

ALASKA LEGISLATURE COMMITTEE FILES 1987-88 8672

4443 HCRA EO 69 - HB 1 (FILE 1)

5

EO

69

File Contents

EO 69 - Reassignment of housing assistance functions

<u>No.</u>	<u>Description</u>
1.	Bill-EO 69
2.	Fiscal Note - DCRA
3.	Governor's Transmittal Letter
4.	Bill Review - HCRA Staff

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY
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May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House C+RA

1-27-88

3:00 p.m.

STATE OF ALASKA 1988 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: EO 69
Publish Date: HOUSE 1/11/88

Revision Date: _____

Agency Affected: DCRA

Title An Executive Order deleting the name
of the Division of Housing Assistance from the statutes

BRU: Housing Assistance

Sponsor: Rules Committee

Components: _____

Requestor: Governor

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary) This order deletes statutory references to the Division of Housing Assistance, giving the executive the authority to designate, merge or rename subordinate units in the Department. The order will not affect program activities and is not expected to have a fiscal impact.

Prepared by: Jim Plasman
Division: Municipal and Regional Assistance Division

Phone: 465-4750
Date: 11-27-87

Approved by Commissioner: Bertha Gustafson
Agency: Department of Community and Regional Affairs

Date: 12-1-87

- Distribution (by preparer):
- Legislative Finance
 - Legislative Sponsor
 - Requestor
 - Office of Management and Budget
 - Impacted Agency(ies)
 - Senate Secretary

STEVE COWPER
GOVERNOR



STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 11, 1988

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 23, of the Alaska Constitution, and in accordance with AS 24.08.210, I am transmitting an executive order dealing with the housing assistance functions of the Department of Community and Regional Affairs. Essentially, the Order's reassignment of those functions, from the division of housing assistance to the department generally, is accomplished by simply deleting that division's name from AS 44.47 as well as from other statutes that mention the division name.

By removing the statutory references to the division of housing assistance, the commissioner of the Department of Community and Regional Affairs will no longer be restricted from designating, merging, or renaming subordinate department units in the Department of Community and Regional Affairs. The commissioner will be able to appropriately exercise the authority stated in existing AS 44.17.010, 44.17.020, 44.17.040, and 44.17.070.

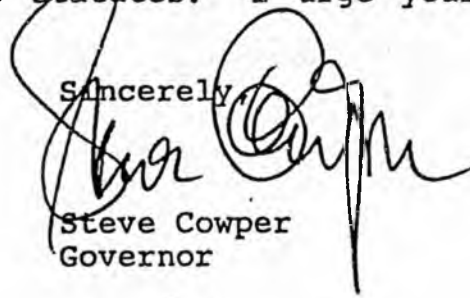
By my Administrative Order No. 95, dated March 13, 1987, I merged the division of community development (not created by statute) and the division of housing assistance (created by AS 44.47.360). These divisions were merged in the interests of economy and with the intent that the combined division would more effectively coordinate statutory programs designed to assist rural communities. However, because the name of the division of housing assistance is designated by statute, in AS 44.47 and elsewhere, the new division retained the name of the division of housing assistance. In order to rename the division to appropriately describe the functions and duties of the newly merged division, the designation of the division of housing assistance is being removed. Under authority of art. III, secs. 1 and 24, of the Alaska Constitution, I will give the new division a more appropriate name after the effective date of the executive order.

③ ED 69

This Order makes incidental amendments to or repeals current statutory references to the division, director, and deputy director of the division of housing assistance and replaces them with references to the department or commissioner, where appropriate. The Order's effective date, March 12, 1988, is the 62nd day of the legislative session. Since art. III, sec. 23, of the Alaska Constitution gives the legislature 60 days to act on an executive order, this provision is simply the equivalent of an immediate-effective-date clause in a bill.

Deletion of the name of the division of housing assistance from the statutes will not adversely affect the administration of housing assistance programs nor will it make any substantive changes in the statutes. I urge your support for this executive order.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper", written over the typed name and title.

Steve Cowper
Governor

Bill Review

EO 69 - Reassignment of housing assistance function of the Department of Community and Regional Affairs.

Sponsor: Governor

REVIEW:

EO 69 facilitates exercise of the Commissioner of the Department of Community and Regional Affairs' authority to designate subordinate department units as deemed necessary per AS 44.17.010, AS 44.17.020, AS 44.17.040 and AS 44.17.070.

Regional housing authority may act in accordance with procedures and policies adopted and approved by the DCRA. They make loans for insulated housing in rural areas of the state, other than in an area where the department has a loan office. Loans are serviced in a manner acceptable to DCRA.

Interest rate on loan is based on AS 44.47.370 deletes [44.47.360].

Responsibility of housing assistance is placed under the powers of DCRA's Commissioner. Deletes the [Director of Division of] housing assistance.

The Commissioner of DCRA adopts regulations in accordance with the Administrative procedure act AS 44.62 to implement AS 44.47.320 [44.47.360].

AS 44.47.370 (2) Spells out Commissioner's powers and functions in the housing assistance within DCRA. Deletes [Director's] power and functions under AS 44.47.370

Clean-up language additional deletions are part of EO 69 intent and purpose. What was formerly a [Division] responsibility becomes the department's responsibility in housing assistance. Clean-up language is spelled out where [Director] was and Commissioner is written in. Clean-up language is placed throughout assistance housing legal requirements of law.

5
(7)

HOUSE COMMITTEE REPORT (5) EO 69

Date referred: 1/11/88

FURTHER REFERRALS: Finance

DATE: JAN 27 1987

The Community and Regional Affairs Committee has considered EO 69

Reassigning to the Department of Community and Regional Affairs the function of that department's division of housing assistance.

RECOMMENDS:

- replace with _____ the same title
- attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact same as previous fiscal note published _____
- zero fiscal note same as previous zero fiscal note published 1/11/88
- zero with analysis

SIGNING DO PASS:

_____ Zawacki

_____ Collins

_____ Springer

SIGNING OTHER RECOMMENDATIONS:

Chairman's signature

HB

1 (FILED) -

SSHB1

SSHB 1 Converting REAAs to 3rd Class Boroughs

DCRA Study-- Executive Summary-one statement (#4) stands out-- many programs for State funding are outmoded and/or result in very substantial inequities to local government. (The fairness doctrine might be applied to make it more viable for poorer regions of the state to form boroughs.)

Appendix--Statistical items stated relate to:

1. Taxable values per student
2. Distribution of business fisheries tax in cities within unorganized borough by REAA
3. Ex-vessel harvest values-averages
4. 1984 per capita income
5. 1986 average monthly wage-Alaska
6. 1986 unemployment rates
7. Population densities
8. Population compositions by race
9. Regional cost of living differences
10. Maps--
 - Boroughs
 - REAAs
 - Federal Census Areas
 - Districts for Costs of Living Study

HCRA Committee memo-December 10, 1987

1. Statement of State Constitutional requirements, local powers vested in cities and boroughs only.
2. Recognized need for economic considerations affecting local governmental support.
3. Value Per Average Daily Membership by school districts listed.
4. Data indicate that some unorganized boroughs may have sufficient economic base to take on local government powers. Some areas no doubt need additional level of state assistance to take on local government powers. Ranking of per capita by governmental units indicated.
5. It is noted that there is some knowledge of land sales and federal assessments of land throughout Alaska, plus state lands, etc.
6. Economic comparison of two regions of the state-volume and value considered-some areas may be able to sustain local government while other areas would need additional state support to function as a local government unit.
7. Wage and salary of some areas of the state indicated.

8. Land entitlements indicated based upon present state law.
9. Social service delivery system-many and varied services to various parts of the state.
10. The need for delivery of social services through legally recognized entities.
11. Equal protection issues, etc., are given.
12. Needs expressed concerning youth and adults in Alaska.
13. Issues at the local level of concern, suicides, alcohol and drug abuse, crime, welfare needs of youth and adults in Alaska.

Neither the state nor the federal government can do what local governments can do, decide what is best for themselves.

FILE CONTENTS

FILE NAME SSHIB 1

ref. 3/13/87

#	Date In	Doc. Type	Date	Subject	DESCRIPTION	From	Distrib.
①	3-16-7	Bill	3-13-7	Bill	SSHIB 1	Ch. CLK	Y
②	3-19/7	REAA val packet	3 ? -	packet - REAA	Est-Value 9 pgs	TH	Y
②b	3-26-7	replace pkc	3-26-7	replacement packet for ②	14 pgs	TH	Y
③	3-26-7	article	3-19-7	Tundra Drums	3/19/7, p 2. "Viewpoint"	TH	Y
④	3-26-7	pos. p	3-26-7	DCRA		TH	Y
⑤	3-26-7	pos. paper	3-26-7	LAW		TH	Y
⑥	3-27-7	ext. stat.	3-26-7	existing statute	T. 29 7:14	TH	Y
⑦	3-27-7	f.n.	3-27-7	fiscal note - partial -	DCRA	TH	Y
⑧	3-27-7	pkc - Back pkc URBAN?	-	Chtrs from AK URBAN & RURAL GOVTS	storehouse	Doug Griffin	Y
⑨	3-27-7	Com. Bill	3-26-7	Companion Bill	to SSHIB 1	Rep. Larson	Y
A	3-27-7	W.R.	3-27-7	Wit. Reg	3/27/7 2 pgs	Z	N
⑩	3-27-7	map	Jan 86	Community Borough map.		DCRA	Y
B	4-1-7	Min.	3-27-7	minutes	3/27/7 copy Hermann	Z	N
⑪	4-3-7	Pom	3/30/7	Pom Leigh B. Oennison		TH.	Y
⑫	4-3-7	WR	3-3	Wit Reg	4/3/7	Z	N
⑬	4-7-7	LTR	4-2-7	To: AS. Fr: Larry Labolle	None	Spr.	Y
D	4-7-7	note	4-10-7	Dup. Tape request from Mary Bishop	FAI.	Z	N
E	4-8-7	Min.	4-3-7	Minutes	copy to: Mary Lou Cooper Bill Simmons Zawacki - Hermann	Z	N
⑭	4-9-7	F.N.	4-8-7	F.N. Rev. - operating	2 pgs	Z	Y
⑮	4-10-7	note	-	DISCUSSION DRAFT INTERIM WORK PLAN		TH	Y
F	4-15-7	Min	4-10-7	Minutes	copy to: Cooper, Griffin, Cato, Hermann		
G	4-24-7	Pom	4-8-7	Pom ANTI SSHIB MARK MOLDENHAUSE		TH	N
⑯	4-28-7	Ltr	4-9-7	To: Spr Fr: Flora Paukan	4 pgs St. Mary's School Dis. + resolutions	HS.	Y
⑰	4-29-7	Ltr.	4-13-7	To: Spr Fr: Zuelow	Paukan rest. + resolutions	Spr.	Y
H	4-10-7	Ltr	4-7-7	To Spr. Thomasen - VL	tape copy of 4/3/7 mtg		
I	4-16-7	Ltr	4-16-7	To: FERA Fr: Ken Gansen	transcript 4/2/7		
J	4-24-7	Ltr	4-21-7	To: HCRa Fr: Ken Gansen	tape copy 4/3/7		
⑰	10/8/7	charter	-	proposed charter	NWAB		

⑰ duplicate file to Hermann 1-16-10/1/7 x many
 1700 - 10/9/7 Hous Research 88.04/

#	Date In	Doc. Type	Date	Subject	DESCRIPTION	From	Copied	Init.
(16)	10/11/87	pkt.	Nov 87	Draft Regional Govt in AK		DCRA	✓	2
(18)	10/11/87	"	"	Proj Summary		DCRA	✓	7
(19)	10/11/87	ltr.	10/3/7	to Reau's fr Lanson		Lanson	✓	3
(20)	12/12/87	rpt.	12/10/87	HCRA SSHB1 Report Addendum A-I - responses.		HCRA	✓	3
(21)	1/4/88	rpt.	Jan 88	DCRA final rpt Regional Govt Study		DCRA	✓	3
(22)	1/15/88	rpt.	1/24/84	House Research Rep. B3-223		Res.	✓	3
(24)	1/15/88	ltrs	vary	Additional Responses to SSHB1 II "J-X"				
(23)	1/15/88	rpt RR	12/21/87	House Res 28,073 Com. Res. "J"		IX Res	✓	2
(25)	1-15/88	clippings	1/7 vary	Newspaper articles	A-C		✓	7
(26)	1/15/88	ltr petition	1/15/88	Spr ltr. + petition	III - "Y"	Spr.	✓	7
(27)	1/10/88	F.N.	1/10/88	Rev.		R. Weller	✓	7
(28)	1/10/88	Memo Rpt.	1/10/88	to Poland from - Borkhaus Trip - Glenmullen.		DCRA	✓	3
(K)	1/10/88	W.R.	1/10/88	Lit. Reg.		J	✓	2

(#) = Distributed, all files

(Ltr) = Master, Backup, Next Com. Files

File Contents

SSHB 1

No. Description

1. Bill-SSHB 1
- 2b. Updated/replacement Packet-REAA Est. Value
3. Article, Tundra Drums 3/19/87
4. DCRA Position Paper
5. Law Position Paper
6. Statutes
7. DCRA Fiscal Note
8. Chapters from AK Urban and Rural Governments
9. (Companion bill-not introduced)
10. Community Borough Map
11. POM-Leigh Dennison
12. Ltr-from Nome Public Schools
13. Revenue-Fiscal Note
14. Discussion Draft-Interim Work Plan-DCRA
15. Ltr & Resol. from St. Mary's School Board
16. Ltr & Resol. from St. Mary's School District
17. Proposed Charter, Northwest Arctic Borough
- 18a&b DCRA Draft Regional Gov't in Ak and Project Summary
19. Ltr from Larson

20. HCRA SSHB 1 Report, December 10, 1987 + Responses "A-I"
21. DCRA Final Report, Regional Government Study
22. Service Delivery in Organ. and Unorgan. Borough, House Research, 83-223, January 24, 1984
23. Conversion of REAAs into Third-Class Boroughs: Comments House Research, 88.073, December 21, 1987
24. Responses II "J-X"
25. Newspaper articles
26. Responses III "Y" (Springer Ltr & Coombs-Petition)

BILL PREPARATION/ACTION*

Bill # SSHBI

Date Referred: / /

Out: / /

Title: _____

Referrals: _____

REQUESTS:*****

Dept.	-----POSITION PAPER-----			-----FISCAL NOTE-----		
	Dt Req.	Person	Rcvd	Dt Req.	Person	Rcvd
<u>DCRA</u>	<u>1/15/86</u>	<u>Worley</u>			<u>Base up to Jim Pressman - past meeting.</u>	
-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----

CONTACTS:*****

Name	Organization Address	Phone	Date Contacted Attend/Remarks
<u>Mary Lou Cooper</u>	<u>Capital Information Group</u> <u>526 Main St. June 99201</u>	<u>586-1290</u>	<u>87-SSHBI-</u> <u>1/5/88-copy Paul Apr + Lauren etc</u>
<u>Wm Baumgartner</u>	<u>Whole Pass Homeowner's Assoc.</u> <u>Gen. Del. E. Whole Pass. AK 99950</u>		<u>msg contact: Marine operator, Petersburg</u> <u>direct - 462 Boat</u> <u>msg - marina "D" WICE 2011</u> <u>Info of mtg (1/5/88) - no phone yet.</u>
<u>George Eason</u>	<u>AFN</u>	<u>274-3611</u>	
<u>Jim Stimpfle</u>	<u>Box 729 Nome AK 99762</u>	<u>443-5701 ho</u> <u>443-2002 wk</u>	<u>> both msg phones</u>

REMARKS: _____

ANALYSIS: _____ Completed: _____

MEETINGS:*****

Date	Action
<u>3-27-7</u>	<u>1st msg</u>
<u>4-3-87</u>	<u>(T) Statewide</u>
<u>4-10-7</u>	<u>(T) Statewide</u>
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*See other side for additional information.

BILL PREPARATION/ACTION*

Bill # SSHB 1

Date Referred: / /

Out: / /

Title: _____

Referrals: _____

REQUESTS:*****

Dept.	-----POSITION PAPER-----			-----FISCAL NOTE-----		
	<u>Dt Req.</u>	<u>Person</u>	<u>Rcvd</u>	<u>Dt Req.</u>	<u>Person</u>	<u>Rcvd</u>
-----	-----	-----	-----	-----	-----	-----
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CONTACTS:*****

<u>Name</u>	<u>Organization</u> <u>Address</u>	<u>Phone</u>	<u>Date Contacted</u> <u>Attend/Remarks</u>
<u>Jeff Smith</u> <i>Special Assnt. to Mayor</i>	<u>NW Arctic Borough</u> <u>Box 1110, OTZ 99752</u>	<u>442-2500</u>	<u>10/24/87</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

REMARKS: _____

ANALYSIS: _____ Completed: _____

MEETINGS:*****

<u>Date</u>	<u>Action</u>
_____	_____
_____	_____
_____	_____
_____	_____

*See other side for additional information.

(27) SS HB 1

FISCAL NOTE

REQUEST:

Revision Date: 1/18/88
Title: An Act Converting REAA into
Third Class Boroughs
Sponsor: Representative Larson
Requestor: (H) C&RA

Agency Affected: Revenue
BRU: Operating
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: (Attach a separate page if necessary)

The fiscal impact of the bill cannot be determined.

Prepared By: Royce Weller *RW* Phone: 465-2300
Division: Commissioner's Office Date: January 18, 1988

Approved by Commissioner: Hugh Malone *H Malone* Date: January 18, 1988
Agency: Department of Revenue

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

SSHB1

fw / CRA

MEMORANDUM

State of Alaska

(28)SSHB1

Community and Regional Affairs

TO: Pat Poland
Deputy Director

DATE: December 7, 1987

FILE NO: 0656L/DB/1s

TELEPHONE NO:

THRU:

SUBJECT: Trip Report
Glennallen (11/29-
12/1)

FROM: Dan Bockhorst ^{DB}
Local Government Specialist

PURPOSE OF TRIP:

The purpose of the trip was twofold: 1) to provide technical assistance to the Copper Basin Borough Information Committee (CBBIC) and 2) to provide technical support at a hearing on SSBH 1.

PERSONS CONTACTED:

State Representative Ron Larson
Larry Bussone, Aide to Representative Ron Larson
David Harrison, Aide to Representative Henry Springer
Leland Dishman, Superintendent of the Copper River REAA
Duste Bonin, Chairman, CBBIC
Linda Weld, reporter, Copper Valley Country Journal
Ellen Lockyer, reporter, Copper Valley Views
Others in attendance at meetings held 11/29 and 11/30

ACTIVITIES

Sunday, November 29

I left from my house at noon and arrived in Glennallen at approximately 3:45 p.m.

The CBBIC meeting was scheduled to begin at 7:00 p.m., however, I was asked to arrive around 8:00 p.m. The time prior to my arrival was to be used to develop a list of questions concerning borough government and to discuss general organizational issues.

I arrived at the meeting at 7:45 p.m. Eighteen others were in attendance. Seven members of the CBBIC were present (Duste Bonin, Bob Niebrugge, Frank Bird, Bill Oudal, Rocky Ansell, Bob Carnahan and Al Krinke). Eleven others were present, including reporters for the Copper Valley Country Journal and the Copper Valley Views. The meeting was tape recorded by local residents.

Pat Poland
December 7, 1987
Page Two

Soon after I arrived, we began a question and answer session on issues relating to borough government. We discussed procedures and standards for the formation of a borough. We also discussed the different classes of borough government. CBBIC members indicated that Senator Coghill had expressed support for the development of a new form of borough. I indicated that it would likely be difficult to modify the law to allow a new type of borough. In this regard we discussed problems with the third class borough and the action by the legislature in 1985 to prohibit new third class boroughs. I outlined the flexibility permitted home rule boroughs. A concensus seemed to develop that forming a home rule borough would be better than attempting to create "a fourth or fifth class of borough".

We talked extensively about the expressed intent of the Matanuska-Susitna Borough to seek annexation of a portion of the trans-Alaska oil pipeline lying within the boundaries of the Copper River REAA. We also discussed conflicts inherent in the prospect of annexation by the Fairbanks North Star Borough and the potential for borough formation in the Prince William Sound Area.

Procedures and standards for borough annexation were discussed. My role in the proposed annexation attempt by the Matanuska Susitna Borough was discussed. I indicated that if the petition was submitted, our agency's position was that I would not be involved in the analysis of the petition since I am a resident of the borough.

I explained that I felt that the prospective borough annexation proposals raised legitimate public policy issues. In response to questions, I indicated that there was no method to forestall any annexation attempt while residents of the Copper River region considered the formation of a borough. However, I assured those present that I was confident that the LBC would take no action which would devastate the prospects of a future Copper River borough.

In response to a question concerning the requirements for an annexation hearing, I indicated that with regard to the proposed Matanuska Susitna Borough proposal, the Department would encourage the LBC to go beyond the requirements a single hearing be held "in or near the territory" proposed for annexation. I suggested that hearings in Paxson, Glennallen and Palmer/Wasilla would seem appropriate.

The formal meeting ended about 10:30 p.m. After the meeting, I spoke with Linda Weld concerning the article which appeared in the Copper Valley Country Journal entitled "Coghill Offers

Pat Poland
December 7, 1987
Page Three

Hints For Self Government". I explained that, contrary to the article, step annexation was not an option without some municipal government in place. We also spoke generally about other aspects of the article. I talked with others until about 11:00 p.m., at which time we all left.

Monday, November 30

During the day, I met with Frank Bird, CBBIC member whose responsibilities involve prospective borough revenues. During the course of our discussions, the prospect of borough sales and use taxes were discussed. Reportedly Pump Station #12 (within the boundaries of the Copper River REEA) uses \$36.5 million worth of fuel annually to operate. In addition, businesses in the region reportedly have some \$20 million in annual retail gasoline sales. Although questions exist concerning the prospect of a use tax on the pump station fuel, a 3% sales and use tax on both fuels would generate nearly \$1.7 million annually. We have requested the opinion of the Department of Law concerning the prospect of the use tax on the pump station fuel.

In between meetings I worked on drafts of the HB 1 study and the publication "Regional Government in Alaska".

At 5:00 p.m., I met with Representative Larson, Larry Bussone, David Harrison and members of the CBBIC for approximately 1.5 hours prior to the hearing on SSHB 1. This meeting involved general discussions concerning the formation of a borough, potential annexation by an existing borough and, of course, SSHB 1.

The hearing began at 7:00 p.m. in the Glennallen High School Auditorium. Thirty-two people were in attendance. Representative Larson opened the meeting with a discussion of the philosophy which led to his introducing SSHB 1. As you know, this was discussed in Representative Larson's letter of October 3 concerning SSHB 1.

Larry Bussone, David Harrison and I provided technical support during the course of the hearing. The hearing went well and covered the range of anticipated issues and topics, which were similar to those encountered during the previous evening.

The ultimate message of Representative Larson was that it is in the best interests of the residents of the region to form a borough without substantial delay.

Pat Poland
December 7, 1987
Page Four

The hearing concluded at approximately 9:30 p.m. Following the hearing, I met again with the CBBIC, this time until 10:15. I agreed to provide a number of materials (e.g. sample home rule charters, maps and other information) for the future work of the Committee. For the most part, these materials were provided to Duste Bonin on December 4. We are presently researching some additional information to be provided to the CBBIC.

Tuesday, December 1

I departed Glennallen at 7:00 a.m. and arrived in the office at approximately 11:00 a.m.

OBSERVATIONS:

Those residents of the region with whom I came into contact appeared most concerned about the prospect of portions of the region being annexed by another borough (MSB and FNSB) or being including within the boundaries of another prospective borough (PWSB). Without such concerns, it would appear that residents of the Copper River REAA would be satisfied with the status quo. However, given the present circumstances, it would not surprise me to see a petition for incorporation of a Copper River Borough by April or May, 1988.

cc: Marty Rutherford
David Harrison
Gene Kane/Carol Akerelrea
Bob Aiken
Copper River Borough file
Matanuska-Susitna Borough file

Act



26 SSHB1

III

Y

Alaska State Legislature

**REPRESENTATIVE DISTRICT 23
HEINRICH "Henry" SPRINGER**

COMMITTEES:

CHAIR:
Community and Regional Affairs

VICE-CHAIR:
Transportation

MEMBER:
Resources

HOME:
P.O. Box 352
Nome, AK 99762
(907) 443-2854

WHILE IN JUNEAU:
P.O. Box V
Juneau, AK 99811
(907) 465-3789/4984

15 Jan '88

To
Mike & Barbara Coombs
P.O. Box 325
Nenana, Ak. 99760

Dear Mike & Barbara,

Thanks for your letter dated 1/12 re the HB 1 - Borough bill. - Read with much interest the position expressed by the ^{titans} petrovers and yourself, and frankly I'm not surprised. You know I have spend most of my time in Rural Alaska and share your concerns.

I assure your nothing will be crammed down anybody's throat. We are taking steps to have some one from the Dept. Comm. & Reg. Affairs and from the legislature come to Healy in the near future, to make a presentation and to listen. I keep you posted.

Thanks for involving yourself

Greetings,
Henry

JAN 14 1988

Mike and Barbara Coombs
P.O. Box 325
Nenana, AK 99760

Representative Henry Springer
Pouch V
Juneau, AK 99811

January 12, 1988

Dear Henry,

Opposition to the formation of boroughs is growing. Only a small minority are in favor of the idea and everyone we have spoken to, for or against, wants some input into the issue.

Reading over the report prepared for you by Karen Oakley, it seems obvious that most areas would not be able to support themselves. Any savings the state would initially see would evaporate when funding was needed to support a new level of bureaucracy: the net savings of three million dollars will in truth become a deficit of tens of millions.

Alaska is unique in many ways from any other part of the country. To attempt to solve our problems in the same manner as other states is a foolish path. We have both lived here long enough to have seen the disastrous results of many of these experiments in government. We must find our own solutions to our unique problems.

A borough form of government would be a bad and costly mistake at this time, in the presently unorganized areas. Our quality of life would surely be adversely effected.

In short, we urge you to let this House Bill #1 die in committee.

I look forward to the chance to speak with you in depth on this subject.

Sincerely,

Mike Coombs
Barbara Coombs

STATE OF ALASKA

STEVE COWPER, GOVERNOR

DEPT. OF COMMUNITY AND REGIONAL AFFAIRS

MUNICIPAL AND REGIONAL ASSISTANCE DIVISION

- | | | | |
|---|---|---|--|
| <input type="checkbox"/> 849 EAST 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508-4302
PHONE: (907) 561-8586 | <input type="checkbox"/> P.O. BOX 348
BETHEL, ALASKA 99559-0348
PHONE: (907) 543-3475 | <input type="checkbox"/> P.O. BOX 295
DILLINGHAM, ALASKA 99578-0041
PHONE: (907) 842-5135 | <input type="checkbox"/> 1514 CHISHMAN STREET, ROOM 210
FAIRBANKS, ALASKA 99701-8286
PHONE: (907) 452-7126 |
| <input type="checkbox"/> P.O. BOX 8H
JUNEAU, ALASKA 99811-2110
PHONE: (907) 485-4750 | <input type="checkbox"/> 710 MILL BAY ROAD
KODIAK, ALASKA 99615
PHONE: (907) 488-5736 | <input type="checkbox"/> P.O. BOX 350
KOTZEBUE, ALASKA 99752-0280
PHONE: (907) 442-3696 | <input type="checkbox"/> P.O. BOX 41
NOME, ALASKA 99762-0041
PHONE: (907) 443-5457 |

December 3, 1987

Dear Reviewer:

In 1987, the Alaska Legislature directed the Department of Community and Regional Affairs to "examine the issues of forming regional municipal governments in the Unorganized Borough and report back to the legislature by January 1, 1988."

Presented here is our DRAFT report to the Legislature on the topic. Nearly 400 copies of this draft are being circulated to interested parties for review and comment. Included in this distribution are all municipal governments in the state, unincorporated communities in the Unorganized Borough, members of the House and Senate Community and Regional Affairs Committees, superintendents/boards of all Regional Educational Attendance Areas, boards of all Coastal Resource Service Areas, State Legislators and State Departments who have been involved in these issues or have expressed interest in them, and other interested parties such as the Institute of Social and Economic Research and the Alaska Municipal League.

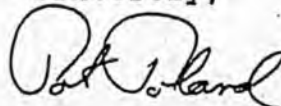
I stress that this document is a draft report. Revisions may be made after comments are received by this office. We ask that you submit any comments no later than December 28, 1987. You may offer them in writing or over the phone. If you provide written comments, please address them to:

Local Boundary Commission Component
Municipal and Regional Assistance Division
949 East 36th Ave., Suite 404
Anchorage, AK 99508

Or you may contact component staff at our Anchorage office by calling 561-8586.

Thank you for participating in this review effort. We appreciate your input.

Sincerely,



Pat Poland
Deputy Director

REC'D DEC 7 1987

The Department would add to this list the benefit that establishment of boroughs throughout Alaska could convert a fractionalized system of delivering services into one which is uniform and potentially far more efficient.

3. To be welcome, a regional government must serve useful functions as defined by its residents and the state. It must also be of a form which is considered acceptable to its residents. To this end, the Department believes that a home rule borough is the best vehicle to address the needs of the state and regions.

4. Ideally, residents of unincorporated regions would seek to form boroughs on their own initiative. However, reality indicates that this is not likely to happen. Nearly 96% of all the Alaskans who live in boroughs today, live in boroughs which were mandated to be formed by the legislature in 1963 - 1964. Only four boroughs have incorporated since 1964. Without some compulsory action, it is unlikely that many unincorporated regions of the state will form boroughs in the foreseeable future.

5. Many of the residents of the Unorganized Borough already live within a local government structure similar to a borough. More than 36% of the residents of the Unorganized Borough live within home rule and first class cities -- organizations whose powers and duties are virtually identical to boroughs. Further, 43 percent of the residents of the Unorganized Borough live within second class cities -- organizations which, in many respects, are identical to boroughs. Thus, nearly 80% of the population of the Unorganized Borough lives within a structure similar to or identical to a borough.)

6. Clearly, the "natural resources" of the state -- whether they be fishing, minerals, timber or property used in oil and gas exploration, production and transportation -- are not located so as to promote equitable distribution of the benefits of those resources. It is apparent that some unincorporated regions presently have the resources to support a borough government. In fact, some would seem to have far greater resources than many existing boroughs. Other regions, however, have much more limited resources and may not be able to support a borough under the present formulas for funding public services.

7. In many cases, the boundaries of regional educational attendance areas would serve as poor boundaries for prospective boroughs.

SECTION V
FINAL COMMENTS

The role of the Department in this matter was simply to examine and report on issues relating to regional government in the Unorganized Borough as directed by the

January, 1988

Representative Henry Springer
House of Representatives
P. O. Box V
Juneau, Alaska 99811

Dear Representative Springer:

We the undersigned, in the interest of good representation and public information, believe public hearings should be held in all affected areas of SSHB-1 by the bill sponsors and local representatives.

Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
X Borden Gregory M	Box 300 Healy, AK	229 Parks Highway
Imelda Decker	SR 1 M.P. 260 Healy AK	
George W. Paul	M 260 Parks Highway AK	260 Parks Hwy
James D. Ennis	PO Box 209 Healy AK	260 Parks Hwy
X Joan J. Truett	Box 132 Healy, AK 99743	Tri-Valley Subd. Lot 6 Bk 6
Louise Decker	SR #1 M.P. 260 Parks Hwy	Healy AK 99743
Joan Pearson	P.O. Box 175 Healy 99743	Stampede Rd
Nancy Russell	Box 343 99755	1.5 Dignity Rd.
Lolita (J) Cook	261 Parks Hwy	Healy 99743
X Carl H. Parsen	POB 40052 CLEAR AK	Mile 276.6 Parks Hwy
X Paula B. Larsen	PO Box 40052 Clear.	Mile 276.6 Parks Hwy
X Ellen Ken	Box 40239 CLEAR	MILE 276 PARKS HWY
X Ralph Shewky	Box 40239 CLEAR	MILE 276 PARKS HWY
X Paul E. Shuford	Box 52 Healy AK	Dry Creek
Rita Burke	SR 1 Healy	Idena
Murray Jensen	SR 1 Healy	Farm
Barbara Carnes	Box 377	Healy AK
X Paddy Tatum	ST. R 22 Nenana, AK	99760

SSHB-1

x	Cheri L. Sabrew	Box 178 Healy	683-2565
x	Dave Baker	Box 166 Healy	683-2508
x	James H. Derryman	Box 91 Healy	683-2587
x	Jeffrey Craig	Box 201 McKinley Park	M24 STAMPEDE RD.
x	Walter A. Funderud	Box 127 Healy	3-2782

January, 1988

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Juneau, Alaska 99811

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Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
X Ronald J. Clark	Central, Ak 99729	Mile 229 Parko Hwy.
X A. Krista Lane	Cambell, Ak 99729	MP 229 Parko Hwy.
X Debie L Stratton	Box 67 Healy 99743	Tri-Valley Sub
X Thomas J. Stratton	" " " " " " "	" " " "
X Jyle J. Stratton	Box 120 Healy Ak 99743	Tri-Valley Sub
X Ronald J. Clark	Box 326 Healy 99743	Park Lane, Healy
X Melvin and Alice Hills	Box 351 Healy	Dubois
X Harvey Young	PO Box 5	Healy AK 99743
X Ralph Crowley	PO Box 77 Healy 99743	Tri-Valley Sub-division
X Betty Collins	P.O. Box 102 Healy	Tri-Valley subdivision
X Michael Anderson	18 Box 106 Healy	Tri-Valley Sub. Div.
X John Carter	P.O. Box 199 Healy	Tri-Valley Sub Div.
X Jim Hill	Spur Box 50	Healy
X Clarence Anderson	Bx 103	Healy Alaska 99745
X Alice Anderson	Bx 103	Healy Ak 99743
X Clarence Williams	Bx 43	HEALY, AK 99743
X Kenneth M. Atwood	AK	Healy Ak 99743
X Lorie L Hamel	Box 353	HEALY AK 99743

(over)

→ Δ

January, 1988

Representative Henry Springer
House of Representatives
P. O. Box V
Juneau, Alaska 99811

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Sincerely,

	NAME	MAILING ADDRESS	PHYSICAL ADDRESS
	Judy T. Forner	Box 315 NENANA 99760	MILE 300 PARKS Hwy
X	Alan T.O. Shaw	Box 371 Nenana, AK	mile 300 Parks Hwy.
X	Montgomery T. Deibel	Box 690 Clear AK	174 Spruce St Anderson AK
X	Jerry Durak	Box 798 Nenana AK 99760	2nd + D
X	St. Hal	Box 3044 ANDERSON AK	99744 F st 132
X	Nancy Shaw	Box 00377 NENANA AK	99760 mile 300 PARKS
X	Ronald G. Brown	Box 707 CLEAR AK	99704 MILE 290 PARKS
X	Marvin C. Brown	Box 707 Clear AK	99704 mile 290 Parks
X	Richard	Box 00884 NENANA AK	99760
X	MARE GROSS	Box 467 NENANA AK	99760 MILE 297 1/2 PARKS
X	Jess R. Reed	Box 173 Nenana AK	mile 297 1/2 Parks
X	Howard Halbert	Box 6 Nenana AK	

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

January, 1988

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House of Representatives
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Juneau, Alaska 99811

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Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
X Ronald J. Clark	Cantwell, Ak 99729	Mile 229 Park Hwy.
X A. Kevin Lane	Cantwell, Ak 99729	MP 229 Park Hwy.
X Deke L Stratton	Box 67 Healy 99743	Tri-Valley Sub
X Thomas J. Stratton	" " " " " " "	" " " " " " "
X Jyle J. Stratton	Box 120 Healy Ak 99743	Tri-Valley Sub.
X Ronald J. Clark	Box 326 Healy 99743	Park Lane, Healy
X Helson and Alice Hills	Box 351 Healy	Subdiv.
X Marvyn Young	PO Box 5	Healy AK 99743
X Bob Crowder	PO Box 77 Healy 99743	Tri-Valley Sub-division
X Betty Collier	P.O. Box 102 Healy	Tri-Valley Subdivision
X Michael Anderson	18 Box 106 Healy	Tri-Valley Subdivision
X John Cate	P.O. Box 199 Healy	Tri-Valley Sub Div.
X Winnell	Spur Box 50 Healy	Healy
X Carrene Anderson	Bx 103	Healy Alaska 99745
X Alice Anderson	Bx 103	Healy Ak 99743
X Chasley Williams	Bx 43	Healy, AK 99743
X Kenneth M. Atwood	AK	Healy, Ak 99743
X Torie L. Homel	Box 353	Healy Ak 99743

(over)

→ Δ

<u>Name</u>	<u>address</u>	<u>physical address</u>
Julie Boselli	X Box 821 Denali	Mile 229 Parks Hwy
Al Busby	X Po Box 614 Denali	Mile 224 Parks Hwy
PATRICK W. T. CLORES	X P.O. BOX 142, HEALY, AK 99743	Mi. 248 1/2 PARKS HWY
Jacob Tom. S. Towers	X Box 198 Healy, AK. 99743	Mile 245 Parks Hwy.
David My...	X BOX 7 HEALY 99743	OTTO LAKE
Robert D. Lewis	X Box 322 Healy 99743	Tri Valley Sub Div 'd
Kristy Colburn	X Donner 169 Healy 99743	Bramm Hill
Justine Jorenfekar	X P.O. Box 311 Healy	Waugaman Village
Judy W. Younger	X P.O. Box 311 Healy	Waugaman Village
James Y. Hancock	X P.O. Box 311 Healy	Waugaman Village
Carol E. Desmoyers	X P.O. Box 126 Cantwell	Behind Issyva
Mike Deery	X " " " "	" "
W. D. Jones	X PO Box 40 Healy	Hester CD.
Sam Jay	X PO BOX 326 HEALY	LIGNITE RD.
TIM CONDAN	X P.O. BOX 181 HEALY	1.4 Lignite RD.

January, 1988

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Sincerely,

	NAME	MAILING ADDRESS	PHYSICAL ADDRESS
	Jack A. Ford	Box 215 NENANA 99760	MILE 300 PARKS HWY
X	Alan T. Shaw	Box 371 Nenana, AK	mile 300 Parks Hwy.
X	Margaret T. Deibel	Box 690 Clear AK	174 Spruce St Anderson AK.
X	Jerry Durck	Box 298 Nenana AK 99760	2nd + D
X	St. Hub.	Box 304 ANDERSON AK 99744	E ST 132
X	Nancy Shaw	Box 00377 NENANA AK	99760 MI 300 PARKS
X	Ronald G. Brown	Box 707 CLEAR AK	99704 MILE 290 ^{PARKS}
X	Maria C. Brown	Box 707 Clear AK	99704 mile ²⁹⁰ Parks
X	Richard	Box 00384 NENANA AK 99760	
X	MARE GROSS	Box 467 NENANA AK 99760	MILE 297 1/2 PARKS
X	Jess R. Neil	Box 173 Nenana AK	mile 297 1/2 Parks
X	Howard Halbert	Box 6 Nenana AK	

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Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
X Chris Miller	P.O. BOX 33, Healy 99743	Park 5 Hwy Mile 245
X Donna Ziegler	P.O. Box 33 Healy 99743	Near Access Road
X Kathy Soper	Box 303 Healy 99743	Lot 50 block 5
X James Koss	Box 316 Healy 99743	248.5 Parks Highway
X Christa Snyder	Box 147 Healy 99743	Lot 37 Block 5
X Joseph P. Welton	Box 204 Denali Park	Mile 230 Parks Hwy.
X Pat J. Welton	Box 124 Healy AK	1.2 Ugnite Rd.
X James B. Branner II	Box 39 Healy AK	Branner's Hill
X Shirley Hamel	Box 105 Healy, AK 99743	Mile 248.5 Parks Hwy.
X Kay W. Durham	Box 313 Healy	Hilltop Lane
X James D. Branner	Quicum 169 Healy AK	Branner's Hill
X Gail Hoffman	Box 124 Healy 99743	Lot 43 Healy Sub.
X G. N. Sharp	Box 8 Healy 99743	Hilltop Lane
X Jeanne Sawatzky	Box 371 Healy AK 99743	Lot #2 Andy Drive
X Nori Kockers	Box 61 Healy, AK	Block 1 Lot 2
X Eric Richards	Kobuk Area - Lot 29	And. Address: 14221 Sarvina 99515
X Gus " " "	" " " 32	" " "
X Tim Kelahan	Box 174 Denali PK AK 99755	

Beth Miller Box 29 Healy AK 99743

L. Monte Lamer
X Bruce Carter

P.O. Box 277 Healy AK 99743
Box #8 Healy AK 99743

January, 1988

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House of Representatives
P. O. Box V
Juneau, Alaska 99811

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Sincerely,

NAME

MAILING ADDRESS

PHYSICAL ADDRESS

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
X Patrick Connor	Box 58 McKinley Park	Mile 230 Parks Hwy
X Arleta O'Connor	BOX 58 McKinley Park	99755 mile 230 Parks Hwy
X Margaret Menke	Box 134 Healy	99743 1.5 Hilltop Rd
X Mark R Menko	"	"
X PETER CUBBY	BOX 366 DENALI PARK	DENALI PARK HOTEL
X Larry Keith	Box 609 Denali Park Alaska	
X Donald D. Butler	Box 301 Healy Ak	99743
X Riley Gilliam	Box 161 Healy Ak	99743 mile 261 Parks
X Yvonne William	Box 161 Healy, Ak	99743 mi 261 Pks Hwy
X Tom Reno	SR Mile 261 Healy Ak	99743 MI 261 Parks
X Linda Franklin	Mile 261 Healy	99743 mile 261 Parks Hwy
X Elizabeth Scheen	SR #1 Healy	99743 MP 260 Parks Hwy
X Carole K. Glend	Box 167 Healy Ak	Tri Valley Subdivision
X Stu Zepko	Box 167 Healy Ak	Tri Valley Subdivision

January, 1988

Governor Steve Cowper
Office of the Governor
P. O. Box A
Juneau, Alaska 99811-0101

Dear Governor Cowper:

We the undersigned, in the interest of good representation and public information, believe public hearings should be held in all affected areas of SSHB-1 by the bill sponsors and local representatives.

Sincerely,

	NAME	MAILING ADDRESS	PHYSICAL ADDRESS
<i>duplicate signature</i>	Borden Gregory A	Box 300 Healy, AK	229 Parks Highway
	David H. Shaw	Box 371 Nenana 99700	300 Parks
<i>dup.</i>	Jean J. Truett	Box 132 Healy, AK 99743	Tri-Valley Subd. Lot 6 BK
	Helen W. Hall	P.O. Box 373 Healy, AK 99743	Tri-Valley Subd.
	Laura K. Hall	P.O. Box 373 Healy	
	William R. Small	P.O. Box 191 Healy	Tri Valley Subd
	Jeanette Leamy	Box 188 Denali AK	M.P. 238
	Chris Elmore	Rt. 1 Healy 99743	M.P. 253 Parks Hwy
	David Graham	Box 38 Healy	T.V.S. Division
	Mark Towell	Box 346 Healy	Penguinsue Sub.
	Chloria A. Harp	Box 125 Healy	McPherson Sub.
	Robert L. Lamm	Box 325 Healy	249 mi. Parks
	Daniel A. Berg	P.O. Box 65 Healy, AK	249.4 Parks Hwy
	Bill D.	mile 260 Parks Hwy, Healy	mi. 372
	Peter Gilliam	Box 161 Healy AK 99743	mile 261 Parks
<i>dup.</i>	Walter William	Box 161 Healy, AK 99743	Mi. 261 Pks.
	Tom Pharo	5 MILE 261 Healy AK 99743	Mi. 261 Pks.
	Linda Franklin	mile 261 Healy 99743	Mile 261 Parks Hwy.

January, 1988

Governor Steve Cowper
Office of the Governor
P. O. Box A
Juneau, Alaska 99811-0101

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We the undersigned, in the interest of good representation and public information, believe public hearings should be held in all affected areas of SSHB-1 by the bill sponsors and local representatives.

Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
James S James	Box 337 Healy	Coal Street
Jerry Cloud	Box 340 Healy	Mile 248.5 Parks
Barbara Caspell	Box 312 Healy	Stampede Rd
Ad P... STATE ROAD 266 MILE 26 D. PARKS 1/2 MI		FERRY
Elaine Paddock	Box 4117 Healy	99743 Coal Street
Tom P... John Tideman	Box 148 Healy	6/10 mile Shellis Spur
Robert Engleman	" " "	" " "
Michael A Pearson	Box 409 Clear AK	248 Tamarack Anchor
Paul J Washburn	Box 45 Healy 99743	Oldie
Richard C. White	Box 144 Healy 99743	DRY CREEK
Heidi Mc Isaac	Box 52 Healy 99743	Dry Creek -
Don Kenney	Box 40239 Clear	MILE 276.6 PARKS -
David Reed	Box 40239 Clear	MILE 276.6 PARKS -
Kenneth P. Villanov	ST RT. M.P. 266.2	Healy AK.
James K. Lee	P.O. Box 601 McKinley Park	Waugaman Village Healy
Paul J. Tatum	RR #2 Nenana	99740
Steve Council	Box 374 Healy	99743 3.4 mi Stamp

dup
dup
dup

January, 1988

Governor Steve Cowper
Office of the Governor
P. O. Box A
Juneau, Alaska 99811-0101

Dear Governor Cowper:

We the undersigned, in the interest of good representation and public information, believe public hearings should be held in all affected areas of SSHB-1 by the bill sponsors and local representatives.

Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
John Elmore	2535 Parks Highway	
Diana Russell	PO Box 343 99755	Mile 1.5 Lignite Rd
Diana Russell	" " "	" " "
Laurie F. Grys	P.O. Box 21	Healy AK
Eugene J. Galbraith	Box 6 Healy 99743	Lester Rd Healy
Eda V. Jewett	Box 318 Healy 99743	Mile 24 1/2 Parks Hwy
Constance Staley	Box 66 Healy	Calcopyrite Ferry
Kings J. Welch	" " "	" " "
Margaret McPherson	Box 19.5	Lat 11 OTS Lake
Greg Duke	S.R. 1	MI 260 PARKS HEALY, AK 99743
Carl H. Larsen	POB 40052 Chisik AK	276.6 Parks Highway
Lena R. Larsen	PO Box 40052 Healy AK	Mile 276.6 Parks Highway
Arl B. Shuford	Box 52 Healy AK	Dry Creek
Rita Deike	S.R. 1 Healy	Ferry
Jenssen Jensen	SR 1, Healy	Ferry
Barbara Cronk	Box 377 Healy	AK
Terry Himmelman	S.R. #1 Healy AK 99743	M.P. 260 Parks Highway
Mick Cronk	Box 377 Healy	AK

dup
dup
dup
dup

dup	Ken L. Seiper	Box 178 Healy AK	683-2565
dup	Dwz P. Baker	Box 166 Healy	683 2508
dup	James M. Wrayman	Box 91 Healy	683 2587
dup	Jeffrey Craig	Box 201 McKinley Park	M. 24 STAMPEDE
	Laverne P. Martin	Box 114 Healy	3-2620
dup	Walt R. Turicola	Box 127 Healy	3-2792
	Mary D. Pearson	Box 199 McKinley Park 99755	M.P. 238 ^{Park} Hwy
	Bill Allen	Box 191 McKinley 99755	M.P. 238 ^{Park} Hwy 683-2702

January, 1988

Governor Steve Cowper
Office of the Governor
P. O. Box A
Juneau, Alaska 99811-0101

Dear Governor Cowper:

We the undersigned, in the interest of good representation and public information, believe public hearings should be held in all affected areas of SSHB-1 by the bill sponsors and local representatives.

Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
<i>dup</i> Ernst Steimonet	Box 375 Healy 99743	Park Lane, Healy
Joyce Greenslade	Box 386 Clear 99704	276.8 Parks Hwy
Alan R. Greenslade	Box 386 Clear, 99704	M. 276.8 Parks Hwy
X Ronald J. Clark	Box 326 Healy, 99743	Park Lane, Healy
Patrick O'Connor	Box 58 ⁹⁹⁷⁵⁵ McKinley	Parks Hwy 230
Mark R Menke	Box 134 Healy 99743	1.5 Hill Top Street
Margaret A Menke	"	"
A. Kaius Law	Box 108 ⁹⁹⁷²⁵ Cantwell, Ak.	MP 229 Parks Hwy
Ronald E. Dine	Centerville, Ak 99729	mile 209 Parks Hwy
Arleta O'Connor	Box 58 McKinley Park	mile 230 Parks Hwy
Jerry Keith	Box 609 Denali AK	
Karen Keith	Box 609 Denali AK	Healy Subdivision
Peter Tubber	Box 366 Denali, AK	Denali Park Hotel
<i>copy</i> Shannon R. King	Box 65 Healy, AK	Healy AK
Elizabeth Scheep	SR#1 Healy	MP 260 Parks Hwy
Steve Ziegler	Box 167 Healy, AK	Tri Valley Sub Division
Anneth Glonek	Box 167 Healy, AK	Tri Valley Sub Division

January, 1988

Governor Steve Cowper
Office of the Governor
P. O. Box A
Juneau, Alaska 99811-0101

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Sincerely,

NAME	MAILING ADDRESS	PHYSICAL ADDRESS
------	-----------------	------------------

Louis Smith	Box 437, Kenai, AK	mi 280.5 Forks
-------------	--------------------	----------------

Kambay House	P.O. Box 136 Denali, AK	AK 99745 mi. P. 238.8 Forks
--------------	-------------------------	-----------------------------

Jul. J. Stratton	P.O. Box 120 Healy, AK	99743 Tri Valley Sub.
------------------	------------------------	-----------------------

Dick L. Stratton	P.O. Box 67 Healy, AK	99743 Tri-Valley Sub.
------------------	-----------------------	-----------------------

Thomas J. Stratton	Box 67 Healy, AK	99743 " " "
--------------------	------------------	-------------

Inland Hill Mills	Box 351 Healy, AK	99743 Tri Valley Sub.
-------------------	-------------------	-----------------------

Norman C. Stroup	STR, Thonon, AK	99768
------------------	-----------------	-------

Howard C. Vang	P.O. Box 3084 Anderson, AK	99744
----------------	----------------------------	-------

Mary E. Staker	2TR 2 Nenana, AK	mi 289 Parks Hwy
----------------	------------------	------------------

Carol Klockner	P.O. Box 106 Denali, AK	99743 Tri Valley Sub. Healy
----------------	-------------------------	-----------------------------

Alroy Young	P.O. Box 5, Healy, AK	99743
-------------	-----------------------	-------

Ralph Crowley	P.O. Box 77 Healy, AK	99743 Tri-Valley Sub-division Healy
---------------	-----------------------	-------------------------------------

Betty Cottel	P.O. Box 102 Healy, AK	99743 Tri-Valley Sub-division Healy
--------------	------------------------	-------------------------------------

Sheldon Drunkle	P.O. Box 105, Healy, AK	99743
-----------------	-------------------------	-------

Michael Anderson	105, Healy, AK	99743
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John Carter	P.O. Box 199 Healy, AK	99743 Tri-Valley Sub Div.
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Ernie	Box 50, Healy, AK	99743
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Vernice Anderson	Box 103, Healy, AK	99743
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Alice Anderson	Box 103, Healy, AK	99743
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Charles Williams	Box 43, Healy, AK	99743
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Harriet M. Atwood	NA, Healy, AK	99743
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Lerie L. Atwood	Box 353, Healy, AK	99743
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January, 1988

Governor Steve Coward
Office of the Governor
P. O. Box A
Juneau, Alaska 99801

Dear Governor Coward:

We the undersigned, in the interest of good representation and public information, believe public hearings should be held in all affected areas of SSHB-1 by the State, Congress, and local representatives.

Sincerely,

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NAME	MAILING ADDRESS	PHYSICAL ADDRESS
Chris Miller	PO Box 33 Healy 99743	Parks Hwy. Mile 245
Norma Ziegler	Box 2435 Healy, Alaska	Healy Area & Crest St
Kathy Spear	Box 303 Healy, Alaska 99743	Lot 50 Block 5
James Ross	Box 315 Healy, Alaska 99743	2485 Parks Highway
Charlotta Snyder	Box 147 Healy AK	Lot 37 Block 5
Joseph R. Wilson	Box 207 Dewal, AK	Mile 230 Parks Hwy.
Patrick Philbin	Box 124 HEALY AK	1.2 Cignite Rd
James J. Brennan II	Box 57 Healy, AK	Brennan's Hill
Bridley Hamel	P.O. 105, Healy, AK, 99743	Mile 248.5 Parks Hwy
Kay W. Durham	Box 313 Healy, 99743	Hilltop Lane
Paige Hoffman	Box 174 Healy, 99743	Lot 43 Healy Sub.
James J. Brennan	Box 169 Healy, AK	Brennan's Hill
Greg Sney	Box 8 Healy, AK 99743	Hilltop Lane
Jeanne Sawatzky	Box 311 Healy, AK 99743	Lot 2 Anly Dr
Dwice Carter	Box 48 Healy, AK	Tri-Valley Subd.
Tom Kocher	Box 61 Healy, AK	Block 1 Lot 2 TV Sub.
Jan Richards	Healy Area Lot 29	Box 815 B Anch 99575
Supri Richards	" " 32	" " " "
Traci Kelahan	Box 1704 Dewal, AK 99755	
Candey Matt	Box 114 Healy, AK 99743	
Kenée Duncan	Box 258 Healy, AK 99743	

<u>Name</u>	<u>address</u>	<u>physical address</u>
Julie Boselli	Box 821 Denali	Mile 224 Parks
AL Busby	Po Box 614 Denali	mile 224 Parks
THOMAS W. TOWERS	P.O. BOX 142, HEALY, AK 99743	Mile 248 1/2 Parks, Healy
and tm. S. Towers	Box 148 Healy, AK 99743	mile 245 Parks, Hwy.
David Wigg	Box 1 Healy, AK 99743	OTTO LAKE
Carl S. Spurr	Box 146 Healy, AK 99743	
Raymond D. Noble	Box 2 Cantwell 99729	132.5 Denali Highway
Walter E. Desmeyer	P.O. Box 126 Cantwell	Behind Deseruw
Mike Deseruw	" " " "	" " "
Mike Deseruw	P.O. Box 40 Healy	Lester Rd.
Tom Deseruw	P.O. Box 376 Healy	LIGNITE RD
Tom Deseruw	P.O. Box 181 Healy	1.4 Lignite RD.

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Alcohol abuse costs economy up to \$117 billion

By SPENCER RICH
The Washington Post

WASHINGTON — Alcoholism and alcohol abuse cost the nation as much as \$117 billion a year in lost productivity and medical bills, an anti-alcoholism conference convened by Health and Human Services Secretary Otis Bowen was told Friday.

Thomas Burke, Bowen's chief of staff noted that the figure is more than five times as high as the \$23 billion savings that the Reagan administration and congressional

leaders are striving for in their current budget summit.

"Much of this comes out of the Treasury in one way or another," Burke said in a speech at the conference here. "I'm talking about Medicaid payments, health-care payments, family-support payments, funds for the homeless and the like."

Burke said \$92.8 billion of the total cost "represents products, goods and services never produced, never delivered" because of alcohol-related problems.

"These hidden costs represent the economic stagnation caused by reduced productivity, premature loss of life, employment lost by victims of alcohol-related motor vehicle crashes and incarceration of criminals," he said.

About \$15 billion of the total is for direct medical costs, according to the HHS. The rest is for various indirect and social welfare costs.

Bowen convened the meeting to launch several projects, including speedier transfer of research findings to treatment

programs, more clinical training, new public assistance and employee assistance programs, advertising programs and possible health warnings on alcoholic beverage containers.

Enoch Gordis, director of HHS' National Institute on Alcohol Abuse and Alcoholism, said in an interview that the \$117 billion figure was computed for 1983 by the Research Triangle Institute of North Carolina.

Lost productivity includes loss due to premature death

or illness of workers as a result of alcohol, financial impact on labor benefit plans and added costs of courts, police work and the like.

"Direct medical costs for the treatment of alcoholism are tiny," Gordis said. The big medical costs involve complications, the diseases associated with alcoholism, cirrhosis of the liver — mostly alcohol-related, 90 to 95 percent of the time. Brain damage, cardiac problems, stroke, pancreatitis, highway accidents."

Gordis said about 18 million adults have alcohol-related problems. About 10.6 million are alcoholics and another 7 million to 8 million are alcohol abusers, he said.

Bowen, in remarks Thursday, said, "Nearly 5 million adolescents, or three in every 10, have problems with alcohol."

An HHS fact sheet said average per capita consumption of alcohol was 2.65 gallons in 1984, the third consecutive annual decrease.

'Superbaby' today; burnout tomorrow

By LINDSEY TANNER
The Associated Press

CHICAGO — Parents trying to rear "superbabies" may instead create a generation of early burn-outs, a panel of experts said Friday, warning that force-feeding ac-

Academy of Pediatrics' Committee on Early Childhood, Adoption and Dependent Care.

"They're tired, they're irritable, they have bellyaches. ... It's obvious they're on overload," he said.



SSHB/1

25-B

25-C
SSHB1

Anchorage Daily

VOL. XLII, NO. 297 84 PAGES

ANCHORAGE, ALASKA, SATURDAY, OCTOBER 24, 1987

Sovereignty issue loses in AFN vote

By E.W. PIPER
Daily News reporter

A five-year debate that had threatened to shatter Native solidarity and undermine the Alaska Native Claims Settlement Act ended early Friday evening as the Alaska Federation of Natives reached agreement on changes to the landmark 1971 federal law.

The delegates to the 21st annual AFN convention voted overwhelmingly to separate the complex and potentially explosive issue of tribal sovereignty from the so-called "1991 amendments," designed to help Alaska Natives maintain ownership of the 44 million acres of land conveyed to

them by ANCSA.

A record number of delegates — more than 2,000 — voted on the amendments shortly before 6 p.m. after a long and emotional day of debate at the Egan Convention Center.

The matter held a special and anxious urgency for the AFN leadership, which has been trying to gain consensus on ANCSA amendments and get them passed by the U.S. Congress before 1991, the expiration date for provisions protecting Native corporations from losing land or stock to non-Natives.

Those amendments are now

See Back Page, **CLAIMS**

NEWS
PRICE 25 CENTS

ANC DAILY NEWS

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C-4

Cowper: Communities must develop their economies

The Associated Press

SCAMMON BAY — Economic development in rural Alaska must come from community initiative rather than government spending or outside sources, Gov. Steve Cowper says.

Cowper told the Association of Village Council Presidents on Thursday that government-based economies are unacceptable.

"We have learned that economic development initiated by outside communities or by a distant government has proven unlikely to be a long-term success or improve the lives of the poor."

Government spending accounts for almost two-thirds of the income in many rural communities, while accounting for only about one-third in urban areas, Cowper said.



Alaska State Legislature

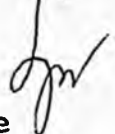
House of Representatives

Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

M E M O R A N D U M

To: All House and Senate Members

From: Representative Henry Springer, Chairman
House Community and Regional Affairs Committee 

Date: December 10, 1987

Subject: SSHB 1, Conversion of REAAs into third class boroughs, and providing for an effective date.

Please find attached a copy of the House Community and Regional Affairs staff report on SSHB 1. It was not possible to review the entire state economic picture nor all the local government review of social service delivery to the Unorganized Borough.

If you have any questions or comments, please call my office at 465-3789 in Juneau.

Thank you for your interest.

Attachment

cc: Municipal governments-statewide
REAA's
Coastal Resource Service Areas
Unincorporated communities in unorganized borough
State agencies
Other interested groups (AML, ISER, LBC, etc.)

SSHB 1:

Conversion of REAAs into Third Class Boroughs

Prepared for
Representative Henry Springer, Chairman
House Community and Regional Affairs Committee
Alaska State Legislature

by
Dr. David C. Harrison
Committee Staff

December 12, 1987

P.O. Box V
Juneau, Alaska 99811
(907) 465-3789

ISSUES ON LOCAL GOVERNANCE

SUBJ: SSBH 1, Conversion of REAAs into third class boroughs

A signpost along a local street in Anchorage reads, "Freedom is not free." That sign is indicative of the civic responsibilities free people have as citizens of the United States, the State of Alaska, and the local communities in which they live. Just as citizens of this country have rights, so also do they have the responsibility to contribute to the common good. Reflecting this concept of civic responsibility, the Alaska State Constitution is dedicated to the principles that all persons, ". . . are equal and entitled to equal rights, opportunities and protection of the law; and that all persons have corresponding obligations to the people and to the State." [Emphasis added.]

The Alaska Constitution also provides that, "All local government powers shall be vested in boroughs and cities." Based on this provision, in 1963 the Alaska Legislature enacted SLA 1963, Chapter 52, requiring certain areas of Alaska to be formed into boroughs by January 1, 1964. It had become evident that with the state's population growth Juneau could no longer provide all the necessary services and technical assistance required throughout the state. It had become necessary for local areas to establish local government and to help provide for themselves. Just as the state had severed its dependency on Washington in 1959, it had become necessary that certain areas of the state sever their dependency on Juneau.

The "Mandatory Borough Law" was challenged in state court in 1963 and found to be constitutional. It was determined that areas could, and should, become boroughs when certain social, cultural, economic, transportation, and population standards were met.

Over 20 years later, in 1987, Representatives Ron Larson and Curt Menard introduced SSBH 1, which would require the REAAs in the Unorganized Borough to form as organized boroughs by July 1, 1989. SSBH 1 is now before the House Community and Regional

Affairs for consideration by the second session of the Fifteenth Alaska State Legislature. A summary of the primary provisions of the bill is as follows:

- REAA's formed under AS 14.08.031 as of July 1, 1982 become third class boroughs effective July 1, 1989.
- Two or more REAA's may combine to form a single borough.
- The lieutenant governor shall hold elections for initial assembly members of boroughs no later than June 1, 1989.
- The initial assembly shall consist of seven members elected at-large from the borough.
- The initial assembly shall provide for the form of representation, composition, and apportionment of the assembly under AS 29.20.060 - 29.20.110.
- The Department of Education shall oversee and assist the transition from REAA's to boroughs.
- All REAA property becomes the property of the borough.
- The borough becomes the successor to all contracts and other obligations, litigation, hearings, and other proceedings involving the REAA that are pending or in effect.
- Faculty, staff, officers, and employees of the REAA are transferred to the borough.
- School board membership in the REAA terminates upon certification of members of the borough assembly.

Following is a discussion of several issues being debated about the bill.

I. ECONOMIC CONSIDERATIONS:

Those opposed to borough organization often argue that many areas in the Unorganized Borough do not have the economic viability to form and support borough government. They argue that areas in the Unorganized Borough lack economic wealth and cash flow to pay taxes for local support.

A. Land Values and Property Tax --

There are a number of factors to consider regarding economic viability. First of all, it should be clear that there are a number of ways to approach local support. Traditionally, a property tax has been the method most often used to support local education. Certainly, this method would be appropriate to some

areas of the Unorganized Borough, particularly those with oil pipeline within their boundaries. Because SSHB 1 calls for organization into third class boroughs and therefore is primarily concerned with support of education, one consideration would be property values in the Unorganized Borough as they relate to average daily membership (ADM) in current REAA school districts.

The department has provided estimated property values. In Table 1 below full taxable value for both current boroughs and potential third class boroughs (again, estimated value) proposed under SSHB 1, are shown. The table shows the ADM of each borough and ranks the boroughs by the full taxable value per ADM. The reader should notice that wherever appropriate, city districts have been incorporated into the to-be-formed third class boroughs. (See Table 1.)

It is interesting to note in Table 1 that 11 of the potential third class boroughs rank the lowest in terms of taxable value per ADM. However, it is also interesting to note that of the 10 boroughs with the highest value per ADM, 5 of the boroughs currently are part of the Unorganized Borough and would become boroughs under SSHB 1. These 5 potential boroughs have a full taxable property value per ADM that is higher than 11 of the 12 current boroughs, suggesting a readiness for borough formation.

Table 1: Existing boroughs and proposed third class boroughs ranked by taxable value per average daily membership (ADM)

SCHOOL DISTRICT	FULL TAXABLE VALUE	AVERAGE DAILY MEMBERSHIP (ADM)	VALUE PER ADM	BOROUGH TYPE UNDER HOUSE BILL 1
North Slope	\$13,570,786,300	1,231	\$11,024,197	Existing
Yukon Flats	1,035,432,040	390	2,654,954	3rd class--REAA only
Copper River	1,198,725,880	561	2,136,766	3rd class--REAA only
Chugach	1,843,290,222	1,260	1,462,929	3rd class--REAA and city districts combined
Yukon-Koyukuk	884,536,600	1,022	865,496	3rd class--REAA and city districts combined
Delta Greeley	813,113,635	1,027	791,737	3rd class--REAA only
Anchorage	19,343,356,800	38,874	497,591	Existing
Kenai	3,905,341,700	8,414	464,148	Existing
Bristol Bay	101,541,000	231	439,571	Existing
Aleutian Region	206,485,320	528	391,071	3rd class--REAA and city districts combined
Fairbanks	4,726,913,900	13,158	359,243	Existing
Juneau	1,688,992,300	4,244	397,972	Existing
Ketchikan	904,384,100	2,450	369,136	Existing

Table 1 - continued

SCHOOL DISTRICT	FULL TAXABLE VALUE	AVERAGE DAILY MEMBERSHIP (ADM)	VALUE PER ADM	BOROUGH TYPE UNDER HOUSE BILL 1
Mat-Su	2,716,755,900	8,940	303,888	Existing
Haines	97,621,600	360	271,171	Existing
Sitka	441,175,000	1,637	269,502	Existing
Kodiak	552,447,400	2,319	238,227	Existing
Southwest Region	157,571,260	960	164,137	3rd class--REAA and city districts combined
Southeast Island	358,763,515	2,202	162,926	3rd class--REAA and city districts combined
Chatham	131,333,718	882	148,904	3rd class--REAA and city districts combined
Northwest Arctic	235,045,200	1,637	143,583	Existing
Bering Strait	240,477,297	2,010	119,640	3rd class--REAA and city districts combined
Lower Kuskokwim	321,017,462	2,963	108,342	3rd class--REAA only
Pribilof	14,153,160	152	93,113	3rd class--REAA only
Railbelt	30,170,000	346	87,197	3rd class--REAA only
Alaska Gateway	45,527,741	523	87,051	3rd class--REAA only
Lake and Peninsula	30,546,520	369	82,782	3rd class--REAA only
Iditarod	23,481,360	392	59,901	3rd class--REAA only
Lower Yukon	89,378,063	1,657	53,940	3rd class--REAA and city districts combined
Kuspuk	19,839,960	371	53,477	3rd class--REAA only
Annette Island	0	432	0	3rd class--REAA only
Adak	0	600	0	3rd class--REAA only

Notes:

1. The estimates of value of taxable property and the estimates of numbers of students within REAAs include those for home rule and first class cities located within the REAAs.
2. The estimates of the numbers of students are based upon projected enrollments for the 1987-1988 school year.

Another way of looking at full taxable value information is to consider the per capita property tax of each of the current and potential boroughs. Using Department of Community and Regional Affairs information, current millage rates for existing boroughs, and a mill rate of 4.00 for boroughs to be formed under SSHB 1 (with the assumption that a mill rate of 4.00 is reasonable), Table 2 ranks current and potential boroughs by per capita property tax--that is, the average property tax to be paid by each citizen of a borough.

Data in Table 2 demonstrates, again, that the prospective boroughs along the pipeline corridor have considerable potential to generate local revenues. Based on a hypothetical 4.00 mill property tax levy for each of these boroughs, the five prospective boroughs (Chugach, Copper River, Delta-Greeley, Yukon Flats and Yukon-Koyukuk) could each raise more than \$700 per capita in local taxes (some as much as \$2,500).

Table 2: Existing boroughs and proposed third class boroughs ranked by per capita generated property taxes (current and anticipated)

BOROUGH	MILL RATE	TAXES	PER CAPITA	BOROUGH TYPE UNDER SSHB 1
North Slope	18.37	\$234,307,090	\$28,203	Existing
Yukon Flats	4.00	4,141,728	2,500	3rd class--REAA only Copper
Delta Greeley	4.00	3,252,455	1,990	3rd class--REAA only
Copper River	4.00	4,794,904	1,946	3rd class--REAA only Chugach
Chugach	4.00	7,373,161	1,089	3rd class--REAA and city districts combined
Yukon-Koyukuk	4.00	3,538,146	726	3rd class--REAA and city districts combined
Anchorage	5.05 to 10.18	120,713,129	486	Existing
Juneau	8.96 to 9.96	13,125,267	447	Existing
Fairbanks	8.45 to 16.73	26,970,985	399	Existing
Bristol Bay	5.00	475,000	374	Existing
Mat-Su	5.30 to 9.00	14,587,650	329	Existing
Kenai	4.00 to 9.32	12,866,928	295	Existing
*Aleutian Region	4.00	825,941	203	3rd class--REAA and city districts combined
Southwest Region	4.00	630,285	151	3rd class--REAA and city districts combined
Chatham	4.00	525,335	145	3rd class--REAA and city districts combined
Sitka	4.00	1,147,782	140	Existing
Ketchikan	2.70 to 18.58	1,853,797	130	Existing
Southeast Island	4.00	1,435,054	125	3rd class--REAA and city districts combined
Railbelt	4.00	120,680	125	3rd class--REAA only
Kodiak	3.75 to 7.25	1,691,997	121	Existing
Bering Strait	4.00	961,909	114	3rd class--REAA and city districts combined
Lower Kuskokwim	4.00	1,284,070	108	3rd class--REAA only
Haines	3.00 to 5.60	180,139	97	Existing
Alaska Gateway	4.00	182,111	95	3rd class--REAA only
Lake and Peninsula	4.00	122,186	79	3rd class--REAA only
Kuspuk	4.00	79,360	78	3rd class--REAA only
Pribilof	4.00	56,617	72	3rd class--REAA only

Table 2 - continued

BOROUGH	MILL RATE	TAXES	PER CAPITA	BOROUGH TYPE UNDER SSHB 1
Lower Yukon	4.00	357,512	59	3rd class--REAA and city districts combined
Iditarod	4.00	93,925	55	3rd class--REAA only
Northwest Arctic	0.00	0	0	Existing
Annette Island	0.00	0	0	3rd class--REAA only
Adak	0.00	0	0	3rd class--REAA only

*Aleutian Region data includes Aleutian East Borough.

There are those who would argue that because the preceding information is based on estimated property values in the Unorganized Borough, it is of little value. They might argue further that there is little market for land in the Unorganized Borough, and therefore market value cannot be established. For those who make such an argument, the following brief listing (Table 3) of actual private land sales occurring in different areas of the Unorganized Borough since 1986, as provided by the Federal Bureau of Indian Affairs Regional Office, might be enlightening. Federal/Native land trade appraisals are available.

Table 3: Sample of actual private land sales in unorganized borough since 1986.

AREA	SALE DATE	VALUE	ACRES OR SQUARE FOOTAGE	TYPE
Bethel	05/15/87	\$3,700	17,500 sq. ft.	Com.
Bethel	01/16/87	14,300	1,000 sq. ft.	Res.
Bethel	06/04/87	15,000	1,000 sq. ft.	Res.
Bethel	06/02/87	15,600	1,200 sq. ft.	Res.
Tok	08/01/87	28,000	28.00 acres	
Tok	09/19/86	5,600	4.63 acres	Res.
Remote	05/23/86	28,000	80.00 acres	
Remote	06/01/86	88,000	160.00 acres	
King Cove	10/01/86	5,000	10.00 acres	
Cold Bay	01/03/87	23,000	41,730 sq. ft.	Res.
Unalaska	04/01/86	50,000	32,094 sq. ft.	Res.
Unalaska	01/15/86	125,000	8,276 sq. ft.	Com.
Wrangell	05/03/87	24,510	15,176 sq. ft.	
Wrangell	07/07/86	104,000	24,890 sq. ft.	
Emmonak	09/10/86	5,000	13,500 sq. ft.	Res.
Emmonak	09/10/86	6,000	15,434 sq. ft.	

Table 3 - continued

AREA	SALE DATE	VALUE	ACRES OR SQUARE FOOTAGE	TYPE
Emmonak	09/10/86	5,000	13,500 sq. ft.	
Interior	04/01/87	12,000	2.30 acres	Rec.
Interior	12/01/86	8,000	2.78 acres	
Interior	08/01/86	17,100	5.02 acres	
Interior	02/25/87	10,500	4.94 acres	
Ninilchik	08/01/86	15,000	40.00 acres	
Ninilchik	09/12/86	10,000	40.00 acres	
Dillingham	01/01/86	18,000	1.00 acre	Res.
Dillingham	03/01/86	22,932	1.30 acres	Res.
Dillingham	03/01/87	28,600	1.87 acres	Res.
Yakutat	04/01/86	15,200	6,000 sq. ft.	

Note: Information compiled from files of Bureau of Indian Affairs Assessor's Office in Anchorage.

In addition to private land sales, the Alaska State Department of Natural Resources estimates that it has sold approximately 400,000 acres of state land between 1960 and 1986 (130,856 acres of which were disposed in the years 1982 through 1986). Though the estimate does not separate land in the organized boroughs from land in the Unorganized Borough, departmental figures show that a large proportion of the land is located in the latter.

Over the next 20 years, the department plans to offer approximately 10,000 acres per year, and still, based on past land offerings, predicts that public demand will not be met. The department points out in its July of 1986 Annual Report on State Land Offerings: FY 87 and 20 Year Forecast that in 1985 22,000 applications were received for 1,300 parcels and that in the summer state land lottery of 1986 alone 45,000 applications were received for 740 parcels.

B. Other Means of Taxation --

We said at the outset that property tax is but one method of providing for local support. According to an Alaska State Attorney General's opinion, a newly formed borough could also provide that support with a severance tax, such as that chosen by the new Northwest Arctic Borough. Though it has not yet been established as to what a borough severance tax might be applied, it is not unreasonable to think it could be applied to the removal of minerals or the harvesting of timber. A borough could also assess a sales tax and/or use tax.

No doubt, a fish tax could be assessed in the coastal boroughs to be formed. For example, the newly formed Aleutian East Borough has chosen to support local government with a two percent tax on all fish caught in the borough. Though a thorough assessment of fishing activity throughout the state is beyond the purview of this paper, Table 4 below summarizes income produced over recent time spans in two separate fishing areas of the state, the Bristol Bay area and the Lower Yukon area. These two areas were chosen because Bristol Bay represents one of the most productive fishing areas of the state, whereas the Lower Yukon represents one of the least productive.

Table 4: Gross earnings of nonresident and resident permit holders in the Bristol Bay area

YEAR	TYPE OF FISHING	NONRESIDENT EARNINGS	RESIDENT EARNINGS
1977-1985	Salmon Set Net	\$26,854,694	\$80,333,021
	Salmon Drift Net	391,421,133	387,665,693
1975-1985	Togiak Herring Gill Drift Set	6,753,882	7,991,430
	Togiak Herring Purse Seine	10,754,495	46,505,850
1975-1987	Spawn-on-Kelp	<u>587,279</u>	<u>446,741</u>
	Total	436,371,483	522,942,735

Note: Information compiled from files of Alaska State Department of Fish and Game.

Additionally, the total estimated catch value for salmon set net and salmon drift net in 1986 (nonresident and resident permit holders combined) was \$144,200,000. The combined total fishing income for the Bristol Bay area over this approximate ten year time span, then, was \$1,103,514,218. If a 4 percent sales tax had been applied, \$44,140,569 would have been earned.

In addition to the income earned by permit holders of the area, a large income was earned by the fish processors during this time span. Figures for 1981 alone show that processors in the Bristol Bay area processed salmon products with a wholesale value of \$202,761,349. If this amount were to be taken as an average year for a 10 year time span, the wholesale value income would amount to \$2,027,613,490 for the total ten years. The tax potential (a "can tax," for example) for the area speaks for itself.

As shown on Table 5, the Lower Yukon area is a much less productive fishing area than that of Bristol Bay. Nevertheless, over the five year time span summarized, the total estimated fishing income from the area amounted to \$23,554,021. Once again, if that amount had been taxed at a 4 percent level, \$942,161 would have been earned.

Table 5: Estimated earnings of combined nonresident and resident permit holders in the Lower Yukon area

YEAR	TYPE OF FISHING	NONRESIDENT & RESIDENT EARNINGS COMBINED
1982-1987	Gill Net Summer Chinook & Chum	\$19,950,425
1982-1986*	Gill Net Fall Chum & Coho	2,016,596
1982-1987	Herring	<u>3,587,000</u>
	Total	\$23,554,021

Notes:

Information compiled from files of Alaska State Department of Fish and Game.

*No fall gill net opening in 1987.

C. Wage and Salary Information --

In considering the economic status of the Unorganized Borough, it would be appropriate to consider the Alaska State Department of Labor's employment figures for various regions. Table 6 on the following page provides wage and salary employment figures from the 1986 census for 6 regions of the Unorganized Borough. These figures do not include self-employment, which would exclude employment as a fish harvester. A handicap in trying to present employment and payroll information for rural Alaska is the Department of Labor nondisclosure policy. Industry categories which are not disclosed are marked with an asterisk (*) in Table 6, while those which do not exist in the region are left blank.

As can be seen in Table 6 on the following page, government employment (which includes school district employment) in rural Alaska accounts for a very large proportion of total wage and salary employment. Government employees account for an average of 62 percent of total employment (number of people employed) and 66 percent of payrolls in the wage and salary economy of rural Alaska.

Table 6: Wage and salary employment by major industry for selected areas of the Unorganized Borough (FY 86 census information)

INDUSTRY	KOBUK	NOME	KOYUKUK- MID YUKON	YUKON FLATS	LOWER KUSKOKWIM	ANIAK
Fed. Govt.	\$4,171,467	\$3,096,130	\$4,703,235	\$233,704	\$7,975,210	\$278,758
State Govt.	3,044,041	10,049,166	4,833,593	1,402,444	10,556,369	3,760
Local Govt.	19,684,390	22,192,067	14,393,804	4,257,806	28,381,889	4,791,088
Total Govt.	26,899,898	35,192,067	23,393,804	5,893,954	46,913,468	5,073,606
Miscellaneous		*	128,340		312,982	*
Mining	349,800	3,001,806	*	*	*	
Construction	*	1,871,282	2,944,656	*	4,916,493	*
Manufacturing	297,488	*	*		*	*
Transportation	3,732,472	5,823,356	6,623,932	1,495,761	4,833,891	457,964
Wholesale Tr.	*	*	692,503	*	248,350	
Retail Tr.	3,316,158	5,064,879	1,267,546	252,538	5,019,973	254,839
Fire	2,212,923	2,357,532	528,886	74,741	2,290,799	*
Services	5,345,464	11,496,251	1,424,950	393,678	11,126,189	674,876
Total Private Sector	16,455,067	29,752,421	21,625,820	3,228,678	30,881,668	1,434,658
GRAND TOTAL	43,354,965	65,089,784	45,556,452	9,122,649	77,795,136	6,514,877
Private % of Total	38.0%	45.7%	47.5%	35.4%	39.7%	22.1%
Govt. % of Total	62.0%	54.3%	52.5%	64.6%	60.3%	77.9%

Notes:

Source: Department of Labor

Prepared by the House Research Agency, February 1987

D. Land and Cash Distribution to New Boroughs --

We will end this discussion on economic viability by pointing out that each new borough would receive state land, \$600,000 to defray the cost of borough formation, and additional funds from the Municipal Assistance Program.

AS 29.65.030 entitles each newly formed borough 10 percent of the maximum total acreage of vacant, unappropriated, unreserved land within its boundaries. A municipality may not receive an entitlement exceeding 20 acres per person residing in the borough on the date of incorporation.

If the following boroughs were formed under SSHB 1, based upon July 1, 1986 census estimates by the Department of Community and Regional Affairs, land entitlements would be as shown on Table 7.

Table 7: Land entitlements for boroughs formed under SSHB 1

BOROUGH	POPULATION		ACRES		TOTAL ACRES
Bering Straits	8,403	x	20	=	168,060
Lower Yukon	6,027	x	20	=	120,540
Lower Kuskokwim	11,644	x	20	=	232,880
Kuspuk	1,021	x	20	=	20,420
Southwest	4,180	x	20	=	83,600
Lake & Peninsula	1,556	x	20	=	31,120
Pribilof Islands	790	x	20	=	15,800
Iditarod	1,705	x	20	=	34,100
Yukon Koyukuk	4,873	x	20	=	97,460
Yukon Flats	1,657	x	20	=	33,140
Railbelt	969	x	20	=	19,380
Delta Greely	1,634	x	20	=	32,680
Alaska Gateway	2,062	x	20	=	41,240
Copper River	2,464	x	20	=	49,280
Chatham	3,634	x	20	=	72,680
Southeast Islands	11,468	x	20	=	229,360
Chugach	6,771	x	20	=	135,420
*Aleutian Region	7,238	x	20	=	144,760
Total	78,096	x	20	=	1,561,920

*Aleutian Region includes Aleutian East Borough and Adak REAA.

It should be noted that some potentially formed boroughs do not have sufficient vacant, unappropriated, unreserved land within their boundaries. It might be appropriate for the legislature to consider a companion bill that would provide appropriations in lieu of land in such cases and to provide payments accordingly.

State law also provides \$600,000 in funding to newly formed boroughs for the purpose of defraying the cost of transition to borough government. If SSHB 1 were to become law and the above 19 boroughs were to be formed, a total of \$11,400,000 would be distributed. It should be said, however, that under provisions of the bill, two or more REAAs could form as one borough and therefore reduce the total amount of payments.

It is possible that newly formed boroughs would increase the total entitlement to State Revenue Sharing and Municipal Assistance monies. The amount each borough would receive, of course, would depend on a number of factors, including but not limited to population, local fiscal effort, and the number of already incorporated cities within the borough.

The preceding information would suggest that some areas on the Unorganized Borough have sufficient economic resources to form borough government and to provide for at least a minimal level of self support. It is also clear that under provisions of SSHB 1 the state is not "casting these areas off to fend for themselves." No doubt the state would work in partnership with the newly formed boroughs to help meet the needs of their citizens. The state would provide cash payments to help defray the costs of beginning government. It would provide municipal assistance and revenue sharing to the borough as a whole. The state would provide land and technical assistance, and would continue most of the programs and services it now provides.

E. Other Economic Considerations --

To end this discussion on economics, three final observations would be in order:

First, boroughs forming with pipeline within their boundaries would gain the benefit of much of the pipeline tax money that now goes to the state.

Secondly, it should be noted that currently in the Unorganized Borough, each village and city has to "fight for its own survival." Each is essentially responsible for providing its own services. Needless to say, those fortunate enough to have resources to develop are much more able to provide those services than those with few or no resources. With borough organization, the income of a borough would be spread throughout the borough as a whole in the provision of services.

Thirdly, you will notice that we said "most areas in the Unorganized Borough" have the potential economics to organize and provide minimal self support. Indeed, there might be some areas that will need a greater level of state support than others in their efforts to form and administer borough government. Perhaps it will be the task of the legislature, in conjunction with the Department of Community and Regional Affairs, to identify those areas and to establish means of providing for that higher level of state support.

It should be noted that there are those who argue that local government must come only after economic development has occurred. History would show otherwise. Neither this state nor this nation has depended upon economic conditions or development

before territorial or local governments were formed. In many instances, it can be argued, businesses looking for a sound economic climate would seek out those communities with established schools, health facilities, roads, power, libraries, recreational opportunities, etc., entities best established and supported by local government.

II. SOCIAL SERVICES AND EQUAL PROTECTION ISSUES

Federal and state constitutions mandate that the general welfare of society shall be maintained, that equal protection of the law shall be assured, and that justice wherever required shall prevail. Certainly, the success and the strength of the democratic process depends on these three basic concepts.

At this point in time, the state is left with the responsibility of assuring these three basic citizens' rights in the Unorganized Borough. That is, the state must assess and respond to the needs of citizens in the Unorganized Borough to assure general welfare, equal protection of the law, and justice. It must provide social workers to deal with child abuse; state troopers and village public safety officers to maintain law and order; and magistrates to judge and uphold the law. It must fund the costs of education and school construction. It must fund mental health and drug and alcohol abuse treatment programs.

Unfortunately, with the state's economic downturn the needs of citizens of the Unorganized Borough (as well as citizens all over the state) have become more acute. At the same time, the state's resources to deal with these needs have dwindled. The state budget has been reduced for the past two fiscal years, resulting in the reduction and elimination of programs and services all over the state. In short, the state's ability to respond to its citizens' needs has been stretched beyond limits, and no longer can the state, by itself, assure quality services to meet all those needs.

Those who are most affected, of course, are those with the least amount of political influence. This can be translated to mean those without local government to assess and to represent needs and interests to the state legislature. Department of Health and Social Services Commissioner Myra Hanson says as much in her September 18, 1987 FY 89 budget policy memorandum. "Typically, when cutbacks in state spending occur they are targeted at the rural parts of the state," she observes, and then goes on to note that, "certainly [this has been] the case in this department."

Let us first look at a sampling of the growing social service needs of the state, with a focus on the rural areas of the state, and then discuss how those needs might best be met.

Services by the Division of Family and Youth Services --

The Department of Health and Social Service's FY 86 Annual Statistical Report indicates several significant trends and developments regarding services provided by the Division of Family and Youth Services during FY 86. The division served 19,310 individuals in FY 86, compared to 17,002 in FY 85, representing an increase of 13.6 percent. It provided protective services to 9,222 children in FY 86, compared to 7,702 the previous fiscal year, representing a 19.7 percent increase. Finally, it supervised 1,448 youth under probation in FY 86, compared to 1,236 the year before, representing a 17.2 percent increase. There is no reason to believe these increases did not continue during FY 87.

A. Child Abuse and Runaways --

Carolyn Frichette, Staff Development Coordinator for the Department of Health and Social Services, provided the child abuse and runaway statistics in Table 8, following. The statistics were taken from records of the Division of Family and Youth Services and indicate reports to the division between September 1, 1986 and February 28, 1987. The table shows average monthly intake.

Table 8: Average monthly intakes of reports of harm and runaway by region (September, 1986 through February, 1987)

REGION	PHYSICAL ABUSE	PHYSICAL ABUSE	NEGLECT	RUNAWAY
South Central				
Region Total	82	53	132	37
(Rural Only)	(32)	(21)	(62)	(20)
Northern				
Region Total	28	20	63	11
(Rural Only)	(7)	(8)	(26)	(4)
Southeast				
Region Total	26	26	77	20
(Rural Only)	(12)	(4)	(10)	(3)
Northwest				
Region Total	7	6	18	1
Western				
Region Total	11	7	23	2

Note: Information provided by the Division of Family and Youth Services.

The preceding figures show that, on average, during a six month period there are 924 cases of physical abuse, 672 cases of sexual abuse, 1,878 cases of neglect, and 426 runaways reported to the division. It should be noted that a fairly large proportion of the cases were from rural Alaska. Admittedly, the figures do not show the number of reports that were found to be unsubstantiated; however, they also do not show the number of cases that went unreported.

In the beginning of this section, we stated that with rising needs and decreasing state resources, it is the rural areas that suffer the most. In the afore-mentioned September 18 budget policy memorandum, Commissioner Munson recognizes the department's problems with handling child abuse reports in rural Alaska. To exemplify the department's problem throughout all of rural Alaska, she talks of the Bethel area:

The social services office in Bethel has only 14 positions to handle child abuse and neglect cases for the entire Yukon-Kuskokwim Delta, serving over 50 villages. Each worker carries 56 cases, twice the nationally recommended norm for child protective services caseloads, and, yet, the office is still meeting only a fraction of the demand.

Bethel has one of the highest incidences of under-reporting of child abuse due mainly to the slow response rate by division staff to new complaints. The fact is that even though Bethel has 14 authorized positions, there is only enough money to hire 11.5 people.

Villages with high rates of child abuse and neglect have to rely on someone from the Bethel office arriving to investigate in a timely manner. Sometimes there isn't enough time or money to get there. Supervision of personnel in the field offices has to be accomplished mainly on the phone, hardly an adequate way to supervise experienced workers, much less new employees.

B. Suicide --

Like child abuse, neglect, and runaways, suicide--especially among Alaskan Native young people--is a growing concern in the state. According to the National Center for Health Statistics, Alaska Natives have one of the highest rates of suicide in the nation.

The report The Recordings and Epidemiology of Suicides in Alaska 1983 - 1984 provides a review of the 195 suicides which occurred during the two year time span. The report indicates that the proportion of suicides among Natives (33 percent) was

significantly larger than the proportion of Natives in the population (14 percent). Similarly, the median age at which suicide was committed was significantly younger for Natives (23 years) than it was for whites (32).

Among Natives the average annual rate for suicides was 42.9 per 100,000 population per year, 2.2 times the white age-adjusted rate of 19.1 per 100,000 per year. Finally, when the data was stratified to adjust for the effect of the racial distribution, there was no statistically significant differences in suicide rates between residents of small rural and larger urban communities, there was a strong trend for Native suicide rates to be higher in rural areas.

Two other studies on Native suicide (Kraus, 1971, and Travis, 1984) point to reasons for the high rate of suicide among Natives. Kraus points to the high correlation between suicide and alcohol intoxication. Travis identified various factors--alienation, loss of family, low income, alcohol abuse, and high unemployment. His study showed that unemployment was statistically the biggest contributor to suicide in the region of the state he examined. He concluded that where economic development allowed Natives to achieve the goals and aspirations created by modern education, the suicide rate approximated the national average.

C. Alcohol and Drug Abuse --

The problem of alcoholism and drug abuse in the state--as well as the problems associated with the two--are so well documented that it might be unnecessary to set forth some facts and figures. Let us list just a few gleaned from the State Office of Alcoholism and Drug Abuse's (SOADA) 1985 and 1986 Annual Reports:

-- In 1985 the equivalent of 4.35 gallons of absolute alcohol was sold per person over age 21 in Alaska. The U.S. average rate is 2.52 gallons per person.

-- U.S. alcohol problem indicators report Alaska's death rate for alcoholism was 9.9 per 10,000 while the national average was 3.2.

-- Alaska has the highest rate of birth defects due to alcohol use during pregnancy.

-- Fifty-five percent of all crime in Alaska is estimated to be alcohol-related.

-- In up to 90 percent of child abuse cases, alcohol is a significant factor.

-- Alcoholics have a 30 times greater risk of suicide.

-- Fifty-eight traffic fatality accidents in 1985 resulted in 69 alcohol-related fatalities. Each fatality is calculated to cost \$306,000, resulting in a total cost of \$21,114,000.

SOADA makes no attempt to assess or quantify the problem in terms of areas of the state. However, the agency does list its grants to nonprofit agencies around the state. Of the approximate \$13 million granted throughout the state, about \$2.4 million went to agencies in the Unorganized Borough.

D. Equal Protection of the Law --

A considerable portion of the public safety services in rural Alaska are provided by Village Public Safety Officers (VPSOs) or Village Police Officers (VPOs). Most VPSOs spend the majority of their duty time performing traditional "police" functions such as investigating criminal activity, making arrests, preparing reports, and patrolling the community. However, the officers are also expected to lead the community in other public safety functions--fire fighting, emergency first aid, etc.

VPOs are hired, supervised and paid by a local unit, usually a city, but sometimes by an IRA or traditional council, to keep the public peace in rural communities. While the duties of the officers are basically those considered basic "police duties," they too are expected to address the broad public safety concerns of the community. Generally, VPOs do not receive the extensive police training provided to state troopers and municipal police officers. Exercise of police powers by entities other than the state or a municipal government, raises state constitutional concerns.

Equal protection of the law can best be served through democratically elected officials that meet the state constitutional standards for cities and boroughs. To do otherwise would bring into question equal protection, due process and equal justice required of our state constitution.

In a nation where justice is prized but sometimes forgotten, equal justice, due process, and equal protection of the law must begin at the local level where people can provide leadership that enhances the quality of life in the community. Community values are best expressed and carried out at the local level.

Just as importantly, local elected officials must impact state government regarding matters of local importance. The local community must make their needs known to the legislature and state administration, not only in regards to airports, roads,

harbors, schools, and health facilities, but also with regards to basic human social services. Child care and protection must be improved. Drug and alcohol abuse as well as physical and sexual abuse must be reduced in the unorganized areas of the state. Where local government is lacking, the will of the people cannot be heard in the halls of the legislature and state administrative government.

Of the three levels of government, local government can be the most rewarding. It alone fulfills desired needs through direct local participation. Local decisions by local participants enhance the unity of the community towards the larger goals of the region, state, and country. The enduring strength and vitality of this state begins with the collective wisdom and choices that local governments make in insuring the well being of the local community. This point needs to be stressed: Neither the state nor the federal government can do what local governments can do, decide what is best for themselves.

It is understandable that some areas of the state do not wish to become boroughs because of their perceived difficulties of being able to meet such obligations locally. Yet, it is precisely government at the local level that can best assess the needs of a community, develop means of meeting those needs, and in the end, provide necessary local services.

Finally, it should be emphasized that some REAAs in the Unorganized Borough are more ready to assume local powers and responsibilities than others because of favorable factors of governance in those areas. It is possible that the legislature will require those REAAs that it deems financially able and capable to be required to be organized within an acceptable time frame. It is understood, however, that no unorganized area would be denied basic state services.

Following is a list of respondents providing testimony on SSHB 1. A copy of this testimony is available upon request.

Respondents on SSHB 1

Name/Organization

A.

Association of Village Council Presidents
P.O. Box 219
Bethel, Alaska 99559
(907) 543-3521
Position Statement on file with HCRA

B.

Alaska Municipal League
105 Municipal Way, Suite 301
Juneau, Alaska 99801
(907) 586-1325
Position Statement on file with HCRA

C.

Yukon-Koyukuk School District
P.O. Box 00309
Nenana, Alaska 99760
(907) 832-5592
Position Statement on file with HCRA

D.

Mike and Barbara Coombs
P.O. Box 325
Nenana, Alaska 99760
Position Statement on file with HCRA

E.

Representative Bill Hudson
Alaska State Legislature
Pouch V
Juneau, Alaska 99811
(907) 465-3744
Position Statement on file with HCRA

F.

Verbatim Transcript: Workshop during AFN Convention,
10/21/87.

Representative Adelheid Herrman
Position Statement on file with HCRA

Representative Ron Larson
Position Statement on file with HCRA

Pat Poland
Department of Community and Regional Affairs
Position Statement on file with HCRA

Commissioner Hoffman
Department of Community and Regional Affairs
Position Statement on file with HCRA

Joe
Position Statement on file with HCRA

Bob Greene
Position Statement on file with HCRA

Roy Ewan
Position Statement on file with HCRA

Representative Kay Wallis
Position Statement on file with HCRA

G.
Haines Borough
P.O. Box 1209
Haines, Alaska 99827
(907) 766-2711
Position Statement on file with HCRA

H.
Northwest Arctic Borough
P.O. Box 1110
Kotzebue, Alaska 99752
(907) 442-2500
Position Statement on file with HCRA

I.
City of Emmonak
P.O. Box 8
Emmonak, Alaska 99581
Position Statement on file with HCRA



Alaska State Legislature

(24) SSB#B1 II-J

House of Representatives Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4873

November 20, 1987

DEC 3 - 1987

Honorable Stan Peters, Mayor
Emmonak City - P. O. Box 8
Emmonak, Alaska 99581

Dear Mayor Peters:

Just a delayed note to say that I enjoyed visiting and meeting with the Mayors of the Coastal Yukon Mayors Association.

In gathering information pro and con on SSB 1 - Mandatory Borough Bill, Representative Henry Springer would appreciate any comment on this bill that is in his committee. I know Martha Fischbach, his Secretary has asked for this information and I just want to follow-up a bit so we can have your concerns for the record and for the committee members.

If you could poll or call the various mayors, and indicate the number that are for SSB 1 _____; indicate the number that are against SSB 1 _____. Thanks for your time and effort in this matter.

We would appreciate any comments that you wish to add based upon phone calls, etc. Space is provided for your written comments.

Comments on SSB 1.

It is the concensus of the majority of the mayors that they are opposed to SSB 1. However, we are not going to be like ostriches and stick our heads in the sand, we are proceeding with studies on boroughs and the financial burdens it would curtail.

Please us the backside if you need more space to write.

Sincerely yours
David C. Harrison
Dr. David C. Harrison, P.A. HCRA
cc: Martha Fischbach, Secretary HCRA

(24) (K)

UNIT 17 AND PORTION OF UNIT 6 UP TO THE CHITINA RIVER OF THE ELECTION DIST.
AND THE COPPER RIVER SCHOOL DISTRICT.

DEC 21 1987

CHITINA, AK 99566-0026
P.O. BOX 26
DEC. 2, 1987

GOVERNOR STEVE COWPER
P.O. BOX A
JUNEAU, AK 99811-0101

DEAR GOVERNOR STEVE COWPER & *Rep Virginia Mc Collieris*

THE LEGISLATORS ARE FORCING US INTO A BOROUGH. IN FACT IT'S MANDATORY. IF THE NATIVES CAN MAKE CHANGES AT A NATIONAL LEVEL, WHY CAN'T THE STATE MAKE CHANGES ON A STATE LEVEL?

THE PEOPLE IN THIS AREA, ON A WHOLE, DON'T FAVOR A BOROUGH AND THIS INCLUDES THE AHTNA CORPORATION. THE ONLY REASON WE WOULD FORM A BOROUGH IS TO PROTECT THIS AREA FROM POSSIBLE TAKE OVER FROM OTHER BOROUGHS.

WE ALL KNOW WHAT REVENUE IS COLLECTED FROM THE OIL PIPELINE AND THE STATE IS COLLECTING IT IN RETURN FOR MINIMAL SERVICES THAT THIS COMMUNITY DESIRES.

WE WOULD LIKE TO CONTINUE OPERATING AS IN THE PAST WITH THE STATES INVOLVEMENT IF THE STATE WOULD GURANTEE THE BOUNDARY, THAT NO OTHER BOROUGH COULD ENCROACH THIS UNORGANIZED BOROUGH.

INDEED WE ARE ALREADY OPERATING AS A BOROUGH TO SOME EXTENT, BUT AN UNORGANIZED ONE THROUGH THE COMMUNITY AND REGIONAL AFFAIRS.

THE STATE COULD USE THE SURPLUS FUNDS FOR OTHER AREAS THAT HAVE PROBLEMS WITH THE FUNDING FOR OPERATIONS.

I WOULD APPRECIATE A REPLY AT YOUR EARLIEST CONVIENIENCE AS THE MATSU BOROUGH WANTS TO INFRINGE AND WE DON'T HAVE MUCH TIME.

IF THIS REQUIRES A PETITION, I WOULD APPRECIATE YOU LETTING ME KNOW SO THAT I CAN GET STARTED ON IT AND THAT THE LEGISLATORS CAN ACT ON THIS NOW.

SICERELY

Virginia B. Knutson

VIRGINIA B. KNUTSON

It would be nice to leave one area completely state controlled. We enjoy going to larger cities to take in events that we don't have because of preference.

JAN 14 1988

sp KCRA

(2)

P. O. Box 944
Delta Junction, AK 99737
Dec. 30, 1987

Hon. Steve Cowper, Governor
State of Alaska
Third Floor, State Capitol
P. O. Box A
Juneau, AK 99811

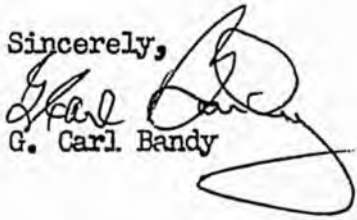
Dear Gov. Cowper:

During the past several months certain members of the Alaska Legislature have been promoting legislation that would force formation of organized boroughs in those areas of Alaska where such boroughs do not now exist. Apparently those proposing this legislation have not explored either the costs involved or the effect such legislation would have not only on the areas involved but the entire State of Alaska.

Using the Delta Junction area as an example, it is unlikely the costs of starting up a borough government could be recovered for many years even considering the availability of taxes from the oil pipeline that passes through the area. To tax the pipeline you must also tax private property; costs of appraisals alone would be enormous, and since only five mills would be available from the pipeline the balance would have to come from borough residents. At this time there is simply not enough taxable private property to make up the difference since total population within a 50-mile radius is less than 5,000 including men, women and children along with the military and dependents at Ft. Greeley. The entire area from Delta to the Canadian border is very sparsely populated. There is no way a borough government can be self-supporting in all that area or in other areas of Alaska with so few people. I urge you, as leader of our State, along with all members of the Legislature, to carefully consider the total impact on the future of our State of adding another layer of government before population and need warrants such action. The current funding for unorganized boroughs is provided from oil revenues on a per capita basis. Deleting some of the "nice to have but not really needed" capital projects should be considered prior to adding more government.

In regard to the proposed annexation of the pipeline corridor to the Delta Junction city limits by the MatSu Borough, I cannot believe you or the Legislature will permit this. Not only would the State be deprived of needed revenue, it would preclude any future development and population growth in the entire 150-mile long corridor in addition to the Delta Junction and Glenallen areas. Along with the proposed borough, it would be a devastating blow to the economy of both areas. If the State of Alaska is to develop its potential we must encourage, not discourage, growth and development. We rely on you, as Governor, for leadership and we trust our Legislature will exercise good judgement in these matters.

Sincerely,


G. Carl Bandy

cf: Members, House and Senate
David Hoffman

(m)

December 27, 1987

JAN -4 1987

The Honorable Henry Springer
Pouch V
Juneau, Alaska 99811

Dear Representative Springer,

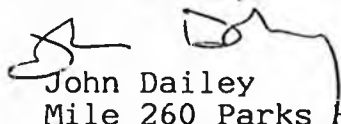
Enclosed please find a copy of my recent letter to Commissioner David G. Hoffman, of the Department of Community and Regional Affairs concerning their Regional Government Study, to be released in January. That letter details my objections to the Report, and to the passage of SSHB 1.

Although I have not had the opportunity to meet you personally, my neighbor and friend, Mike Coombs has, and has passed along his great respect for your fair-mindedness and understanding of our concerns as rural non-borough residents. I believe that as your Committee delves further into the actual economic feasibility of implementing this legislation, they will see that, far from securing a net revenue increase, it will only add superfluous and expensive government, due to the sparsity of population, in the end causing a further drain on the beleaguered state treasury. We in rural areas are not unmindful of the thorny economic issues you are dealing with, but would prefer some form of benign neglect to the mandatory formation of a borough along with every service to be found in large urban areas.

We are counting on your careful and critical appraisal of this legislation, and a fair and respectful treatment of our lifestyle.

Thank you for your consideration.

Sincerely,


John Dailey
Mile 260 Parks Highway
Healy, AK 99743

Encl: Letter to Commissioner Hoffman re:Regional Government Study

December 26, 1987

Commissioner David G. Hoffman
Department of Community and Regional Affairs
949 East 36th Avenue, Suite 400
Anchorage, AK 99508-4382

Dear Sir:

I am writing to respond to the Draft of the Regional Government Study scheduled to be released in January by the Department of Community and Regional Affairs. You and your staff have marshalled a useful array of statistics, which certainly help any discussion concerning the fate of the vast, largely unpopulated regions of the state which are not presently incorporated as boroughs. But while the Commission disclaims the advocacy of "any particular course of action with regard to issues relating to regional government in the Unorganized Borough," their conclusions and final comments do just this, in what seems to be a most illogical and biased manner.

For example, the Commission states that "Ideally, residents of unincorporated regions would seek to form boroughs on their own initiative", but that "without some compulsory action, it is unlikely that many unincorporated regions of the state will form boroughs in the foreseeable future." Since four boroughs have voluntarily organized since the mandating of the original boroughs in 1964, it is illogical to assume that this voluntary process will not continue as the need arises. With an "additional 80% of the Unorganized Borough residents living within first or second class cities, within a structure similar to or identical to a borough", it seems that the Report's stated goal of government which "serves useful functions as defined by its residents", "...of a form which is considered acceptable to its residents" has been met within the present governmental framework. Why then must the remaining small and exceedingly dispersed population be "compulsorily" required to accept a form of government that they neither desire nor feel to be appropriate at this time?

The question of whether to force unwelcome forms of government on the sparsely populated areas is really the crux of the matter. The Commission summarizes and seems to support the insincere wording of SSHB 1. As the potential recipients of this unwelcome largess, we are unctuously assured that by creating a vast borough (or being annexed to a large neighboring borough) we will "unite the residents of Alaska in an effort to make the state the best that it can be - to eliminate the divisiveness which results from 'rural versus urban' thinking." Here, I must state unequivocally that my rural neighbors and I do not wish to force any form of government (or non-government) on the urban residents. We recognize the urban areas' right to chose a more organized way of life, and we certainly expect that they in turn would respect

the choices we have made. We know that, borough or not, there is no way that any government body can give us the complex of cultural and educational opportunities that more populated areas enjoy, nor the infrastructure of roads, water systems, and power facilities that serve these areas.

While I am unable on such short notice to provide adequate statistics to support my position, I believe that a description of my and my neighbors' lifestyle is germane. Our small, unincorporated community consists of about 10 families in and around the old railroad town of Ferry, about 13 miles north of Healy, in the Railbelt REAA. Most of us live on the east side of the Nenana River, and to get to our cabins must park our vehicles on the west side of the River and cross on a narrow footbridge. To gain access to my family's homestead, we paid one of the local miners to improve an old access road with his cat. We then purchased a small farm tractor with a backhoe attachment to install culverts, and maintain the road. Our small cabin was built with lumber that we milled from timber on our land. Our house is heated by wood, and lighted by batteries and a generator. We have a 1½ mile telephone line, which we installed ourselves, in order to receive telephone service. This is not a smug description of the superior nature of rustic living but merely a description of a different way of living, a different series of choices. In the place of service districts and other government facilities we have elected a more direct and individualistic way of providing for our basic needs. Once again, I must insist that the reader not dismiss us as macho folks describing our 'last of the rugged individualists' routine. Although we are proud of our abilities, we recognize the value of urban amenities, and sometimes even envy them... Realistically, we do not expect any publicly financed government body to build multi-million dollar bridges, roads, powerlines, etc. to our isolated cabins.

Since we do not request or expect the many government services provided by boroughs, we are baffled as to why legislators from these areas feel that they need to be provided for us. The issue of 100% state funding of our schools (as opposed to the 35% local support formula in organized boroughs) has sometimes been raised. While it is true that our local school system is almost totally supported by the state, certainly the per capita disbursement of state funds here in the Railbelt REAA, to all residents (not just students) does not exceed the per capita disbursement to the residents of the typical organized borough. If we choose to use our state oil money for our school system, and largely provide other services ourselves, should we not be permitted to make that choice?

I am also alarmed that instead of fashioning an impartial report by seeking genuine comment from all sectors, including the areas in question, the Commission seems to credit what they identify

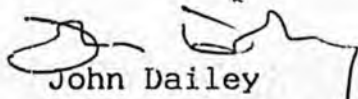
as concerns of "excessive regulation", "unwarranted growth of government" and governments grown "out of control", not as the legitimate fears of a wary citizenry, but as the intemperate ravings of an anti-government fringe; as weary and obstructionist arguments to be overcome by such bland assurances that charters of newly formed boroughs can incorporate "ironclad guarantees"... "to severely control the manner in which the borough may assume regulatory duties and discretionary powers." The desperate and successful efforts of the Fairbanks North Star Borough voters to regain at least partial fiscal control of their borough government by placing a tax cap on their assembly shows that it is not such an easy task to "control" a borough government.

Rather than truly investigate the sentiments of these areas, the Commission seems to have embarked on a sell-job, complete with strategies to "enhance the acceptability of a borough." The Commission helpfully suggests sops that might be thrown to the Native community, for example, to gain their support, such as "appointing the community IRA or Native Traditional Council to serve as the borough service area board for that community." It seems unlikely that these bodies would willingly exchange the real powers they now have in the Native Corporation structure for a largely advisory role.

Further, the Report recommends that "Before any across-the-board change is implemented [emphasis mine] such as that envisioned by SSHB 1, it is essential that appropriate boundaries for prospective boroughs be identified." It seems that this should be done, in fact, before any across-the-board changes are adopted. Additionally, hearings should be scheduled to solicit local opinion and identify the concerns of the areas involved. The whole process should be slowed down to the point where adequate time is available for complete discussion.

In closing, I would state my belief that the best interests of all Alaskans are not well served by the presumptuous, disingenuous and falsely altruistic attitudes expressed by the authors of SSHB 1, and echoed by the Commission. Would not recognition and respect for the varied lifestyles that characterize our state better serve the drafters' goals of "uniting the residents of Alaska...to make the state the best that it can be" rather than "compulsory action" to force unpopular and unnecessary forms of government on some of its citizens? I would sincerely hope that the Draft Regional Government Study is expanded and rewritten to address these concerns.

Yours truly,


John Dailey
Mile 260 Parks Hwy
Healy, Alaska 99743

cc: Senator Coghill, Representatives Schultz, and Springer

(N)

JAN - 4 1987

Dec 27, 1987

DEAR SIR,

AS I ALSO WROTE TO REPRESENTATIVE RONALD LARSON:


I AM NOT MUCH WITH WORDS, SO AS BEST AS I CAN! PLEASE HOUSE BILL # 1! AS I UNDERSTAND WANTS US TO BECOME A BOROUGH. (WE LIVE AT MILE 261 PARKS HWY) I DO NOT NOW, DID NOT WHEN I MOVED HERE, OR DO I WANT TO EVER LIVE IN A BOROUGH, COUNTY, OR CITY! I LIKE RURAL LIVING. I LIKE MY outhouse, I LIKE HAVING NO ELECTRICITY. I LIKE TO PUMP MY WATER BY HAND. I LIKE HAVING TO PLOW MY OWN ROAD OR WALK!

I DO NOT, DON'T, REFUSE, WANT LOCAL SERVICES PROVIDED BY REPRESENTATION OR TAXES! I'LL PROVIDE FOR MYSELF!

IF I CHOSE TO LIVE URBAN I'LL MOVE TO TOWN!

REMEMBER WE CHOOSE TO LIVE RURAL, NO ONE MADE US DO IT! LEAVE US BE!
IT'S CALLED FREEDOM!

Thank you for listening,



Rylee Gilliam

Box 161

Healy, AK, 99743



RAILBELT SCHOOL DISTRICT

Drawer 280 Healy Alaska 99743 • (907) 683-2278
James W. Paul, Superintendent

December 22, 1987

JAN -4 1987

Local Boundry Commission Component
Municipal and Regional Assistance Division
949 East 36th Avenue, Suite 404
Anchorage, AK 99508

In response to the Regional Government Study, our initial reaction was quite negative and is probably a result of an extension of the thought in Section IV under Conclusions, item 4, "Ideally residents of unincorporated regions would seek to form boroughs on their own initiative."

The argument the study makes is that people tend to not want regional government. Therefore the state may need to make it compulsory. What doesn't seem to be addressed adequately is the point that the population centers of the state already have regional governments and that most Alaskans, in addition to the natural distrust they have for any kind of government, may well intuitively understand that the levels of service a government can provide per unit of taxation:

- a) is a function of the wealth of the area and the density of population, and
- b) that below a certain point, services actually decline, inequities loom larger, and the regional government itself needs a disproportionate share of the revenues - just to remain in existence.

The point here is that there are very valid reasons for not wanting a regional government in some areas!

After rereading the document however, there needs to be some credit granted the authors for the insight shown in the first part of item 3, and all of item 6 and 7 in their Section IV Conclusions, with the final point being "....a regional government must serve useful functions as defined by its residents and the state." An extension of this thought may well be - that in order to be viable - a regional government must be able to better serve its constituents as perceived by them than the status quo.



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The foregoing represents a general response to the study. The following is a more specific response to a couple of themes that are repeated regularly in the study. We feel these themes go to the heart of the regional government issue.

1. Item 1 under Conclusions - i.e. that there is a large political push for the creation of regional governments.

We would concur that there is this push - however - we don't see it statewide. We, instead, tend to see this as an offshoot of the rural/urban conflict wherein there is a tendency for urban people to latch onto the concept - "we pay 35% of the cost of education through taxes - and they don't - and that is not fair." A more in-depth discussion of this will follow under 2 below.

The point here is, however, that a political push based on unsound perspectives is not a good reason to change the status quo. Instead - sound reasoning and, as stated earlier, the probability of a regional government serving a useful function must be the basis of any change if it is to be lasting and positive.

2. The repeated theme of inequity in support of schools between urban and rural - both through state funding and local support.

There is a factor that is missing in this argument - and that factor is program equity. If education is a function of the state (and it is) then is the state bound to provide an equality of programs throughout the state? The rural areas of this state will never have the elementary reading specialists, counselors, certificated librarians, library collections, teachers teaching in their areas of expertise, science labs, foreign language offerings, special education resources, expanded extra curricular offerings (football, swimming, etc.) that the urban areas have (and please be assured - the above list is just a fraction of the whole picture).

So - the rural perspective tends to be more one of - "yes, the urban people must contribute up to 35% of the cost of education - but they have at least a 35% better program offering for their children."