to coastal management planning.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF COMMUNITY PLANNING

225 CORDOVA, BUILDING B
ANCHORAGE, ALASKA 99501

March 21, 1980

Mr. Richard Careaga
Director of Planning
P.O. Box 89
Unalaska, Alaska 99685

Dear Mr. ^{Richard} Careaga:

In response to your letter of March 17 requesting our assistance in drafting an amendment to AS 46.40.120(b), I would like to relay the following information.

The City Councils of Sand Point and King Cove have made identical requests. In order to accommodate these requests in a timely manner I drafted a proposed amendment and presented same to the Alaska Coastal Policy Council on Wednesday, March 19.

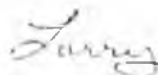
Following my presentation and brief discussion the Council voted 11-0 in favor of a resolution supporting the proposed amendment. This support will accompany the proposed amendment to Juneau where we will request it be introduced via committee. We will meet with Sand Point officials and legislators for the affected area next week in Juneau to discuss the matter.

I have enclosed a copy of the proposed amendment for your City Council's review. Should the Council support it as written, I would appreciate a letter to that effect. Should there be a need to amend the language please contact me immediately as time is of the essence.

Thank you for your assistance in this matter and please assure the City Council and Mayor Holmes that we will keep them informed as things progress.

Thank you also for the courtesies extended during our recent visit. I enjoyed our stay.

Best regards,



Lawrence H. Kimball, Jr.
Director

Attachment

Introduced: 4/3/80
Referred: Community & Regional
Affairs

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 992

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the formation of coastal resource
7 service areas; and providing for an effective date."

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

9 * Section 1. AS 46.40.120(b) is amended to read:

10 (b) The commissioner of the Department of Community and Regional
11 Affairs may, after public hearings held in the area affected, consoli-
12 date two or more regional educational attendance areas as a single
13 coastal resource service area or may divide an existing regional educa-
14 tional attendance area into two or more coastal resource service areas
15 according to geographic, cultural or other features relevant to coastal
16 management planning

17 (1) if a substantial portion of the coastal area contains
18 land and water area owned by the federal government over which it
19 exercises exclusive jurisdiction or land held in trust by the federal
20 government for Alaska Natives over which the state would not exercise
21 control as to use; or

22 (2) if, after giving due consideration to the standards
23 applicable to incorporation of borough governments and the likelihood
24 that a borough will be incorporated within the area, the commissioner
25 determines that the functions to be performed under this chapter could
26 be undertaken more efficiently through the combination of two or more
27 regional educational attendance areas as a single coastal resource
28 service area or through the division of a regional educational attendance
29 area into two or more coastal resource service areas.

CALL 2nd Meeting

The Honorable Bill Parker
Chairman
Community and Regional Affairs
Committee
Alaska State House of Representatives
Pouch V
Juneau, Alaska 99811

Dear Mr. Chairman:

SUBJECT: HB 992

At your request, the Department of Community and Regional Affairs has prepared background information on HB 992 and explored alternatives to the bill.

BACKGROUND

The Alaska Coastal Management Act of 1977, as amended, allows residents of the unorganized borough to organize coastal resource districts encompassing one or more regional educational attendance areas (REAs). Each district prepares a coastal management program to be submitted to the Coastal Policy Council and State Legislature. The Commissioner of Community and Regional Affairs presently has authority to combine two or more REAs into a single coastal resource service area. All municipalities which exercise planning powers are also districts. This system seems to

1.5

districts the regional center has chosen not to join the adjacent service area. Consequently, in the Bering Straits region there are two coastal resource districts, the City of Nome and the Bering Straits Coastal Resource Service Area; in the Lower Yukon/Lower Kuskokwim region, there are also two coastal resource districts, the City of Bethel and the Lower Yukon/Lower Kuskokwim Coastal Resource Service Area.

In addition to the regions discussed in the foregoing paragraphs, there are six coastal REAAs which have ^{not yet} ~~been reticent to~~ organize coastal resource districts. *They have the following characteristics:*

1. Four of them--the Aleutian Islands (REAA 8), Northern Panhandle (REAA 18), Southern Panhandle (REAA 19) and Prince William Sound (REAA 21)--have several first class or home rule cities each and no clearly defined regional center. Therefore, each region has several school districts, several coastal resource districts, and no established central gathering place or service center (except Anchorage, ^{or Juneau,} ^{or Sitka}).

?
2. Federal landholdings consume much of the land within each region. Federally owned land is not part of the State's coastal zone. Settled areas and non-federal land often occur as isolated pockets separated by *thousands* of acres of federally owned land.

HB 992 resulted from concern that ~~none~~ of the organizational options offered by the Alaska Coastal Management Act may be well suited to situations of the second set of REAAs discussed above (REAAs 8, 9, 10,

18, 19, 21). Attachment 2 describes advantages and disadvantages of the status quo [AS 46.40120(b)]⁷, HB 992, three legislative alternatives and one administrative alternative.

Sincerely,

Lee McAnerney
Commissioner

cc: The Honorable Arliss Sturgulewski
Alaska State Senate

bcc: Lawrence H. Kimball, Jr., DCRA
Murray Walsh, OCM
Mark Stephens, DCRA
Veronica Clark, DCRA
Mary Jo Waits, DCRA

file code?

Region

Coastal Resource Districts

(Including cities and boroughs within regions defined by REAAs)

REAA 1	Northwest Alaska	* Northwest-Alaska Coastal Resource Service Area
REAA 2	Bering Straits	* Nome * Bering Straits Coastal Resource Service Area
REAA 3&4	Lower Yukon/ Lower Kuskokwim	Bethel * Lower Yukon/Lower Kuskokwim Coastal Resource Service Area
REAA 6/7	Nushagak-Bristol Bay	Dillingham Bristol Bay Coastal Resource Service Area (potential)
REAA 7	Lake/Peninsula-Bristol Bay	* Bristol Bay Borough * Bristol Bay Coastal Resource Service Area (potential)
REAA 8	Aleutian Islands	Unalaska King Cove Sand Point Aleutian Chain Coastal Resource Service Area (potential)
REAA 9	Pribilof Islands	Pribilof Islands Coastal Resource Service Area (potential)
REAA 10	Adak	Adak Coastal Resource Service Area (potential)
REAA 18	Northern Panhandle	* Yakutat * Haines (City) * Skagway * Juneau — Pelican Hoonah * Sitka * Kake Northern Panhandle Coastal Resource Service Area (potential)
REAA 19	Southern Panhandle	* Petersburg * Wrangell * Klawock * Craig * Hydaburg * Ketchikan Gateway Borough Southern Panhandle Coastal Resource Service Area (potential)
REAA 20	Metlakatla/Annette	* Annette Islands Indian Reserve
REAA 21	Chugach	* Cordova * Valdez Prince William Sound Coastal Resource Service Area (potential)

* Program under way or completed

Handwritten notes:
No. 11
J. H. ...
Bering Straits ...
Pelican
Cordova

Status quo

AS 46.40.120(b) allows the Commissioner of Community and Regional Affairs to consolidate two or more REAAs into one coastal resource service area after considering standards applicable to incorporation of borough governments or the likelihood that a borough would be incorporated within the area.

Consolidation
By using the REAA as the basic unit for planning in the unorganized borough, the present law does not create any new boundaries for delivery of government services.

Disadvantages
The present law allows first-class and home rule cities (and second-class cities under certain circumstances) to develop coastal management programs separate from the region and a number of cities do not see it in their best interest to join forces with an entire REAA. Consequently, coastal resource service areas are not being organized in several REAAs and yet many cities have legitimate interest in influencing development outside their corporate limits.

Special low priority for the state to take jurisdiction over the unorganized boroughs to allow them to be better managed.

HB 992

Under HB 992, AS 46.40.120(b) would be amended to allow the Commissioner of Community and Regional Affairs to not only consolidate two or more REAAs into one coastal resource service area, but also subdivide REAAs into separate coastal resource service areas according to geographic, cultural, or other features relevant to coastal management planning. Borough incorporation standards would also be considered.

oHB 992 still uses REAAs as the basic unit of reference for coastal resource service areas.

Indiscriminate subdivision of an REAA could produce fragmented coastal management programs.

oFirst-class or home-rule cities of the unorganized borough might be more inclined to join coastal resource service areas smaller than the entire REAA in which they are located.

oHB 992 would allow residents to plan for those areas which affect them most directly and with which they are most intimately familiar.

Legislative alternative #1

Retain the language of HB 992, but restrict application of the subdivision provision to the Aleutian Chain (REAA 1), Northern Panhandle (REAA 18), Southern Panhandle (REAA 19), and Prince William Sound (REAA 21).

This provision would restrict application of the subdivision section to areas most likely to express interest in them.

oThe restriction may be unnecessary since coastal resource service areas have organized districts in most of the other coastal REAAs.

oThere may be constitutional questions about treating regions differently.

ALASKA COASTAL MANAGEMENT PROGRAM
GRANT RECIPIENTS

Recipients	1978-1979		1979-1980		Comments
	Amount	Term.Date	Amount	Term.Date	
Aleutian-Pribilof Islands Association	-	-	-	-	Application pending for information program
Bering Straits Coastal Service Area	-	-	-	-	Organizational work conducted by Kawerak, Inc.
Bristol Bay Borough	-	-	-	-	Application pending
City and Borough of Sitka	\$ 20,840	6/30/79	\$ 40,000	6/30/80	-
City and Borough of Juneau	52,061	6/30/79	-	-	Application pending
City of Bethel	-	-	-	-	Preparing comprehensive plan
City of Cordova	20,824	6/30/79	67,232	6/30/81	-
Cities of Craig and Klawock	16,000	6/30/79	-	-	-
City of Dillingham	-	-	-	-	Application pending
City of Haines	24,000	7/08/79	4,960	1/31/80	Submitted to Legislature
City of Hydaburg	-	-	-	-	Information meeting 3/80
City of Kake	-	-	-	-	Application pending (\$16,000)
City of King Cove	-	-	-	-	Information meeting 3/80
City of Nome	-	-	-	-	Application pending (\$100,000)
City of Petersburg	30,000	7/08/79	-	-	Application pending (\$68,000)
City of Sand Point	-	-	-	-	Information meeting 3/80
City of Skagway	-	-	-	-	Program funding under CEIP
City of Unalaska	-	-	-	-	Information meeting 3/80
City of Valdez	15,200	6/30/79	90,840	6/30/81	-
City of Wrangell	-	-	-	-	Application pending
City of Yakutat	12,500	7/08/79	46,280	6/30/80	-
Kawerak, Inc.	-	-	15,552	4/18/80	Organizational work for Bering Straits Coastal Resource Service Area
Kenai Peninsula Borough	60,000	5/31/79	200,000	4/30/81	-
Ketchikan Gateway Borough	56,000	7/08/79	16,000	6/30/80	Application pending (\$30,000)
Kodiak Island Borough	-	-	228,000	6/30/81	-
Matanuska-Susitna Borough	49,500	6/30/79	-	-	Application pending
Mauneluk Association	-	-	13,500	5/31/80	Organizational work for Northwest Alaska Coastal Resource Service Area
Metlakatla Indian Community	39,000	7/08/79	41,600	6/30/80	Submitted to Legislature; application pending (\$32,800)
Municipality of Anchorage	51,166	6/30/79	360,650	10/31/80	Submitted to Legislature
North Slope Borough	34,400	6/30/79	12,850	11/16/79	Application pending (\$300,000)
Northwest Alaska Coastal Resource Service Area	-	-	-	-	Organizational work conducted by Mauneluk Association
Protectors of the Land, Inc.	20,800	5/31/79	29,600	3/31/80	Organizational work for the Yukon/Kuskokwim Coastal Resource Service Area
Yukon/Kuskokwim Coastal Resource Service Area	-	-	-	-	Organizational work conducted by Protectors of the Land, Inc.; application expected (\$150,000)
TOTAL OBLIGATED	<u>\$502,291</u>		<u>\$1,167,064</u>		
AUTHORIZED	\$520,000		\$1,720,000		Additional FY 80 applications: \$606,800

SB

565



Kuskokwim Native Association

May 9, 1980

The Honorable Clem Tillion
Senate President
Pouch V
Juneau, Alaska 99811

Dear Senator Tillion:

We would like to support SB 565, enabling the State to recognize Native Village Governments and encouraging them to administer local governmental programs.

The State Revenue Sharing Program is one example of a means by which Native Village Governments might handle their own affairs and increase interaction and cooperation between the state and village governments.

At the present time, the only state revenue sharing funds that an unincorporated village is eligible for are Volunteer Fire Department monies. If we consider the state revenue sharing program as a means for the state to share its wealth with local governments to assist in local government function, then we are doing a tremendous disservice to those small unincorporated villages who are struggling to provide some of the same services as small cities in the unorganized borough. At a time when the Legislature is considering establishing regional units within the unorganized borough, I believe that we need to first strengthen the village local government capabilities.

I have been working in the area of local government for our KNA villages over the past three years. During that time I have seen much development in each village's capability to handle its own affairs. For the state to ignore our federally recognized Native Village Governments is a hinderance to the villages who are attempting to strengthen their local government capabilities and village development. For many villages, the Native Village Government is the only form of local government and should be encouraged to participate in state programs in the same manner as a second class city.

I would be happy to supply any additional information to you regarding specific questions dealing with Native Village Governments in our KNA area.

Sincerely,

Cheryl Jerabek
Cheryl Jerabek
Self-Determination/Local Govt
Director

cc: KNA Village & Traditional Councils
House & Senate Bush Caucus
House & Senate C/RA Committee Members
BOX 106, ANIAK, ALASKA 99557 PHONE (907) 675-4384

SB

567

Introduced 4-17-80
Referred to Commerce & Finance .

Committee Log Book - 1980

Tape Number XX11

SENATE C/RA

Side Number 1 & 2

Committee

Dates 4/15/80 to --

PRESENT: Senators Mulcahy, Rodey, Chairman Sturgulewski

LATE: Senators Stimson and Kelly

Bill Numbers Discussed

CSHB 550	SB 546								
-------------	-----------	--	--	--	--	--	--	--	--

Date & Time	Tape Meter Number	Bill	Significant Information (Witness, Action)
1:30 p. 4/15/80	005	CSHB 550	Chairman Sturgulewski opened meeting & gave a brief summary
	029		Representative Joyce Munson, Sponsor
	123		Sen. Rodey / Traffic lights owned by city?
	188		Mike Thompson, Anchorage Municipality Traffic Div.
	208		Sen. Rodey questioned past cooperation/coordination between State and Municipality
	242		Ron Lind, Dept. of Transportation & D.P. - No Objections
	250		Mitch Gravo, Anchorage Municipality, Support bill
	281		Senator Rodey moved to "do pass" no objections..
	300	RES.	Summary / resolution requesting Gov. to direct Dept. Fish & Game to conduct study relating to the restocking of Anchorage lakes. COMM. INTRODUCE?? by Sen. Rodey No objections for Committee introduction.
	373	RES	Summary / Utility Revolving Loan Fund / by Sen. Sturgulewski. No objections to Comm. introduction
	405	SB 546	Capitol Foundation Program
	536		Marge Gorsuch, AA Hs. C/RA
	449		Jim Rhodes, AA Rep. Malone / Formula Summary
SIDE 2 -----	159		Sen. Kelly objects to formula base
	221		Meeting adjourned.

*No Action
Taken*

Alaska State Legislature

Arliis

SENATOR
ARLISS STURGULEWSKI
COMMITTEES
CHAIRMAN
Community & Regional Affairs
VICE-CHAIRMAN
Commerce
Health & Social Services



Senate


2967 SHELDON JACKSON
ANCHORAGE, ALASKA 99504
DISTRICT 10-H

While in Juneau
POUCH V
JUNEAU, ALASKA 99811
(907) 466-2712

March 21, 1980

will send

TO: Billy Berrier, Director
Legal Services

FROM: Arliss Sturgulewski 
Senator, District 10-H

RE: DRAFTING REQUEST

I would appreciate having a bill drafted which would update SB 116 introduced by Senator Rader in 1975. The updates which I feel are necessary deal with certain technical issues, for example, interest rates, and updating to include a class of utility needs not specifically identified in SB 116.

Page 1, 1. 22 , delete "the curtailment . . .gencies(line 23) and substitute:
"delays experienced in obtaining low cost federal loans."

Page 2, 1.9 delete "eight" and insert "the current borrowing rate by the state"
1.10 delete "per cent a year"

page 2, after line 13 and before the section identified on line 14 as (2) insert a new section (2) to read: " make loans to public utilities to meet short term or interim capital needs prior to receipt by the public utility of federal loan funds;"

Page 2, line 14 readjust numbering 2-5 becomes 3-6.

Page 5, line 21, change effective date.

I have attached a copy of SB 116 for your convenience.

1 IN THE SENATE

BY RADER

2 SENATE BILL NO. 116

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act creating the public utility revolving loan
7 fund; and providing for an effective date."

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

9 * Section 1. AS 42 is amended by adding a new chapter to read:

10 CHAPTER 08. PUBLIC UTILITY REVOLVING LOAN FUND.

11 Sec. 42.08.010. DECLARATION OF POLICY AND PURPOSE. The legis-
12 lature finds that

13 (1) the availability of adequate public utility services
14 and facilities at reasonable rates in this state is a proper matter
15 of public concern;

16 (2) the ability of privately, municipally and cooperatively
17 owned public utilities in the state to finance service to the public
18 and capital improvement requirements to extend and improve those
19 services on reasonable terms and conditions that will enable utility
20 service rates to remain at reasonable levels in the foreseeable future
21 is seriously impaired by the unavailability of low-cost private
22 financing and the curtailment of low-cost loans available from federal
23 agencies;

24 (3) as a matter of public policy, to ensure the sound
25 development of the state and its resources and to provide an acceptable
26 level of utility services to its residents at reasonable rates, the
27 state should assist these public utilities in acquiring the funds
28 that are essential to operate and maintain and expand utility facilities
29 and services.

1 Sec. 42.08.020. REVOLVING LOAN FUND CREATED. There is created
2 in the Department of Commerce the public utility revolving loan fund.

3 Sec. 42.08.030. POWERS AND DUTIES OF THE DEPARTMENT. (a) The
4 department shall formulate general polices and procedures to implement
5 the provisions of this chapter and promulgate regulations in consulta-
6 tion with the Alaska Public Utilities Commission.

7 (b) The department may

8 (1) if other credit is not readily available from private
9 lending institutions at a rate of interest that does not exceed ~~eight~~
10 *the current borrowing rate by the State* per cent a year, for the term required, make loans to public utilities
11 to finance or refinance capital improvements, plant and facilities,
12 and to improve and expand services, subject to the provisions of this
13 chapter;

14 (2) consult with appropriate federal agencies and other
15 lending institutions which make loans to public utilities in the state
16 concerning policies, regulations and procedures to carry out the pro-
17 visions of this chapter;

18 (3) designate agents and delegate powers to them as is
19 necessary;

20 (4) require bonds and undertakings from persons employed by
21 it as in the commissioner's judgment are necessary, and pay the
22 premiums on them;

23 (5) establish amortization plans as provided in sec. 50 of
24 this chapter.

25 Sec. 42.08.040. ELIGIBILITY FOR LOANS. A public utility is
26 eligible for a loan under this chapter if

27 (1) it is a public utility as defined in AS 42.05.701(2)(A) - *through*
28 (E);

29 (2) it is serving the public under a certificate of public

1 convenience and necessity issued by the Alaska Public Utilities Commis-
2 sion at the time of application for a loan;

3 (3) in the judgment of the department

4 (A) the public utility shows a definite potential for
5 providing improved or expanded service in the community or service
6 area it serves or otherwise requires the financing to maintain
7 adequate, efficient and safe service; and

8 (3) the utility will be able to repay the loan.

9 Sec. 42.08.050. CONDITIONS AND LIMITATIONS ON LOANS. (a) A
10 loan to a public utility under this chapter may not exceed \$1,000,000.

11 (b) The loan shall be on terms and conditions the department
12 determines appropriate and if secured by collateral may not exceed
13 .75 per cent of the value of the collateral offered.

14 (c) Amortization plans for the repayment of loans made under
15 this chapter may not exceed 30 years. The rate of interest may not
16 exceed eight per cent a year on the unpaid balance.

17 (d) Unless a loan made under this chapter is participated in by
18 a financial institution as provided in (e) of this section, it may
19 not be made until an investigation and an economic feasibility study
20 is conducted and, as a result of the investigation and study, the
21 department determines that the loan is economically sound and that the
22 utility will be financially self-sustaining and the loan will be fully
23 amortized within and in accordance with the terms and conditions of
24 the loan. The economic feasibility study shall be conducted by the
25 department staff or by consultants, engineers or other technical
26 experts approved by the department. To facilitate its determination
27 of economic feasibility and the ability of the utility to be fully and
28 financially self-sustaining and to amortize the loan, the department
29 shall require the applicant for a loan under this chapter to furnish

1 those systems studies, long-range economic forecasts, financial data,
2 and technical information that the department considers necessary.

3 (e) If a loan under this chapter is participated in by a finan-
4 cial institution in an amount not less than 20 per cent of the total
5 amount of the loan, the department may accept the investigation and
6 study made or accepted by the institution as a basis for its partici-
7 pation.

8 (f) If a financial institution participates in a loan made under
9 this chapter, it may elect to administer and service the loan for a
10 reasonable fee not exceeding one-half of one per cent.

11 (g) The state and the participating institution shall each
12 have a lien or share the collateral to the extent of their respective
13 portions of the total loan.

14 Sec. 42.08.060. ADMINISTRATION. Money loaned shall be delivered
15 to the borrower in the form of a warrant drawn on the treasury,
16 vouchered in the manner prescribed for state disbursing officers, and
17 charged against the public utility revolving loan fund. Each voucher
18 shall be approved by the commissioner of commerce or a bonded deputy
19 authorized by him to act as a certifying officer. Upon repayment of
20 loans by installments or otherwise, in accordance with the prescribed
21 terms, or upon liquidation by foreclosure or other process, or upon
22 receipt of interest or other revenue, the money so received shall be
23 turned over to the commissioner of revenue for deposit in the public
24 utility revolving loan fund.

25 Sec. 42.08.07J. SALE OR TRANSFER OF NOTES, MORTGAGES AND OTHER
26 COLLATERAL. (a) The commissioner of commerce may sell or transfer
27 at par value or at a premium or discount to any bank or other private
28 purchaser for cash or other consideration the notes, mortgages and
29 other collateral held by the Department of Commerce as security for

1 loans made under this chapter.

2 (b) The commissioner of commerce may sell or transfer at par
3 value to the Department of Revenue the notes, mortgages and other
4 collateral held by the Department of Commerce as security for loans
5 made under this chapter. The Department of Revenue shall purchase
6 all of the notes, mortgages and other collateral so offered, allowing
7 the Department of Commerce a one-half of one per cent service fee.

8 Sec. 42.08.080. GUARANTEES OF LOANS BY OTHERS AUTHORIZED. The
9 commissioner of commerce may enter into agreements with other state
10 departments and agencies, private banks, other lending institutions,
11 and individuals for the purpose of guaranteeing loans made to qualified
12 public utilities. The guarantees may not exceed 90 per cent of the
13 amount loaned and the loans shall be secured in the same manner as
14 provided for direct loans under this chapter. A loan made under this
15 chapter and guaranteed by the commissioner of commerce and the state
16 shall bear an interest rate not exceeding eight per cent a year on
17 the unpaid balance.

18 Sec. 42.08.090. PROCEEDINGS AND REGULATIONS. The Administrative
19 Procedure Act (AS 44.62) governs all proceedings, and the promulgation
20 of regulations, under this chapter.

21 * Sec. 2. This Act takes effect on July 1, 1975.
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