

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

4659 HJUD HB 65 - HB 67

23

STATE OF ALASKA

STEVE COWPER, GOVERNOR

LOCAL BOUNDARY COMMISSION

949 EAST 36TH AVENUE, SUITE 404
ANCHORAGE, ALASKA 99508
PHONE: (907) 561-8586

February 27, 1987

The Honorable Henry Springer, Chairman
House Committee on Community &
Regional Affairs
Pouch V
Juneau, AK 99811

Dear Representative Springer:

The Alaska Local Boundary Commission convened last evening to formally consider the version of draft CS HB 65 which was discussed during the February 20, meeting of your committee. I am pleased to inform you that the Local Boundary Commission considers the draft revision to be a significant improvement to the original bill. All five members of the commission voted unanimously to strongly support the legislation embodied in the draft CS HB 65.

While the Local Boundary Commission unanimously supports the draft CS HB 65, we do feel that there are two changes that might be made that would strengthen the bill. These are the inclusion of a "best interest" standard and the prohibition of conducting dissolution elections by mail. The suggested additions are explained below.

BEST INTEREST STANDARD

The Commission believes that amending the proposed AS 29.06.470(a)(3) to add a requirement that "dissolution is determined by the Local Boundary Commission to be in the best interests of the state, the region and the territory served by the municipality proposed to be dissolved" would strengthen the bill. This additional standard would apply in those instances where dissolution has been requested by a majority of the registered voters.

The reason the Commission desires this addition is simple. The Alaska Constitution and state laws have, since statehood, uniformly recognized the need and importance of a state commission to deal with the creation of municipal governments, modifications of municipal government boundaries and the dissolution of municipal governments. The language of the draft CS HB 65 currently does not ensure a deliberative role for the state in dissolution proceedings.

The Honorable Henry Spinger
February 27, 1987
Page Two

Without language such as that suggested by the Local Boundary Commission, no safeguards exist against wholesale dissolution of municipalities. Conceivably, any and every current and future municipal government could easily meet the standards set out in the draft CS HB 65. While the Commission does not suggest that a significant number of the 159 municipalities in the state would seek to dissolve if this bill became law, we do feel it would enhance the bill to include a reasonable safeguard.

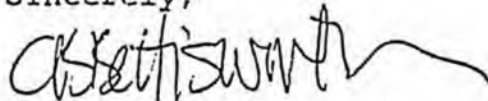
We suggest that situations will arise which will require discretionary application and deliberation of state level concerns. Thus, it seems prudent to include provision of language which would allow the commission to serve this legitimate role. We feel a "best interest" standard does just this.

ELECTIONS BY MAIL

The commission would also like to see the inclusion of statutory provisions to preclude the conduct of municipal dissolution elections by mail under AS 15.20.800. While it may be appropriate to conduct certain state elections by mail, the Commission opposes elections by mail either for municipal incorporation or dissolution. Our objections to conducting such elections by mail are numerous and have been conveyed to the Division of Elections. In general, we find that the significance of such elections and public preference warrant conducting municipal incorporation and dissolution elections in the conventional manner.

Thank you for this opportunity to comment on the proposed CS HB 65. We feel that the draft CS HB 65 will permit the Local Boundary Commission to respond fully to the current issues relating to dissolution. However, we do feel that our two suggestions will further improve the bill. Please feel free to contact the Local Boundary Commission should you require clarification of any points.

Sincerely,



For

Robert O. Eder, Chairman
Local Boundary Commission

The Honorable Henry Spinger
February 27, 1987
Page Three

cc: The Honorable Arliss Sturgulewski
Chair, Senate C&RA
The Honorable John Binkley
sponsor SB 50
The Honorable Lyman Hoffman
sponsor HB 65
C.B. Bettisworth, Member, LBC
Bert Greist, Member, LBC
Dave Hanson, Member, LBC
Jo Anderson, Member, LBC
David G. Hoffman, Commissioner, DCRA
Marty Rutherford, Director, MRAD/DCRA

STATE OF ALASKA THE LEGISLATURE

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JUNEAU, ALASKA 99811
907-465-3800

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

H. JUD.	4-6-87	1:30 p.m.
H. JUD.	3-31-87	1:30 p.m.

HOUSE COMMITTEE REPORT

referred, 3/16/87

FURTHER REFERRALS:

DATE: 4-6-87

Judiciary Committee has considered HB 65

Act relating to dissolution of a municipality."

RECOMMENDS:

- replace with CS HB65 (Judiciary) [] the same title
- attached amendment(s) [] a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

PTS: [] _____ 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 3/16/87
- zero with analysis

LEG DO PASS:

[Signature]

[Signature]

[Signature]

SIGNING OTHER RECOMMENDATIONS:

[Signature] no rec

[Signature] no rec

[Signature] no rec

[Signature] no rec

[Signature]
Chairman's signature

Alaska State Legislature



April 15, 1987

House of Representatives

House Judiciary Committee

LETTER OF INTENT

CSHB 65 (JUD)

P. O. Box 1
State Capitol
Juneau, Alaska 99811
(907) 465-4990

Existing laws apparently do not permit the dissolution of a city government unless that community suffers drastic reductions in its population or economy. The legislature recognizes that there are other circumstances under which the dissolution of a city government may be warranted. Such circumstances include those where:

1. the residents of a community have abandoned their city government;
2. alternative entities exist through which essential services may be delivered in the absence of city government; and
3. dissolution would not be adverse to the interest of the region in which the city is located and the state (e.g., dissolving primarily to avoid a viable tax base, returning education function to the state).

It may be considered to be in the best interest of the state, under the provision of Section 2 of this Act, for any city to be dissolved where such circumstances exist.

Definition of "essential services": Basic municipal services provided for the health, safety, and welfare of the residents, such as police and fire protection services and maintenance of public facilities, e.g., water and waste disposal systems, community buildings, etc.

Representative John Sund
Chairman, House Judiciary Committee

April 3, 1987

SCR 23 cont'd

and do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senators Josephson, Rodey, Halford and Sturgulewski.

Zero fiscal note published today from the Office of the Governor.

SENATE CONCURRENT RESOLUTION NO. 23 was referred to the Rules Committee.

SJR 35

The Resources Committee is returning SENATE JOINT RESOLUTION NO. 35 (Relating to maintaining timber industry employment, funding of U.S. Forest Service operations, and the allowable timber harvest level in Southeast Alaska and amendment of sections 703 and 705 of the Alaska National Interest Lands Conservation Act). The Resources Committee considered CS FOR SENATE RESOLUTION NO. 7 (RULES) (timber industry in Southeast Alaska) (same resolution) with six do passes to Rules. The report was signed by Senator Coghill, Chairman and Senators Jones, Eliason, Sturgulewski and Zharoff. Senator Duncan signed "no recommendation".

SENATE JOINT RESOLUTION NO. 35 was referred to the Rules Committee.

SB 17

The Transportation Committee considered SENATE BILL NO. 17 (vandalism of official traffic control devices and damages to highways and roads) and a majority of the committee recommended it be replaced with

CS FOR SENATE BILL NO. 17 (TRSP), entitled:
"An Act relating to unlawful possession and vandalism of official traffic control devices, disregard of a highway obstruction, and damages to highways."

and do pass. The report was signed by Senator Jones, Chairman and concurred in by Senators Abood, Fahrenkamp and Kelly.

Two zero fiscal notes published today from: Alaska Court System and Department of Corrections.

April 3, 1987

SB 17 cont'd

SENATE BILL NO. 17 was referred to the Rules Committee.

SB 50

The Judiciary Committee considered SENATE BILL NO. 50 (dissolution of a municipality) and a majority of the committee recommended adoption of the Community and Regional Affairs Committee Substitute and do pass with the following amendment:

Page 2, line 2: insert a new Section 3 to read:

Sec. 3. AS 29.06.510(a) is amended to read:

(a) The Local Boundary Commission shall immediately notify the director of elections of its acceptance of a dissolution petition. Within 30 days after notification, the director of elections shall order an election in the municipality to determine whether the voters desire dissolution. The election must be held at least 30 and not more than 90 days after the election order unless such timing would cause the election to be held between May 1 and November 1. If the director of elections receives notification after April 1, but before October 1, the election shall be held within 60 days after November 1. A person who is a voter of the municipality may vote in the dissolution election.

Renumber existing section accordingly.

The report was signed by Senator Kerttula, Chairman and concurred in by Senators Josephson and Sturgulewski.

The committee adopted:

Legislative Intent
CSSB 50 (C&RA)

Existing laws apparently will not permit the dissolution of a city government in a community unless that community suffers drastic reductions in its population and/or economy. The legislature recognizes that there are other circumstances under which the dissolution of a city government may be warranted. Such circumstances include those where:

1. the residents of a community have abandoned their city government;

*Amend #3
Adopted*

SB 50 cont'd

2. alternative entities exist through which essential services* may be delivered in the absence of city government; and
3. dissolution would not be adverse to the interests of the community served by the city, the region in which the city is located, and the state, i.e., dissolving primarily to void a viable tax base.

It may be considered to be in the best interest of the state, under the provisions of Section 2 of this Act, for any city to be dissolved where such circumstances exist.

- * Definition of "essential services": Basic municipal services providing for the health, safety, and welfare of the residents, such as police and fire protection services and maintenance of public facilities, i.e., water and sewer systems; washeterias; community buildings, etc.

SENATE BILL NO. 50 was referred to the Finance Committee.

SB 102

The Judiciary Committee considered SENATE BILL NO. 102 (reports of missing persons; and creating a missing persons information clearinghouse) and recommended it be replaced with

CS FOR SENATE BILL NO. 102 (JUD)

and do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senators Rodey, Josephson, Sturgulewski and Halford.

SENATE BILL NO. 102 was referred to the Finance Committee.

SB 135

The Judiciary Committee considered SENATE BILL NO. 135 (limiting recruitment and employment of teachers who are not residents of the state) and recommended it be replaced with

CS FOR SENATE BILL NO. 135 (JUD), entitled:
"An Act limiting recruitment and employment of school administrators and teachers."

and do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senators Halford, Rodey, Sturgulewski and Josephson.

SB 135 cont'd

SENATE BILL NO. 135 was referred to the Rules Committee.

SB 183

The Transportation Committee considered SENATE BILL NO. 183 (dams and reservoirs; efd) and a majority of the committee recommended do pass. The report was signed by Senator Jones, Chairman and concurred in by Senators Kelly, Abood and Fahrenkamp.

Two zero fiscal notes published today from: Department of Environmental Conservation and Department of Law. Fiscal note with impact published today from Department of Natural Resources.

Letter of Intent

Madame President:

The Transportation Committee expresses that it is not the intent either through Senate Bill 183, nor through regulations, that the bill affect settling ponds of small placer miners.

The Transportation Committee also asks to see and review the regulations that are promulgated to implement the legislation.

Sincerely,

/s/ Lloyd Jones
Senator Lloyd Jones, Chairman
Senate Transportation Committee

SENATE BILL NO. 183 was referred to the Resources Committee.

SB 191

The Resources Committee considered SENATE BILL NO. 191 (amending the definition of big game guiding; and prohibiting compensation of an unlicensed person for guiding) and recommended it be replaced with

CS FOR SENATE BILL NO. 191 (RES), entitled:
"An Act relating to guide licensing fees; amending the definition of big game guiding; prohibiting compensation of an unlicensed person for guiding; and prohibiting a person not licensed as a guide from advertising as or representing to be an outfitter."

3/31/87

HB 65 Hoffman -

Barnes - on Gov Tribed Fed State Task Force

Dissolution - need to look at CoRA
minutes

CoRA -

in support of bill.

not a sovereignty bill

local options bill.

Allow dissolution

Assts of community →

Would become unincorporated communities
in unorganized borough

3/31/87

LARA

Mandatory powers of 2nd class city

Bert Crist -

Dep Com LARA
started today ?

see on Local Boundary Commission
former mayor of Seabwick
(general reasons for dissolution)

People trying to get control of
~~their~~ lives

(subsistence) other issues :

Local Boundary Commission
support dissolution

County give them

Original sponsor: Hoffman

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2

CS FOR HOUSE BILL NO. 65 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to dissolution of a municipality."

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

8 * Section 1. AS 29.06.470(a) is amended to read:

9 (a) Except as provided in (b) of this section, voters of a
10 municipality may petition for dissolution when the municipality is
11 free of debt, or, if in debt, each of its creditors is satisfied with
12 a method of repayment and

13 (1) the municipality [IT] no longer meets the minimum
14 standards prescribed for incorporation by AS 29.05, or former AS 29.-
15 18.030 if it is a third class borough; [OR]

16 (2) the municipality ceases to use each of its mandatory
17 powers; or

18 (3) dissolution is requested by petition on a form provided
19 by the department signed by a number of voters of the municipality
20 proposed to be dissolved greater than 50 percent of the number of
21 votes cast in the last general election in that municipality.

22 * Sec. 2. AS 29.06.500(a) is amended to read:

23 (a) If the Local Boundary Commission determines that a munic-
24 ipality fails to meet the standards for dissolution under AS 29.06.-
25 470, it shall reject the petition. If the commission determines that
26 the municipality meets the standards, it shall accept the petition.

27 * Sec. 3. AS 29.06.510(c) is amended to read:

28 (c) The director of elections shall certify the election re-
29 sults. If dissolution is approved by two-thirds of the votes cast on

*repeal
this section
and propose*

Original sponsor: Hoffman

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 65 (Judiciary)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to dissolution of a municipality."
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14 standards prescribed for incorporation by AS 29.05, or former AS 29.-
15 13.030 if it is a third class borough; [OR]

16 (2) the municipality ceases to use each of its mandatory
17 powers; or

18 (3) dissolution is requested by petition on a form provided
19 by the department signed by a number of voters of the municipality
20 proposed to be dissolved greater than 50 percent of the number of
21 votes cast in the last general election in that municipality.

22 * Sec. 2. AS 29.06.500(a) is amended to read:

23 (a) If the Local Boundary Commission determines that a munic-
24 ipality fails to meet the standards for dissolution, it shall reject
25 the petition. If the commission determines that the municipality
26 meets the standards under AS 29.06.470(a)(1) or (2), it shall accept
27 the petition. If the commission determines that the municipality
28 meets the standards under AS 29.06.470(a)(3) and that dissolution of
29 the municipality is in the best interest of the state, it shall accept

1 the petition.

2 * Sec. 3. AS 29.06.510(a) is amended to read:

3 (a) The Local Boundary Commission shall immediately notify the
4 director of elections of its acceptance of a dissolution petition.
5 Within 30 days after notification, the director of elections shall
6 order an election in the municipality to determine whether the voters
7 desire dissolution. The election shall [MUST] be held at least 30 and
8 not more than 90 days after the election order unless this would cause
9 the election to be held between May 1 and November 1. If the director
10 of elections receives notice of the acceptance of a dissolution
11 petition after April 1, but before October 1, the election shall be
12 held within 60 days after November 1. A person who is a voter of the
13 municipality may vote in the dissolution election.

14 * Sec. 4. AS 29.06.510(c) is amended to read:

15 (c) The director of elections shall certify the election re-
16 sults. If dissolution is approved by a number of voters greater than
17 50 percent of the number of people registered to vote in the munici-
18 pality, the director of elections shall declare that the municipality
19 is dissolved effective on the date of certification.
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STATE OF ALASKA
LOCAL BOUNDARY COMMISSION

SUMMARY OF ACTION
FINDINGS OF FACT
STATEMENT OF DECISION

IN THE MATTER OF THE DISSOLUTION)
OF THE CITY OF AKIACHAK,)
ALASKA, A CITY OF THE SECOND)
CLASS:)
_____)

SUMMARY OF PROPOSED ACTION

Sixty-two individuals registered to vote in Akiachak petitioned for dissolution of the community's second class city government, pursuant to Section 29.68.500-580 of the Alaska Statutes.

The City of Akiachak has a recorded population of 451 (according to 1985 state revenue sharing records) and municipal boundaries encompassing approximately 12 square miles.

The Commission conducted a hearing on the petition at the Akiachak Contract School on March 2, 1985. The Commission held a decisional session on the petition in Anchorage on May 18, 1985. Members of the Commission participating in the May 18 decisional session were Chairman Gillian Smythe, Bert Greist, Charles Bettisworth and Josephine Anderson. At the May 18 meeting, the Commission voted to reject the petition for dissolution. On August 2, 1985, the Commission agreed to reconsider its denial of the petition at the request of the petitioners' representative.

Accordingly, the Commission met on November 9, 1985, and again examined whether the petition conformed to the standards for municipal dissolution. Members of the Commission participating in the reconsideration were Chairman Robert Eder, Bert Greist, Charles Bettisworth and Dave Hansor.

FINDINGS OF FACT

Following its deliberations on this matter, the Local Boundary Commission made the following findings of fact:

I. THE PETITIONERS HAVE ADEQUATELY DEMONSTRATED THAT THE CITY IS FREE OF DEBT OR THAT THE CITY HAS SATISFIED EACH OF ITS CREDITORS AS REQUIRED BY SECTION 29.68.520 (1) OF THE ALASKA STATUTES.

In making this determination, the Commission is charged with ascertaining whether the City is free of debt, or if in debt, whether each of its creditors are satisfied with a method of repayment. A city may not be legally dissolved unless it is free of bonded or other indebtedness, or else has a plan to repay its creditors which has been approved by the creditors.

On the basis of information provided to the Commission by representatives of the petitioners for dissolution of the City of Akiachak, the Commission is satisfied that the City of Akiachak's debts have been adequately identified. Good faith efforts had been made to identify and satisfy all known obligations. Obligations (including a debt to the

Community and Regional Affairs had previously recommended in its report to the Local Boundary Commission that a complete financial audit be conducted of the assets and liabilities of the City of Akiachak. However, due to the unavailability of funds, the recommended audit was not undertaken, but the Department informed the Commission that it had received no indication that any outstanding municipal debts remained. It was the conclusion of the Commission that the responsibility for satisfaction of debts had been fulfilled by the petitioners for dissolution of the City of Akiachak.

Therefore, the Commission finds that this standard for dissolution of the City of Akiachak has been met.

II. THE CITY STILL MEETS THE MINIMUM STANDARDS PRESCRIBED FOR INCORPORATION.

In making this determination, the Commission is charged with considering whether the community still has the human and financial resources necessary to provide local services, whether the population of the community is stable enough to support local government, whether there is a demonstrated need for local government and whether the boundaries of the City include all areas necessary to provide municipal services on an efficient scale.

Documents had been submitted to the Department of Community and Regional Affairs indicating that funds had been received and expended by the City of Akiachak for the purpose of providing municipal services during the most recent two year period.

No reference was given nor specific indication made in any testimony provided to the Commission that the community had suffered any significant population decrease or that the population of the community was not stable enough to support local government. Nor was it demonstrated that the community lacked the financial or human resources necessary to support local government. Further, it was determined that there is a continued need for the provision of basic municipal types of local government services in Akiachak.

While it has been amply demonstrated that dissolution of the City of Akiachak and the vesting of all local government powers in the local IRA Council is strongly desired by the petitioners, there are numerous communities in Alaska which enjoy the benefits of both IRA Councils and municipal governments. It has not been adequately demonstrated that the existence of an active IRA Council in the community is necessarily incompatible with the existence of a functioning municipal government in the community. The Commission determined that it has also not been demonstrated that the potential ramifications of municipal dissolution on the provision of basic municipal services to all Akiachak residents, both present and future, were adequately considered by the petitioners.

In summary, the Commission determined that while an argument may be made that the City of Akiachak may have technically failed to fully function as a municipal government in the recent past, the community of Akiachak still clearly meets the minimum standards for municipal incorporation set forth in Section 29.18.011 of the Alaska Statutes.

In its deliberations, the Commission noted that several issues were raised in the course of its consideration of the petition to dissolve the City of Akiachak. The Commission determined that these issues merit review by the Alaska Legislature, and expressed an intent to request

- A. That a need for review of statutes governing dissolution of Alaska municipal governments exists. The goal of the suggested review would be to more clearly identify the circumstances in which a municipal government may be dissolved when dissolution is desired by its residents but when the community continues to conform to the minimum standards for municipal incorporation.
- B. That a summary of the issues, and Commission proceedings, be forwarded to the Governor with the recommendation that the following questions be addressed through administrative and legislative processes:
1. Other than those circumstances provided by statute and regulation, are there other circumstances when dissolution of a municipal government may be termed appropriate?
 2. What, if any, statutory and/or regulatory standards and procedures should be established to dissolve a municipal government when dissolution of the government is desired by residents of a community which otherwise meets the standards for municipal incorporation?
 3. Shall the IRA local tribal council form of government be recognized as a part of the state system of government?
 4. If so, what procedures must be established to implement this recognition?

STATEMENT OF DECISION

The Commission decides as follows:

Chairman Eder, Member Charles Bettisworth and Member Dave Hanson voted to deny the petition after reconsideration. Member Bert Greist voted to accept the petition. Since three negative votes were cast to reject the petition, the petition was rejected.

That the petition for dissolution of the City of Akiachak as a city of the second class fails to satisfy requirements of Section 29.68.520(a)(2) of the Alaska Statutes. Specifically, the community continues to meet the minimum standards for municipal incorporation and the City of Akiachak has not ceased to use each and every one of its mandatory powers.

That the petition for the dissolution of the City of Akiachak is rejected on the basis of the determinations by the Local Boundary Commission stated herein.

APPROVED December 31, 1985.

BY: Robert O Eder
Robert Eder, Chairman

Dave Hanson
Dave Hanson, Member

Bert Greist
Bert Greist, Member

Charles Bettisworth
Charles Bettisworth, Member

Sec. 29.06.500. Decision. (a) If the Local Boundary Commission determines that a municipality fails to meet the standards for dissolution, it shall reject the petition. If the commission determines that the municipality meets the standards, it shall accept the petition.

(b) A Local Boundary Commission decision under this section may be appealed under the Administrative Procedure Act (AS 44.62). (§ 5 ch 74 SLA 1985)

Sec. 29.06.510. Election. (a) The Local Boundary Commission shall immediately notify the director of elections of its acceptance of a dissolution petition. Within 30 days after notification, the director of elections shall order an election in the municipality to determine whether the voters desire dissolution. The election must be held at least 30 and not more than 90 days after the election order. A person who is a voter of the municipality may vote in the dissolution election.

(b) The director of elections shall supervise the election in the general manner prescribed by the Alaska Election Code (AS 15). The state shall pay all election costs.

(c) The director of elections shall certify the election results. If dissolution is approved, the director of elections shall declare that the municipality is dissolved effective on the date of certification. (§ 5 ch 74 SLA 1985)

Sec. 29.06.520. Succession. The government succeeding to a dissolved municipality succeeds to all its rights, powers, duties, assets, and liabilities. (§ 5 ch 74 SLA 1985)

Sec. 29.06.530. Application. AS 29.06.450 — 29.06.530 apply to home rule and general law municipalities. (§ 5 ch 74 SLA 1985)

Chapter 08. Classification of Municipalities.

[Repealed, § 44 ch 21 SLA 1985; § 88 ch 74 SLA 1985.]

Chapter 10. Home Rule Municipalities.

Article

1. Charters (§§ 29.10.010 — 29.10.100)
2. Home Rule Limitations (§ 29.10.200)

Title 28
Motor Vehicles

Title 29
Municipal Government

April 3, 1987

SCP 23 cont'd

and do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senators Josephson, Rodey, Halford and Sturgulewski.

Zero fiscal note published today from the Office of the Governor.

SENATE CONCURRENT RESOLUTION NO. 23 was referred to the Rules Committee.

SJR 35

The Resources Committee is returning SENATE JOINT RESOLUTION NO. 35 (Relating to maintaining timber industry employment, funding of U.S. Forest Service operations, and the allowable timber harvest level in Southeast Alaska and amendment of sections 703 and 705 of the Alaska National Interest Lands Conservation Act). The Resources Committee considered CS FOR SENATE RESOLUTION NO. 7 (RULES) (timber industry in Southeast Alaska) (same resolution) with six do passes to Rules. The report was signed by Senator Coghill, Chairman and Senators Jones, Eliason, Sturgulewski and Zharoff. Senator Duncan signed "no recommendation".

SENATE JOINT RESOLUTION NO. 35 was referred to the Rules Committee.

SB 17

The Transportation Committee considered SENATE BILL NO. 17 (vandalism of official traffic control devices and damages to highways and roads) and a majority of the committee recommended it be replaced with

CS FOR SENATE BILL NO. 17 (TRSP), entitled:
"An Act relating to unlawful possession and vandalism of official traffic control devices, disregard of a highway obstruction, and damages to highways."

and do pass. The report was signed by Senator Jones, Chairman and concurred in by Senators Abood, Fahrenkamp and Kelly.

Two zero fiscal notes published today from: Alaska Court System and Department of Corrections.

April 3, 1987

SB 17 cont'd

SENATE BILL NO. 17 was referred to the Rules Committee.

SB 50

The Judiciary Committee considered SENATE BILL NO. 50 (dissolution of a municipality) and a majority of the committee recommended adoption of the Community and Regional Affairs Committee Substitute and do pass with the following amendment:

Page 2, line 2: insert a new Section 3 to read:

* Sec. 3. AS 29.06.510(a) is amended to read:

(a) The Local Boundary Commission shall immediately notify the Director of elections of its acceptance of a dissolution petition. Within 30 days after notification, the director of elections shall order an election in the municipality to determine whether the voters desire dissolution. The election must be held at least 30 and not more than 90 days after the election order unless such timing would cause the election to be held between May 1 and November 1. If the director of elections receives notification after April 1, but before October 1, the election shall be held within 60 days after November 1. A person who is a voter of the municipality may vote in the dissolution election.

Renumber existing section accordingly.

The report was signed by Senator Kerttula, Chairman and concurred in by Senators Josephson and Sturgulewski.

The committee adopted:

Legislative Intent
CSSB 50 (C&PA)

Existing laws apparently will not permit the dissolution of a city government in a community unless that community suffers drastic reductions in its population and/or economy. The legislature recognizes that there are other circumstances under which the dissolution of a city government may be warranted. Such circumstances include those where:

1. the residents of a community have abandoned their city government;

HOUSE COMMITTEE REPORT

2/11

(5)

Date referred: 1/22/87

FURTHER REFERRALS: Judiciary

DATE: 03/13/87

The Community and Regional Affairs Committee has considered HB 65

"An Act relating to dissolution of a municipality."

RECOMMENDS:

- replace with CSHB65 (C&RA) 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 _____
- zero with analysis

SIGNING DO PASS:

Cato [Signature]

Herrmann [Signature]

Springer [Signature]

SIGNING OTHER RECOMMENDATIONS:

Collins [Signature]

Zawucki [Signature]

Springer [Signature]
Chairman's signature

CORRECTION

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

SCR 23 cont'd

and do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senators Josephson, Rodey, Halford and Sturgulewski.

Zero fiscal note published today from the Office of the Governor.

SENATE CONCURRENT RESOLUTION NO. 23 was referred to the Rules Committee.

SJR 35

The Resources Committee is returning SENATE JOINT RESOLUTION NO. 35 (Relating to maintaining timber industry employment, funding of U.S. Forest Service operations, and the allowable timber harvest level in Southeast Alaska and amendment of sections 703 and 705 of the Alaska National Interest Lands Conservation Act). The Resources Committee considered CS FOR SENATE RESOLUTION NO. 7 (RULES) (timber industry in Southeast Alaska) (same resolution) with six do passes to Rules. The report was signed by Senator Coghill, Chairman and Senators Jones, Eliason, Sturgulewski and Zharoff. Senator Duncan signed "no recommendation".

SENATE JOINT RESOLUTION NO. 35 was referred to the Rules Committee.

SB 17

The Transportation Committee considered SENATE BILL NO. 17 (vandalism of official traffic control devices and damages to highways and roads) and a majority of the committee recommended it be replaced with

CS FOR SENATE BILL NO. 17 (TRSP), entitled:
"An Act relating to unlawful possession and vandalism of official traffic control devices, disregard of a highway obstruction, and damages to highways."

and do pass. The report was signed by Senator Jones, Chairman and concurred in by Senators Abood, Fahrenkamp and Kelly.

Two zero fiscal notes published today from: Alaska Court System and Department of Corrections.

SB 17 cont'd

SENATE BILL NO. 17 was referred to the Rules Committee.

SB 50

The Judiciary Committee considered SENATE BILL NO. 50 (dissolution of a municipality) and a majority of the committee recommended adoption of the Community and Regional Affairs Committee Substitute and do pass with the following amendment:

Page 2, line 2: insert a new Section 3 to read:

* Sec. 3. AS 29.06.510(a) is amended to read:

(a) The Local Boundary Commission shall immediately notify the director of elections of its acceptance of a dissolution petition. Within 30 days after notification, the director of elections shall order an election in the municipality to determine whether the voters desire dissolution. The election must be held at least 30 and not more than 90 days after the election order unless such timing would cause the election to be held between May 1 and November 1. If the director of elections receives notification after April 1, but before October 1, the election shall be held within 60 days after November 1. A person who is a voter of the municipality may vote in the dissolution election.

Renumber existing section accordingly.

The report was signed by Senator Kerttula, Chairman and concurred in by Senators Josephson and Sturgulewski.

The committee adopted:

Legislative Intent
CSSB 50 (C&RA)

Existing laws apparently will not permit the dissolution of a city government in a community unless that community suffers drastic reductions in its population and/or economy. The legislature recognizes that there are other circumstances under which the dissolution of a city government may be warranted. Such circumstances include those where:

1. the residents of a community have abandoned their city government;

SB 50 cont'd

2. alternative entities exist through which essential services* may be delivered in the absence of city government; and
3. dissolution would not be adverse to the interests of the community served by the city, the region in which the city is located, and the state, i.e., dissolving primarily to void a viable tax base.

It may be considered to be in the best interest of the state, under the provisions of Section 2 of this Act, for any city to be dissolved where such circumstances exist.

* Definition of "essential services": Basic municipal services providing for the health, safety, and welfare of the residents, such as police and fire protection services and maintenance of public facilities, i.e., water and sewer systems; washeterias; community buildings, etc.

SENATE BILL NO. 50 was referred to the Finance Committee.

SB 102

The Judiciary Committee considered SENATE BILL NO. 102 (reports of missing persons; and creating a missing persons information clearinghouse) and recommended it be replaced with

CS FOR SENATE BILL NO. 102 (JUD)

and do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senators Rodey, Josephson, Sturgulewski and Halford.

SENATE BILL NO. 102 was referred to the Finance Committee.

SB 135

The Judiciary Committee considered SENATE BILL NO. 135 (limiting recruitment and employment of teachers who are not residents of the state) and recommended it be replaced with

CS FOR SENATE BILL NO. 135 (JUD), entitled:
"An Act limiting recruitment and employment
of school administrators and teachers."

and do pass. The report was signed by Senator Kerttula, Chairman and concurred in by Senators Halford, Rodey, Sturgulewski and Josephson.

SB 135 corc'd

SENATE BILL NO. 135 was referred to the Rules Committee.

SB 183

The Transportation Committee considered SENATE BILL NO. 183 (dams and reservoirs; efd) and a majority of the committee recommended do pass. The report was signed by Senator Jones, Chairman and concurred in by Senators Kelly, Abood and Fahrenkamp.

Two zero fiscal notes published today from: Department of Environmental Conservation and Department of Law. Fiscal note with impact published today from Department of Natural Resources.

Letter of Intent

Madame President:

The Transportation Committee expresses that it is not the intent either through Senate Bill 183, nor through regulations, that the bill affect settling ponds of small placer miners.

The Transportation Committee also asks to see and review the regulations that are promulgated to implement the legislation.

Sincerely,

/s/ Lloyd Jones
Senator Lloyd Jones, Chairman
Senate Transportation Committee

SENATE BILL NO. 183 was referred to the Resources Committee.

SB 191

The Resources Committee considered SENATE BILL NO. 191 (amending the definition of big game guiding; and prohibiting compensation of an unlicensed person for guiding) and recommended it be replaced with

CS FOR SENATE BILL NO. 191 (RES), entitled:
"An Act relating to guide licensing fees;
amending the definition of big game guiding;
prohibiting compensation of an unlicensed
person for guiding; and prohibiting a person
not licensed as a guide from advertising as
or representing to be an outfitter."

HOUSE COMMITTEE REPORT

2/16

(5)

Date referred: 1/22/87

FURTHER REFERRALS:

Judiciary

DATE: 03/13/87

The Community and Regional Affairs Committee has considered HB 65

"An Act relating to dissolution of a municipality."

RECOMMENDS:

- [XX] replace with CSHB65 (C&RA) [XX] the same title
[] attached amendment(s) [] a new title
[XX] 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
[X] zero fiscal note [] same as previous zero fiscal note published
[X] zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Cato
Herrmann
Springer

Collins
Zawacki

Springer
Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: HB 65

Bill Version: HB 0065A
Publish Date: 01/22/87

Revision Date: _____
Title: "An Act relating to dissolution of a municipality."
Sponsor: Representative Hoffman
Requestor: House C&RA

Agency Affected: Community & Regional Affairs
BRU: Local Government Assistance
Components: Local Boundary Commission

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
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	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Douglas B. Griffin Phone: 465-4750
Division: Municipal and Regional Assistance Date: 02/06/87

Approved by Commissioner: David C. Hoffman Date: 2-6-87
Agency: Community and Regional Affairs

Distribution (by preparer):

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

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

REQUEST: _____

Bill Version: HB 65

Publish Date: _____

Revision Date: _____

Agency Affected: Department of Law

Title: "An Act relating to dissolution of a municipality."

BRU: Legal Services

Sponsor: Repr. Hoffman

Components: Legal Services Operations

Requestor: Repr. Hoffman

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & 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)

Please see attached analysis.

* Fiscal Impact cannot be determined at this time; however, there is a high probability that cost will occur.

Prepared by: Richard I. Pegues, Director Phone: 465-36

Division: Administrative Services Date: Jan. 29, 1987

Ronald W. Lorensen,

Approved by Commissioner: Acting Attorney General Date: Jan. 29, 1987

Agency: Department of Law

Distribution (by preparer):

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

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill Resolution No. HB 65

Section 1 of this bill amends AS 29.06.470(a) by adding a new provision that permits dissolution if it is approved in an advisory election held on the question by the municipality proposed to be dissolved. Although some minor legal work may be necessary if such elections are conducted by the state, any work caused by this section of the bill would not warrant fiscal note costs.

Section 2 of this bill provides statutory guidelines for the distribution of a municipality's assets and liabilities upon its dissolution. The proposed statute places responsibility for this distribution with the Local Boundary Commission. This part of the bill may result in a substantial amount of legal work.

The bill provides that assets and liabilities may be distributed to the state, another municipality, a nonprofit corporation formed under the laws of the state, or a Native council organized under 25 U.S.C. 476. It is our view that there is a high probability that succession determinations of the Local Boundary Commission will be challenged because of the potential of conflicting interests on the part of successors. We are not able, at this time, to predict the level of work that may be necessary because the number of dissolutions and the extent and form of potential challenges that will occur is unknown.

The Department of Law is facing severe budget reductions in the coming fiscal year. The general fund resources to deal with the sort of legal work that will be caused by the section were reduced by 15 per cent in FY 87, and these resources face a further reduction of 20 per cent in FY 88. To the extent that this bill does result in a substantial body of new legal work it will be necessary to seek a supplemental appropriation to cover the cost of such work in FY 88.

H

B

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SECTIONAL ANALYSIS - HOUSE BILL 67

For an Act entitled: "An Act relating to the rural housing program of the Department of Community and Regional Affairs; and providing for an effective date.

*Section 1. AS 44.47.560 (5)(A) is amended to permit continued participation in the rural housing program, by individuals residing in the second, third, or fourth judicial district of the state, by redefining "rural" to include communities that have a population of 5,500 or less. This change will allow communities nearing the population cutoff, such as Bethel, to remain eligible for rural housing loans. No new communities would become eligible for the Housing Assistance Loan Program should this change be adopted.

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700

949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 563-1073

January 28, 1987

POSITION PAPER

RE: House Bill 67, "An Act relating to the rural housing program of the Department of Community and Regional Affairs; and providing for an effective date."

SPONSOR: Representative Hoffman

Program Effects of Bill:

Passage of this bill will have little effect and no negative impact on the Housing Assistance Division loan programs because demand will remain essentially the same as it currently is.

This bill redefines "rural" by changing the population figure for community eligibility from 4,500 to 5,500. This minor change will not cause the program to suddenly begin expanding to additional communities, however, it will help borderline communities such as Bethel, remain eligible for rural housing loans.

Comments

Item 5 (B) should reflect the same population figure as item 5 (A) making it 5,500 instead of 4,500 to conform with the rest of the Statute.

The Division supports this bill; with the minor change as listed above.

David G. Hoffman By *Doug Griffin*
David G. Hoffman, Commissioner

1987
STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

STEVE COWPER, GOVERNOR

REPLY TO:

1031 W 4th AVENUE
SUITE 200
ANCHORAGE, ALASKA 99501
PHONE: (907) 276-3550

1st NATIONAL CENTER
100 CUSHMAN ST.
SUITE 400
FAIRBANKS, ALASKA 99701
PHONE: (907) 452-1568

FOUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

January 30, 1987

The Honorable Lyman Hoffman
Alaska House of Representatives
P.O. Box V
Juneau, AK 99811

Re: House Bill 67 -- rural housing
program

Dear Representative Hoffman:

Per your request, I have reviewed HB 67, relating to the rural housing program of the Department of Community and Regional Affairs.

The proposed amendment to the definition of "rural" in AS 44.47.560(5)(A), which increases the population minimum from 4,500 to 5,500 in qualified communities in the second, third, or fourth judicial districts, poses no legal concerns.

The population minimum for communities in the first judicial district remains at 4,500. AS 44.47.560(5)(B). Because the legislature has the authority to make reasonable classifications in determining whether a dwelling is within a location eligible for the rural housing program, we do not foresee any legal problems resulting from the disparate minimums set for various judicial districts.

Sincerely yours,

RONALD W. LORENSEN
ACTING ATTORNEY GENERAL

By: *Marjorie L. Odland*
Marjorie L. Odland
Assistant Attorney General

MLO/pjg

cc: Bob Evans
Acting Legislative Liaison
Office of the Governor

Sec. 44.47.385. Eligible locations. [Repealed, § 5 ch 100 SLA 1985.]

Sec. 44.47.400. Loan origination and servicing. (a) Before purchasing or participating in the purchase of a loan, the director shall enter into a loan servicing agreement with the private financial institution from which the loan is to be purchased.

(b) The director may execute service agreements with private lending institutions or with regional native housing authorities established under AS 18 55 996 to service loans originated by the division or loans originated under AS 18 55 997.

(c) Under the servicing agreement, the private financial institution or the regional native housing authority shall administer the loan and may charge the division a negotiable origination or servicing fee on the division's share of the loan. When appropriate, the private financial institution or the regional native housing authority may also charge the borrower a reasonable originator fee not to exceed one percent.

(d) [Repealed, § 5 ch 100 SLA 1985.] (§ 73 ch 106 SLA 1980; am § 24 ch 115 SLA 1981; am §§ 45, 46 ch 113 SLA 1982; am § 5 ch 100 SLA 1985)

Effect of amendments. — The 1985 repealed subsection (d), concerning higher amendment, effective June 8, 1985, re- fees for certain loans

Sec. 44.47.560. Definitions. In AS 44.47.360 -- 44.47.560,

(1) "director" means the director of the division of housing assistance;

(2) "division" means the division of housing assistance;

(3) "housing" means owner-occupied, single-family housing and owner-occupied duplexes;

(4) "nonconforming housing" means housing that does not conform to minimum building standards under any state or federal program that provides loans for housing purchases;

(5) "rural" means

(A) a community in the second, third, or fourth judicial district of the state with a population of 4,500 or less that is not connected by road or rail to Anchorage or Fairbanks; or

(B) a community in the first judicial district of the state with a population of 4,500 or less.

(6) "rural housing" means housing whether or not it is nonconforming housing that is located in a rural area of the state (§ 73 ch 106 SLA 1980, am § 50 ch 113 SLA 1982; am § 7 ch 128 SLA 1984; am § 4 ch 100 SLA 1985)

CURRENT

Effect of amendments. — The 1985 amendment, effective June 8, 1985, rewrite paragraph (5)

Article 12. Borough Feasibility Studies

Section	Section
700. Borough feasibility studies	720. Boundaries
710. Requests for studies	730. Contracts

Editor's notes. — Section 90, ch 74, SLA 1985 provides: "This Act takes effect January 1, 1986."

Sec. 44.47.700. Borough feasibility studies [Effective January 1, 1986]. (a) The commissioner may contract for studies of the feasibility of establishing boroughs in the unorganized borough. A study may be conducted under this section only if

- (1) appropriations are available for that purpose; and
- (2) the study is requested by a person residing in the area to be studied or by a city located in the area to be studied. (§ 75 ch 74 SLA 1985)

Sec. 44.47.710. Requests for studies [Effective January 1, 1986]. A request for a study of the feasibility of establishing a borough in the unorganized borough shall be submitted to the commissioner in writing and shall include

- (1) a description of the boundaries of the area of the proposed study; and
- (2) an indication of local interest in the proposed study consisting of either

(A) a petition requesting the study containing the signatures and addresses of five percent of the voters residing in the area of the proposed study based on the number of voters who voted in the area in the last statewide election; or

(B) resolutions requesting the study adopted by the governing bodies of at least five percent of the cities within the area of the proposed study. (§ 75 ch 74 SLA 1985)

STATE OF ALASKA THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY LEGISLATIVE REFERENCE LIBRARY

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

H. JUD.	3-6-87	1:30p.m.
H. JUD.	2-27-87	1:30p.m.
H. JUD.	2-19-87	1:30p.m.

DATE: 3-6-87

The Judiciary Committee has considered HB 67

"An Act relating to the rural housing program of the Department of Community and Regional Affairs; and providing for an effective date."

RECOMMENDS:

- replace with CS HB 67 (Judiciary) 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 2/9/87
- zero with analysis

SIGNING DO PASS:

[Handwritten signatures]

SIGNING OTHER RECOMMENDATIONS:

[Handwritten signatures]

[Handwritten signature]

 Chairman's signature

BRADLEY

JUL 1987

Original sponsor: Hoffman

IN THE HOUSE

BY THE JUDICIARY COMMITTEE

CS FOR HOUSE BILL NO. 67 (Judiciary)
IN THE LEGISLATURE OF THE STATE OF ALASKA
FIFTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the rural housing program of the Department of Community and Regional Affairs; and providing for an effective date."

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

* Section 1. AS 44.47.560(5) is repealed and reenacted to read:

(5) "rural" means

(A) a community in the first or second judicial district of the state with a population of 5,500 or less;

(B) a community in the third judicial district of the state that is not connected by road or rail to Anchorage and that has a population of 5,500 or less;

(C) a community in the third judicial district of the state that is connected by road or rail to Anchorage and that has a population of 1,500 or less; or

(D) a community in the fourth judicial district of the state that is not located within the Fairbanks North Star Borough and that has a population of 5,500 or less;

* Sec. 2. This Act takes effect July 1, 1987.

A M E N D M E N T

Offered in the HOUSE

By Sund

TO: CSHB 67(C&RA)

Page 1, lines 20 - 26:

Delete all material and insert:

"(5) "rural" means

[(A)] a community in the [SECOND, THIRD, OR FOURTH
JUDICIAL DISTRICT OF THE] state with a population of 5,500
[4,500] or less that is not connected year-round by road or rail
to Anchorage or Fairbanks [; OR

(B) A COMMUNITY IN THE FIRST JUDICIAL DISTRICT OF THE
STATE WITH A POPULATION OF 4,500 OR LESS];"

Failed
1-4

by Taylor

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE HOUSE

2

CS FOR HOUSE BILL NO. 67 (C&RA)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the rural housing program of the
Department of Community and Regional Affairs; and
providing for an effective date."

8

9

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

10

* Section 1. AS 44.47.560 is amended to read:

11

Sec. 44.47.560. DEFINITIONS. In AS 44.47.360 - 44.47.560,

12

(1) "director" means the director of the division of housing assistance;

13

14

(2) "division" means the division of housing assistance;

15

(3) "housing" means owner-occupied, single-family housing and owner-occupied duplexes;

16

17

(4) "nonconforming housing" means housing that does not conform to minimum building standards under any state or federal program that provides loans for housing purchases;

18

19

20

(5) "rural" means

21

(A) a community in [the second, third, or fourth judicial district of] the state with a population of 5,500 [4,500] or less [that is not connected by road or rail to Anchorage or Fairbanks; or

22

23

24

25

[(B) a community in the first judicial district of the state with a population of 5,500 [4,500] or less;]

26

27

(6) "rural housing" means housing, whether or not it is nonconforming housing, that is located in a rural area of the state.

28

29

* Sec. 2. This Act takes effect July 1, 1987.

(Pending)

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 67 (C&RA)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTEENTH LEGISLATURE - FIRST SESSION
5 A BILL

6 For an Act entitled: "An Act relating to the rural housing program of the
7 Department of Community and Regional Affairs; and
8 providing for an effective date."

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

10 * Section 1. AS 44.47.560 is amended to read:

11 Sec. 44.47.560. DEFINITIONS. In AS 44.47.360 - 44.47.560,

12 (1) "director" means the director of the division of hous-
13 ing assistance;

14 (2) "division" means the division of housing assistance;

15 (3) "housing" means owner-occupied, single-family housing
16 and owner-occupied duplexes;

17 (4) "nonconforming housing" means housing that does not
18 conform to minimum building standards under any state or federal
19 program that provides loans for housing purchases;

20 (5) "rural" means

21 (A) a community in the second, third, or fourth judi-
22 cial district of the state with a population of 5,500 [4,500] or
23 less that is not connected by road or rail to Anchorage or
24 Fairbanks; or *by air*

25 (B) a community in the first judicial district of the
26 state with a population of 5,500 [4,500] or less;

27 (6) "rural housing" means housing, whether or not it is
28 nonconforming housing, that is located in a rural area of the state.

29 * Sec. 2. This Act takes effect July 1, 1987.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 6, 1987

SUBJECT: Existing remedies for conduct under HB 125
(Cause of action for discriminatory
harassment)

TO: Representative John Sund
Chairman, House Judiciary Committee

FROM: Teresa B. Cramer *TBC*
Legislative Counsel

You have requested a brief review of state civil and criminal laws that could apply to conduct that gives rise to a cause of action under HB 125.

Under HB 125, a plaintiff may bring a cause of action against a defendant who caused physical injury to the plaintiff or who damaged the plaintiff's property if the defendant acted with intent to intimidate or harass the plaintiff because of the plaintiff's status as a member of a listed class. The classes listed include sex, sexual orientation, race, color, religion, national origin, and physical or mental disability. They are similar to the classes protected under AS 18.80, the state human rights law. The bill permits the award of actual and punitive damages to a prevailing plaintiff, and also imposes liability on the parent or legal guardian of a minor who commits the conduct that forms the basis of the cause of action if the parent or guardian's conduct was at least negligent.

The human rights chapter, AS 18.80, prohibits discrimination because of membership in a protected class in the areas of employment, credit and financing, public accommodations, and housing. The protected classes are based on race, religion, color, national origin, age, sex, marital status, changes in marital status, pregnancy or parenthood and, for employment discrimination only, physical handicap. Under AS 18.80.130(a), the commission may order hiring, reinstatement or upgrading

an employee with or without back pay, restoration to membership in a labor organization, and the like, in cases of employment discrimination. In housing discrimination cases, the commission may order the sale, lease or rental of the housing accommodation or a comparable one and actual damages that include expenses for alternate housing, storage, moving, and other actual costs.

Under AS 18.80.130(e) the commission may order payment of attorney fees to a private party if the commission determines the payment to be appropriate.

Under AS 18.80.270, a person who willfully engages in an unlawful discriminatory conduct prohibited by the chapter is guilty of a misdemeanor.

CRIMINAL MATTERS

Criminal law clearly prohibits conduct that intentionally injures a person or damages the property of another.

Under AS 11.81.900(a)(1), a person is considered to intend a specific result under the criminal laws of the state when the person's conscious objective is to cause that result. When intentionally causing a particular result is an element of an offense, that intent need not be the person's only objective. Under AS 11.81.610(c), a person who acts intentionally will satisfy a requirement that an offense be committed with criminal negligence, recklessly, or knowingly.

The following list summarizes some of the criminal statutes that might apply to harassment or intimidation under HB 125. Copies of some of the statutes are attached for your information.

Under AS 11.61.120, a defendant is guilty of the crime of harassment if, with intent to harass or annoy another person, the defendant insults, taunts or challenges the victim in a manner likely to provoke an immediate violent response, improperly uses the telephone in certain listed ways, or subjects the victim to offensive physical contact. Conduct within the scope of HB 125 as it relates to physical injury to the plaintiff would clearly fall within the offensive physical contact paragraph.

Under 11.76.110, a defendant is guilty of interference with constitutional rights if the defendant injures the victim,

or oppresses, threatens, or intimidates the victim, intent to deprive the victim or a right, privilege, or immunity granted by the state constitution or laws or because the victim has exercised or enjoyed a right, privilege, immunity granted by the state constitution or laws. This law covers some of the same ground as HB 125.

The assault statutes, AS 11.41.200 - 11.41.250, would apply to conduct of which HB 125 is concerned. Note that under the bill, the intent required is to harass or intimidate, not to injure, while under the assault statutes, the intent requirement relates to the injury to the victim.

The criminal trespass and burglary statutes, AS 11.46.300 - 11.46.350, might also be violated by conduct that HB 125 makes the basis for liability.

In addition to these more logically connected criminal statutes, other criminal statutes might apply, depending on the nature of the defendant's actions. These include kidnapping, various degrees of sexual assault, and arson.

CIVIL CAUSES OF ACTION

The most significant change that HB 125 would make to existing civil liability is the imposition of liability on parents or guardians for the torts of minors in certain circumstances. Under AS 34.50.020, the parent or guardian of a minor is liable to a person for civil damages not to exceed \$2,000 and court costs if the minor maliciously or willfully destroys real or personal property belonging to the person. There is no statute imposing liability for injury to the person, nor is liability created in case law. HB 125 would impose liability on a negligent parent or guardian for the minor's discriminatory harassment that caused personal injury or property damage.

Under HB 125, a person's sexual orientation is specifically the basis for protection. Under AS 18.80, which protects a person from discrimination on the basis of sex, right to protection on the basis of sexual orientation is not clearly set out, although the chapter may be interpreted to do so.

There are a variety of torts that might form the basis for a cause of action for conduct under HB 125. The following list is drawn from Prosser, Handbook of the Law of Torts, 5th ed.

Battery - harmful or offensive contact with a person resulting from an act intended to cause the plaintiff or a third person to suffer such contact, or apprehension that such contact is imminent. Plaintiff may recover compensation for resulting mental disturbance and for punitive damages usually.

Assault - apprehension of harmful or offensive contact where no actual contact is necessary. (Note that this conduct would be outside the scope of HB 125)

Infliction of mental distress - conduct that exceeds all bounds usually tolerated by decent society, of a nature that is especially calculated to cause and does cause mental distress of a very serious kind. This is a cause of action in transition; the limits are ill-defined.

Trespass to land - entry or casting objects or causing a third person to enter plaintiff's land or remaining on the land after permission to be there is withdrawn. No proof of damage is required.

Trespass to chattels - a direct and immediate intentional interference with a chattel in the possession of another.

Defamation - invasion of interest in reputation and good name. Statement must be communicated to another (if not, the tort of infliction of emotional distress may apply); a statement that tends to harm the reputation of another as to lower him in the estimation of the community or to deter third persons from associating or dealing with him is defamatory under the Restatement (2d) of Torts. Group defamation on the basis of racial, religious or political minority membership has generally not been actionable under a defamation cause of action.

Invasion of privacy - intentional interference with another's interest in solitude or seclusion, either as to his person or to his private affairs or concerns (extends to eavesdropping) that is offensive or objectionable to a reasonable person.

If I may be of further assistance, please advise.

TC:csh
c7/081

Enclosure

Sec. 11.61.120. HARASSMENT. (a) A person commits the crime of harassment if, with intent to harass or annoy another person, that person

(1) insults, taunts, or challenges another person in a manner likely to provoke an immediate violent response;

(2) telephones another and fails to terminate the connection with intent to impair the ability of that person to place or receive telephone calls;

(3) makes repeated telephone calls at extremely inconvenient hours;

(4) makes an anonymous or obscene telephone call or a telephone call that threatens physical injury;

(5) subjects another person to offensive physical contact; or

(6) violates a provision of an order issued under AS 25.35.010(b) or 25.35.020 restraining the respondent from communicating directly or indirectly with the petitioner.

(b) Harassment is a class B misdemeanor.

Sec. 11.76.110. INTERFERENCE WITH CONSTITUTIONAL RIGHTS. (a) A person commits the crime of interference with constitutional rights if

(1) the person injures, oppresses, threatens, or intimidates another person with intent to deprive that person of a right, privilege, or immunity in fact granted by the constitution or laws of this state;

(2) the person intentionally injures, oppresses, threatens, or intimidates another person because that person has exercised or enjoyed a right, privilege, or immunity in fact granted by the constitution or laws of this state; or

(3) under color of law, ordinance, or regulation of this state or a municipality or other political subdivision of this state, the person intentionally deprives another of a right, privilege, or immunity in fact granted by the constitution or laws of this state.

(b) In a prosecution under this section, whether the injury, oppression, threat, intimidation, or deprivation concerns a right, privilege, or immunity granted by the constitution or laws of this state is a question of law.

(c) Interference with constitutional rights is a class A misdemeanor.

Sec. 11.41.200. ASSAULT IN THE FIRST DEGREE. (a) A person commits the crime of assault in the first degree if

(1) that person recklessly causes serious physical injury to another by means of a dangerous instrument;

(2) with intent to cause serious physical injury to another, the person causes serious physical injury to any person; or

(3) the person intentionally performs an act that results in serious physical injury to another under circumstances manifesting extreme indifference to the value of human life.

(b) Assault in the first degree is a class A felony.

Sec. 11.41.210. ASSAULT IN THE SECOND DEGREE. (a) A person commits the crime of assault in the second degree if

(1) with intent to cause physical injury to another person, that person causes physical injury to another person by means of a dangerous instrument; or

(2) that person recklessly causes serious physical injury to another person.

(b) Assault in the second degree is a class B felony.

Sec. 11.41.220. ASSAULT IN THE THIRD DEGREE. (a) A person commits the crime of assault in the third degree if that person recklessly

(1) places another person in fear of imminent serious physical injury by means of a dangerous instrument; or

(2) causes physical injury to another person by means of a dangerous instrument.

(b) Assault in the third degree is a class C felony.

Sec. 11.41.230. ASSAULT IN THE FOURTH DEGREE. (a) A person commits the crime of assault in the fourth degree if

(1) that person recklessly causes physical injury to another person;

(2) with criminal negligence that person causes physical injury to another person by means of a dangerous instrument; or

(3) by words or other conduct that person recklessly places another person in fear of imminent physical injury.

(b) Assault in the fourth degree is a class A misdemeanor.

Sec. 11.41.250. RECKLESS ENDANGERMENT. (a) A person commits the crime of reckless endangerment if the person recklessly engages in conduct which creates a substantial risk of serious physical injury to another person.

(b) Reckless endangerment is a class A misdemeanor.

Sec. 11.46.300. BURGLARY IN THE FIRST DEGREE. (a) A person commits the crime of burglary in the first degree if the person violates AS 11.46.310 and

- (1) the building is a dwelling; or
- (2) in effecting entry or while in the building or immediate flight from the building, the person
 - (A) is armed with a firearm;
 - (B) causes or attempts to cause physical injury to a person; or
 - (C) uses or threaten to use a dangerous instrument.

(b) Burglary in the first degree is a class B felony.

Sec. 11.46.310. BURGLARY IN THE SECOND DEGREE. (a) A person commits the crime of burglary in the second degree if the person enters or remains unlawfully in a building with intent to commit a crime in the building.

(b) Burglary in the second degree is a class C felony.

Sec. 11.46.320. CRIMINAL TRESPASS IN THE FIRST DEGREE. (a) A person commits the crime of criminal trespass in the first degree if the person enters or remains unlawfully

- (1) on land with intent to commit a crime on the land;
- or
- (2) in a dwelling.

(b) Criminal trespass in the first degree is a class A misdemeanor.

Sec. 11.46.330. CRIMINAL TRESPASS IN THE SECOND DEGREE. (a) A person commits the crime of criminal trespass in the second degree if the person enters or remains unlawfully

- (1) in or upon premises; or
- (2) in a propelled vehicle.

(b) Criminal trespass in the second degree is a class B misdemeanor.

Sec. 11.46.350. DEFINITION. (a) As used in AS 11.46.300 - 11.46.350, unless the context requires otherwise, "enter or remain unlawfully" means to

- (1) enter or remain in or upon premises or in a propelled vehicle when the premises or propelled vehicle, at

the time of the entry or remaining, is not open to the public and when the defendant is not otherwise privileged to do so;

(2) fail to leave premises or a propelled vehicle that is open to the public after being lawfully directed to do so personally by the person in charge; or

(3) enter or remain upon premises or in a propelled vehicle in violation of a provision in an order issued under AS 25.35.010(b) or 25.35.020.

(b) For purposes of this section, a person who, without intent to commit a crime on the land, enters or remains upon unimproved and apparently unused land, which is neither fenced nor otherwise enclosed in a manner designed to exclude intruders, is privileged to do so unless

(1) notice against trespass is personally communicated to that person by the owner of the land or some other authorized person; or

(2) notice against trespass is given by posting in a reasonably conspicuous manner under the circumstances.

Sec. 11.46.480. CRIMINAL MISCHIEF IN THE FIRST DEGREE. (a) A person commits the crime of criminal mischief in the first degree if, having no right to do so or any reasonable ground to believe the person has such a right,

(1) with intent to cause a substantial interruption or impairment of a service rendered to the public by a utility or by an organization which deals with emergencies involving danger to life or property, the person damages or tampers with property of that utility or organization and causes substantial interruption or impairment of service to the public;

(2) with intent to damage property of another by the use of widely dangerous means, the person damages property of another in an amount exceeding \$100,000 by the use of widely dangerous means;

(3) the person intentionally damages an oil or gas pipeline or supporting facility; or

(4) with intent to cause physical injury to another person, the person:

(A) tampers with an item that is a food, drug, or cosmetic or a container for the item; or

(B) delivers, dispenses, or distributes an item described in (A) of this paragraph knowing that a person has tampered with the item.

(b) Criminal mischief in the first degree is a class B felony.

(c) In (a)(4) of this section,

(1) "deliver" means the actual, constructive, or attempted transfer from one person to another of an item;

(2) "dispense" means to deliver a drug to an ultimate user or research subject by or under the lawful order of a practitioner, including the prescribing, administering, packaging, labeling, or compounding necessary to prepare the drug for that delivery;

(3) "distribute" means to deliver an item, whether or not there is any money or other item of value exchanged; it includes sale, gift, or exchange;

(4) "drug" has the meaning given in AS 11.71.900(9);

(5) "tamper" means to interfere with something improperly, meddle with it, or make unwarranted alterations to its existing condition.

Sec. 11.46.482. CRIMINAL MISCHIEF IN THE SECOND DEGREE. (a) A person commits the crime of criminal mischief in the second degree if, having no right to do so or any reasonable ground to believe the person has such a right,

(1) with intent to damage property of another, the person damage property of another in an amount of \$500 or more;

(2) the person tampers with an oil or gas pipeline or supporting facility or an airplane or helicopter with reckless disregard for the risk of harm to or loss of the property;

(3) the person recklessly creates a risk of damage in an amount exceeding \$100,000 to property of another by the use of widely dangerous means; or

(4) the person drives, tows away, or takes the propelled vehicle of another and the vehicle or any other property of another is damaged or the owner incurs reasonable expenses as a result of the loss of use of the vehicle in a total amount of \$500 or more.

(b) Criminal mischief in the second degree is a class C felony.

Sec. 11.46.484. CRIMINAL MISCHIEF IN THE THIRD DEGREE. (a) A person commits the crime of criminal mischief in the third degree if, having no right to do so or any reasonable ground to believe the person has such a right

(1) with intent to damage property of another, the person damages property of another in an amount of \$50 or more but less than \$500;

(2) the person drives, tows away, or takes the propelled vehicle of another;

(3) having custody of a propelled vehicle under a written agreement with the owner of the vehicle that includes

an agreement to return the vehicle to the owner at a specified time, the person knowingly retains or withholds possession of the vehicle without the consent of the owner for so long a period beyond the time specified as to render the retention or possession of the vehicle an unreasonable deviation from the agreement;

(4) the person tampers with a fire protection device in a building that is a public place;

(5) the person knowingly accesses a computer, computer system, computer program, computer network, or any part of a computer system or network; or

(6) the person uses a device to descramble an electronic signal that has been scrambled to prevent unauthorized receipt or viewing of the signal unless the device is used only to descramble signals received directly from a satellite or unless the person owned the device before September 18, 1984.

(b) Except as provided in (c) of this section, criminal mischief in the third degree is a class A misdemeanor.

(c) A person convicted under (a)(2) of this section is guilty of a class C felony if, within the preceding seven years, the person was convicted under

- (1) the provisions of (a)(2) of this section;
- (2) former AS 28.35.010;
- (3) the provisions of AS 11.46.482(a)(4);
- (4) an offense involving the theft of a propelled vehicle under AS 11.46.120 - 11.46.140; or
- (5) a law or ordinance of this or another jurisdiction with elements substantially similar to those of the offenses described in (1) - (4) of this subsection.

Sec. 11.46.486. CRIMINAL MISCHIEF IN THE FOURTH DEGREE. (a) A person commits the crime of criminal mischief in the fourth degree if, having no right to do so or any reasonable ground to believe the person has such a right,

(1) with reckless disregard for the risk of harm to or loss of the property or with intent to cause substantial inconvenience to another, the person tampers with property of another;

(2) with intent to damage property of another, the person damages property of another in an amount less than \$50; or

(3) the person rides in a propelled vehicle knowing it has been stolen or that it is being used in violation of AS 11.46.482(a)(4) or 11.46.484(a)(2).

(b) Criminal mischief in the fourth degree is a class B misdemeanor.

FOR THE PURPOSES OF HOUSE BILL 67, SECTION 5 (A) THE FOLLOWING
WILL BE USED IN DEFINING RURAL:

- (A) A COMMUNITY IN THE SECOND, THIRD OR FOURTH JUDICIAL
DISTRICT OF THE STATE THAT LIES ON A SECONDARY ROAD OR
THAT IS NOT ACCESIBLE BY A ROAD.

FOR THE PURPOSES OF HB 67 THE USE OF AS 19.30.241 (9)
DEFINITION OF A SECONDARY ROAD WILL BE USED TO CLARIFY THE
DEFINITION OF RURAL.

"SECONDARY ROAD" MEANS A ROAD THAT IS NOT INCLUDED IN THE
APPROVED FEDERAL-AID PRIMARY HIGHWAY SYSTEM AND IS BEING
MAINTAINED BY THE STATE OR FEDERAL GOVERNMENT.

Sec. 19.30.211. Maintenance. (a) The department shall maintain, cause to be maintained, any project constructed by the department under the provisions of AS 19.30.111 — 19.30.241, except that upon mutual agreement of the commissioner and the local government the responsibility for maintenance may be transferred to the local government if it is authorized to assume road maintenance powers.

(b) The department shall continue maintenance on all projects maintained by the department on January 1, 1980.

(c) A local government may contract with the department for maintenance of a project. The maximum annual maintenance cost to the local government may not exceed twice the amount of state aid to municipalities for roads. (§ 2 ch 84 SLA 1971; am § 11 ch 158 SLA 1980)

Effect of amendments. — The 1980 amendment deleted the section.

Sec. 19.30.221. Availability of allocated sums. (a) On and after the date that the commissioner has certified the sums allocated to each local government, the sums shall be available for expenditure under the provisions of this chapter.

These allocated sums shall be available for expenditure for a period of five years after the close of the fiscal year for which the sums were authorized and any amounts so obligated remaining unexpended at the end of that period shall lapse and shall be available for other local road or trail construction within that allocation district in accordance with AS 19.30.111 — 19.30.241.

This section applies to sums transferred under AS 19.30.151(b). The payment of royalties required to obtain materials to construct a local service road and trail projects is a valid expenditure under this chapter. (§ 2 ch 84 SLA 1971; am § 12 ch 158 SLA 1980)

Effect of amendments. — The 1980 amendment deleted "by the local government" preceding "under the provisions" at the end of subsection (a), inserted "and" at the beginning of subsection (b), and substituted "be" for "continue" following

ing "sums shall" near the beginning of subsection (b), deleted "by that local government" following "for expenditure" near the beginning of subsection (b), and added subsections (c) and (d).

19.30.231. Payment for construction. Deleted by § 15 ch 158 SLA 1980.

Editor's notes. — The repealed section was from § 2, ch. 84, SLA 1971.

a local government which has received money under the provisions of this chapter shall prepare a report showing the use of the money by the local government during the preceding 12 months. The local government shall submit a copy of the report to the commissioner.

(b) No later than December 1 of each year, the commissioner shall prepare a report showing the use of the money allocated under this chapter during the preceding 12 months and a report on the status of all projects under this chapter for which the department has construction responsibility. The commissioner shall submit copies of the reports to the governor. (§ 13 ch 158 SLA 1980)

Sec. 19.30.241. Definitions. In AS 19.30.111 — 19.30.241

(1) "construction" means the building of a new road, street or trail or the improvement of existing roads, streets or trails and includes the necessary preliminary engineering, construction engineering and utility relocation;

(2) "home rule city" means a city as defined in AS 29.08.010;

(3) "local government" means an organized borough of any class, a unified municipality organized under AS 29.68.240 — 29.68.440, a home rule city, or a city of the first class;

(4) "local service road" means a public road which is not designated as a route on the approved federal-aid highway system;

(5) "project" means an undertaking to construct a particular portion of a local service road or trail, or, if the context so implies, the particular portion of a local service road or trail so constructed;

(6) "trail" means a footpath or way on land or water that is open to public use as a matter of right whether or not a thoroughfare, particularly for dog sleds and mechanized snow vehicles;

(7) "commissioner" means the commissioner of transportation and public facilities;

(8) "department" means the Department of Transportation and Public Facilities.

(9) "secondary road" means a road that is not included in the approved federal-aid primary highway system and is being maintained by the state or local government. (§ 2 ch 84 SLA 1971; am § 30 ch 53 SLA 1973; am § 14 ch 158 SLA 1980; am §§ 10, 11 ch 38 SLA 1981)

Effect of amendments. — The 1980 amendment added paragraphs (7) and (8).

The 1981 amendment substituted "a unified municipality organized under AS 29.68.240 — 29.68.440" for "or" preceding "a home rule city" and added "or a city of

the first class" following "a home rule city" in paragraph (3) and added paragraph (9).

Legislative history reports. — For report on ch. 53, SLA 1973 (CSHB 382), see 1973 House Journal, pp. 793, 885.

Sec. 19.30.251. Local government powers. Road construction and maintenance authority is granted to local governments, as defined in AS 19.30.241(3), which do not otherwise have that authority; how-

Amended Definition of "rural" for housing assistance

AS 44.47.560 (5) is repealed and reenacted to read:

(5) "rural" means

(A) a community in the first or second judicial district with a population of 5,500 or less; OR

(B) a community in the third judicial district with a population of 5,500 or less that is not connected by road or rail to Anchorage; or

(C) a community in the third judicial district with a population of 750 or less that is connected by road or rail to Anchorage; OR

(D) a community in the fourth judicial district with a population of 5,500 or less that is not located within the Fairbanks North Star Borough;

J. JUSTIN RIPLEY

Born Oct. 21, 1934, Kotzebue, Alaska. B.A., Gonzaga University, 1956; J.D. Gonzaga University, 1964. U.S. Army 1957-60; trust administrator, Seattle First National Bank, 1961-62; law clerk, Alaska Supreme Court 1964-65; staff of Attorney General, Juneau, 1965-68; staff of district attorney, Third Judicial District 1968-75. Appointed present position June, 1975. American Judicature Society.

BRIAN SHORTELL

Born in 1940, is a graduate of the University of California, Hastings College of Law. Engaged in private practice in Fairbanks in 1971, Anchorage in 1972, and San Rafael, California in 1973. Returned to Alaska in 1973 to serve as Public Defender in Anchorage. Is a member of several bar associations and served on the Alaska Criminal Rules Committee, the Sentencing Guidelines Committee, the Alaska Criminal Code Revision Commission as well as the Governor's Commission on the Administration of Justice. Appointed to present post in December 1980.

MILTON SOUTER

Born July 17, 1942, in Norwich, Conn; holds a BA from Washington State University, 1964; J.D., University of Washington Law School, 1967; was engaged in private practice of law in Anchorage and Kodiak, 1967-78. Appointed to Superior Court in June, 1978.



TITLE:		LOCATION:		AGENCY PRIORITY:	NAME AND PHONE OF AGENCY CONTACT:	
Housing Assistance Loan Fund		Statewide		88-1	Clark D. Boston - 561-0900	
PROGRAM FUNDING	FY 86	FY 87	FY 88	GOVERNOR	OTHER FINANCIAL INFORMATION (INCLUDING FY 87)	TOTAL
TOTAL ANNUAL LOAN DEMAND	65,000.0	60,000.0	50,000.0	.....	TOTAL APPROPRIATIONS	185,000.0
TOTAL APPROPRIATIONS AND REQUEST	4,000.0	-0-	14,000.0	.....	TOTAL INTEREST RETAINED	43,096.7
1002 FEDERAL RECEIPTS	-0-	-0-	-0-	.....	TOTAL OTHER RETAINED EARNINGS	28,021.5
1004 GENERAL FUNDS	4,000.0	-0-	14,000.0	.....	TOTAL BONDS ISSUED	-0-
1028 PROGRAM RECEIPTS	-0-	-0-	-0-	.....	BONDS AUTHORIZED BUT NOT ISSUED	-0-
1066 GENERAL OBLIGATION BONDS	-0-	-0-	-0-	.....	TOTAL PROGRAM FUNDING	260,118.2
OTHER	-0-	-0-	-0-	.....	WHAT ARE THE TOTAL ADMINISTRATIVE COSTS FOR OPERATING THE LOAN PROGRAM FOR FY 88?	2,863.3
TOTAL OTHER PROGRAM FUNDING	41,081.2	30,037.0	25,137.0	.....	WHAT AMOUNT OF TOTAL ADMINISTRATIVE COSTS ARE OBTAINED FROM LOAN INTEREST, PRINCIPAL OR FEES?	2,863.3
ESTIMATED CARRY FORWARD BALANCE	1,244.8	8,037.0	-0-	.....	
INTEREST RETAINED	29,236.7	13,860.0	14,407.0	.....	
OTHER RETAINED EARNINGS	-0-	-0-	-0-	.....	
PRINCIPAL REPAYED	10,599.7	8,140.0	10,730.0	.....	

DESCRIBE THE PROGRAM AND EXPLAIN IMPACTS ON THE PROGRAM OF RECEIVING IN FY 88 75% OF FY 88 REQUESTED GENERAL FUNDS AND 50% OF FY 88 REQUESTED GENERAL FUNDS:

The Housing Assistance Loan Fund was created to provide money to originate, purchase and participate in the purchase of loans for rural housing. Approximately 98% of all loans have been made through private financial institutions and ultimately purchased by the Division. The remaining 2% are loans made directly to borrowers by the Division. These direct loans are made by the Division because private financial institutions generally are unwilling to service the borrowers' area. The Division's number of active loans were 2,119 at the end of FY 86. Payments are collected for a period of 30 years and are received on principal plus interest.

Chapter 102, Section 12, SLA 1983, changed the fund to a revolving loan fund. This allowed the Division to retain repayments of principal on loans. Additionally, Chapter 100, Section 3, SLA 1985, allows the Division to retain repayments of mortgage loan interest payments. In FY 84, approximately 9% of the total funds available were derived from principal repayments. In FY 86, approximately 86% of the total funds available were derived from principal and interest payments.

In FY 87, receipted funds from principal and interest payments will be dramatically reduced because Chapter 130, Section 551 and 651, SLA 1986, appropriated the sum of \$70,000,000 from the Housing Assistance Loan Fund to the General Fund. This money will be transferred from the loan fund

0243F

L1 LOAN PROGRAM DESCRIPTION

AGENCY Community and Regional Affairs

TITLE Housing Assistance Division

FY 88

Page 1 of 2

Revised Date _____

on the date that the Alaska Housing Finance Corporation (AHFC) purchases, at par value, home mortgage loans from the Housing Assistance Loan Fund. The appropriation of \$70 million dollars to AHFC reduces the principal and interest to an estimated \$22 million dollars for FY 87, but gradually begins to increase to an estimated \$25 million in FY 88.

With the loss of \$70 million dollars of portfolio, the Housing Assistance Loan Fund's past performance can be used as a measure for estimating the number of loans to be made in FY 88. The Division believes it can finance approximately 273 new rural housing loans based on projections of income from principal and interest repayments. If the request for \$14 million dollars in new appropriations is honored by the Legislature, the Housing Assistance Division can expect to be able to make 152 additional loans bringing the total to 425 new loans to rural Alaskans. This program represents, in most cases, the only available source of mortgage funds to rural Alaska. It should be noted that, in addition to benefits for individual property owners, the expenditure of these loan funds means increased employment opportunities for persons working in the construction industry, materials suppliers, freight companies, and banks. Funds also indirectly affect the local economy when homeowners purchase goods and services in the community.

Because the program is essentially a revolving loan fund, the Division is only requesting \$14,000.0 million in General Funds to help make up for the loss of 36% of the portfolio. We expect to be able to meet the needs of the rural area only on a slightly reduced basis if these General funds are granted.

If the General Fund request is reduced by 25%, the impact on the program would reduce the number of new housing starts by approximately 38. If General Fund request is reduced by 50%, it would reduce the number of new housing starts by approximately 76. Any reduction in construction of homes in rural Alaska will have a negative impact on the economy in both the rural areas as well as urban areas because of the involvement as suppliers of materials.

22 million

*23 / 273 *
24 / 33*

*35 / 425 *
36 / 65*

G245F

L1

ADDITIONAL
EXPLANATION
FORM

AGENCY Community and Regional Affairs

BRU Housing Loan Administration

COMPONENT Housing Assistance Division

FY 88

Page 2 of 2

Revised Date _____

(6/86)-ae1

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

- POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700
- 949 E. 36TH AVENUE, SUITE 400
ANCHORAGE, ALASKA 99508
PHONE: (907) 562-1073

December 23, 1986

Certification of Population

Under the authority vested in me by AS 29.60.020, AS 29.60.150 and AS 29.60.370(a), I, Remond Henderson, Acting Commissioner of the Department of Community and Regional Affairs, do hereby certify the population of each municipality as of July 1, 1986 as shown on the attached "Municipal Population Report".

December 23, 1986
Date

Remond Henderson
Remond Henderson,
Acting Commissioner

COMMUNITY AND REGIONAL AFFAIRS

MUNICIPAL POPULATION REPORT

PAGE: 1
DEC 23, 1986

PLACE NAME	POPULATION	PLACE NAME	POPULATION
AKHIOI.	103	AKIACHAK	448
AKIAK	247	AKUTAN	189
ALAKANUK	555	ALEKNAGIK	232
ALLAKAKET	189	AMBLER	275
ANAKTUVUK PASS	234	ANCHORAGE	248,253
ANDERSON	775	ANGOON	639
ANIAK	518	ANVIK	114
ATMAUTLUAK	234	ATQASUK	248
BARROW	3,075	BETHEL	4,462
BETTLES	55	BREVIK MISSION	158
BRISTOL BAY BOROUGH	1,271	BUCKLAND	259
CHEFORNAK	275	CHEVAK	548
CHIGNIK	132	CHUATHBALUK	123
CLARKS POINT	80	COLD BAY	250
CORDOVA	2,520	CRAIG	1,167
DEERING	148	DELTA JUNCTION	1,207
DILLINGHAM	2,153	DIOMEDE	157
EAGLE	185	EEK	259
EKWOK	107	ELIM	257
EMMONAK	641	FAIRBANKS	25,511
FAIRBANKS NORTH STAR BOROUGH	74,176	FORT YUKON	641
GALENA	998	GAMBELL	500
GOLOVIN	135	GOODNEWS BAY	247
GRAYLING	211	HAINES	1,079
HAINES BOROUGH	1,847	HOLY CROSS	262
HOMER	4,020	HOONAH	906
HOOPER BAY	776	HOUSTON	821
HUGHES	97	HUSLIA	258
HYDABURG	475	JUNEAU CITY & BOROUGH	29,370
KACHEMAK	325	KAKE	665
KAKTOVIK	201	KALSKAG (UPPER)	144
KALTAG	280	KASAAN	88
KASIGLUK	413	KENAI	6,434
KENAI PENINSULA BOROUGH	38,919	KETCHIKAN	8,414
KETCHIKAN GATEWAY BOROUGH	14,314	KIANA	434
KING COVE	552	KIVALINA	272

COMMUNITY AND REGIONAL AFFAIRS

MUNICIPAL POPULATION REPORT

PAGE: 2
DEC 23, 1986

PLACE NAME	POPULATION
KLAWOCK	693
KODIAK	6,668
KOTLIK	424
KOYUK	216
KUPREANOF	41
LARSEN BAY	215
MANCKOTAK	299
MATANUSKA-SUSITNA BOROUGH	44,280
MEKORYUK	173
NAPAKIAK	353
NENANA	552
NEWHALEN	163
NIGHTMUTE	145
NOME	3,876
NOORVIK	517
NORTH SLOPE BOROUGH	8,308
NUIGSUT	304
NUNAPITCHUK	365
OUZINKIE	233
PELICAN	213
PILOT STATION	419
POINT HOPE	600
PORT HEIDEN	94
QUINHAGAK	464
RUSSIAN MISSION	231
SAINT MARYS	563
SAINT PAUL	595
SAVOONGA	477
SCAMMON BAY	303
SELDOVIA	678
SHAGELUK	167
SHELDON POINT	123
SHUNGNAK	245
SKAGWAY	790
STEBBINS	334
TELLER	247

PLACE NAME	POPULATION
KOBUK	86
KODIAK ISLAND BOROUGH	13,952
KOTZEBUE	3,594
KOYUKUK	131
KWETHLUK	507
LOWER KALSKAG	273
MARSHALL	270
MCGRATH	510
MOUNTAIN VILLAGE	665
NAPASKIAK	311
NEW STUYAHOK	337
NEWTOK	207
NIKCLAI	119
NONDALTON	247
NORTH POLE	1,640
NORTHWEST ARCTIC BOROUGH	6,696
NULATO	382
OLD HARBOR	380
PALMER	3,116
PETERSBURG	3,252
PLATINUM	62
PORT ALEXANDER	96
PORT LIONS	291
RUBY	233
SAINT GEORGE	195
SAINT MICHAEL	291
SAND POINT	890
SAXMAN	343
SELAWIK	589
SEWARD	2,279
SHAKTOOLIK	166
SHISHMAREF	444
SITKA CITY & BOROUGH	8,221
SOLDOTNA	3,597
TANANA	420
TENAKEE SPRINGS	125

COMMUNITY AND REGIONAL AFFAIRS

MUNICIPAL POPULATION REPORT

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PLACE NAME	POPULATION	PLACE NAME	POPULATION
THORNE BAY	475	TOGIAK	623
TOKSOOK BAY	396	TULUKSAK	321
TUNUNAK	338	UNALAKLEET	787
UNALASKA	1,922	VALDEZ	3,687
WAINWRIGHT	549	WALES	150
WASILLA	3,977	WHITE MOUNTAIN	158
WHITTIER	333	WRANGELL	2,376
YAKUTAT	462		

H367

PORTFOLIO ANALYSIS
ON
HOUSING ASSISTANCE LOAN FUND

FEBRUARY 23, 1987

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS
HOUSING ASSISTANCE DIVISION
949 EAST 36th, SUITE 400
ANCHORAGE, ALASKA 99508
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Portfolio Analysis
February 23, 1987

This report has been prepared to provide information on the Housing Assistance Loan Fund. Included is background information on the history of the Division, a description of the current programs funded by the HALF, and general statistical data.

I. BACKGROUND

The Housing Assistance Division was created by the 1980 Legislature, (Chapter 120, SLA 1980) to administer the Nonconforming Housing Loan Program. Loan funds were to be distributed on a statewide basis with emphasis on rural Alaska. Administration of these loans was primarily through seller-servicer agreements with financial institutions. The initial mandate from the Legislature was twofold; (1) to form a central office and five regional offices and (2) to offer loans for nonconforming housing. First year loan funds were appropriated at \$10 million.

The 1981 Legislature continued funding the Nonconforming Program at a rate of \$40 million and directed the Division to divide such funds between rural and urban Alaska at an 80 percent:20 percent ratio. The Legislature further directed the Division to offer funds directly to eligible borrowers who could not otherwise get service in rural Alaska (Chapter 82, SLA 1981). This mandate is known as direct lending and has been instituted by the Division.

The Nonconforming Loan Fund was renamed the Housing Assistance Loan Fund during the 1982 Legislature (Chapter 113, SLA 1982). This fund combined the Nonconforming Loan Program with the AHFC Rural Mortgage Purchase Programs for both owner-occupied and nonowner-occupied loans. An FY-82 appropriation to the newly combined Housing Assistance Loan Fund (HALF) was in the amount of \$45 million bringing total appropriations to date to \$95 million.

The HALF was given another \$45 million by the 1983 legislature and another new program. The new program was called the Homeownership Assistance Fund. The object of this program is to make homeownership a reality for the low to moderate income segment of the state's population by subsidizing a portion of the interest payment on the loan. Regulations were drafted and became final on September 22, 1985.

The 1984 Legislature redefined rural, again. The Division took the definition to a cartographer to insure the delineating lines were drawn correctly since the definition was based on nautical miles from the boundaries of Anchorage and Fairbanks. The new definition based on the maps provided by the cartographer included Homer and Anchor Point as rural locations. In January 1985 the Division was working on new rural definitions to present to the Legislature. It was discovered during this process that the cartographer had erred in the maps he drew and the Homer and Anchor Point locations should not have been included in the rural area. The Division stopped accepting applications for loans from the affected areas on January 22, 1985. The 1985 Legislature redefined rural basically returning to the FY 84 definition based on road or rail access to Anchorage or Fairbanks. Additionally, the 1985 Legislature transferred the authority for making nonconforming loans in urban areas from the Housing Assistance Division to the Alaska Housing Finance Corporation. The 1985 Legislature appropriated \$4 Million from the General Fund to the revolving loan fund and allowed the Division to revolve the FY 85 and FY 86 principal and interest repayments to the fund as additional sources of loan funds for FY 86.

In 1986, the Alaska Legislature enacted legislation (Chapter 130, SLA 1986) appropriating \$70 million from the Housing Assistance Loan Fund to the State of Alaska, General Fund. The Alaska Housing Finance Corporation (AHFC) was used as an avenue for the funding due to their bonding capabilities which the Housing Assistance Division does not have. With this transfer the AHFC purchased a total of 965 home mortgage loans from the Housing Assistance Loan Fund effective November 30, 1986.

II. PROGRAMS

Rural Owner-Occupied Program - Provides financing to qualified borrowers for the construction or purchase of single family residence and duplex housing for owner occupancy. The maximum loan term is 30 years.

For new construction, the Division may finance 100 percent of allowable costs incurred during construction or 85 percent of appraised value, whichever is less.

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February 23, 1987

Additional restrictions on loan to value ratios are imposed when certain structural features are omitted from the design at the borrowers discretion. The maximum dollar amount a borrower may receive is \$199,875 for single units and \$255,675 for duplexes.

For purchase of existing housing, the Division may finance 95 percent of the sales price or 95 percent of the appraised value, whichever is less. The maximum dollar amounts are the same for purchase as shown for construction.

Rural Nonowner-Occupied Program - Provides financing to qualified borrowers for the construction, purchase or rehabilitation of nonowner-occupied rental housing units. The interest rate for this program is 10.5 percent with a maximum loan term of 30 years. The project may involve two to eight units in a single community or specific area and extend up to 16 units in areas demonstrating extra ordinary need. The principal amount of the loan or loans for housing from the Division must not exceed \$1,250,000.00. Also, the loan must not exceed 80 percent of the appraised value or 80 percent of the purchase price which is less. The borrower may not reside in the housing financed.

Housing Rehabilitation Program - Provides financing to qualified borrowers for the repair, remodeling or rehabilitation of existing single family and duplex housing. In addition, the Division may provide first or second deeds of trust financing.

For first deeds of trust, the Division may finance 100 percent of allowable cost of construction, plus pay off any existing liens on the subject property. However, the amount financed may not exceed the lesser of 95 percent of the appraised value of the property, or \$199,875 for single families and \$255,675 for duplexes. The maximum term of the loan is 30 years.

For second deeds of trust, the Division may finance up to \$45,000. Maximum term for second is 15 years.

Under the Rehabilitation Program, the amount financed may include costs for contracted labor/services other than that of the borrower.

In the event a borrower requires financing for building materials only (no labor), the Division may provide rehab financing up to 80 percent of the appraised value of the subject property or \$45,000 whichever is less and the maximum term is 15 years.

Homeownership Assistance Program - Provides assistance to persons of lower and moderate income to purchase or construct single-family, owner-occupied dwellings where the mortgage loan on the dwelling is originated or purchased by the Division under the Nonconforming Housing Loan Program or the Rural Owner-Occupied Program.

III. FUNDING AND ACTIVITY STATISTICS

1. APPROPRIATIONS

FY 81 APPROPRIATION

\$10,000,000.00	FY 81 appropriation
5,639,900.00	FY 81 urban funds expended
4,353,775.00	FY 81 rural funds expended
<u>\$ 6,325.00</u>	TOTAL CARRY FORWARD TO FY 82

FY 82

\$40,000,000.00	FY 82 appropriation
6,325.00	FY 81 carry forward
<u>\$40,006,325.00</u>	TOTAL AVAILABLE FUNDS
-9,752,100.00	FY 82 rural funds expended
<u>-6,576,400.00</u>	FY 82 urban funds expended
\$23,677,825.00	FY 82 carry forward
+ 551,750.00	FY 81 carry forward *
<u>\$24,229,575.00</u>	TOTAL CARRY FORWARD TO FY 83

*This amount consists of \$551,750 in FY 81 commitments cancelled in FY 82

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FY 83

\$45,000,000.00
24,229,575.00
\$69,229,575.00

FY 83 appropriation
FY 82 carry forward
TOTAL AVAILABLE FUNDS

- 6,358,292.61
- 8,869,200.14
-32,881,000.00
- 8,611,950.00
- 500,000.00
\$12,009,132.25

FY 83 urban funds expended
FY 83 rural nonconforming funds
FY 83 rural owner-occupied funds expended
FY 83 rural nonowner-occupied funds
Title loss reserve account
TOTAL CARRY FORWARD TO FY 84

FY 84

\$45,000,000.00
+12,009,132.25
+ 3,038,150.00
\$60,047,282.25

FY 84 appropriation
FY 83 carry forward
Prior Year Commitments Cancelled in FY84
TOTAL AVAILABLE FUNDS

- 9,170,800.00
-33,685,550.00

- 5,815,150.00
\$11,375,782.25

Nonconforming funds expended 6/30/84
Rural Owner-Occupied funds expended
6/30/84
Rural Nonowner-Occupied funds expended
6/30/84
TOTAL CARRY FORWARD TO FY 85

FY 85

\$45,000,000.00
\$11,375,782.25
\$ 3,927,403.14
\$ 5,660,901.76
\$ 2,468,600.00
\$68,432,687.15

FY 85 appropriation
FY 84 carry forward
FY 84 carry forward principal
FY 85 principal
Prior year cancellations
TOTAL AVAILABLE FUNDS

\$-10,793,250.00
\$-43,619,775.00
\$-12,774,900.00
\$ 1,244,762.15

Nonconforming funds expended
Rural Owner-Occupied funds expended
Rural Nonowner-Occupied funds expended
TOTAL CARRY FORWARD TO FY 86

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FY 86

\$ 4,000,000.00	FY 86 appropriation
\$ 1,244,762.15	FY 85 carry forward
\$12,380,633.19	FY 85 interest
\$10,599,682.67	FY 86 principal(through 06/86)
\$16,856,076.80	FY 86 interest(through 06/86)
\$ 45,122.83	FY 85 receipts
\$ 80,799.24	FY 86 receipts
\$ 1,313.76	FY 86 gain/loss transactions
\$-2,109,831.40	FY 86 administration costs through 6/86
\$ 3,879,087.71	Prior year cancellations
\$- 202,133.79	FY 85 HOAF program costs
<u>\$46,775,513.16</u>	TOTAL AVAILABLE FUNDS

\$ -3,447,000.00	Rural Nonowner-Occupied funds expended
\$-32,419,275.00	Rural Owner-Occupied funds expended
<u>\$ 10,909,238.16</u>	TOTAL CARRY FORWARD TO FY 87

FY 87

\$ 10,909,238.16	FY 86 carry forward
\$ 10,294,660.15	FY 87 principal
\$ 9,347,522.37	FY 87 interest
\$ -2,000,000.00	Admin. reserve
\$ 44,535.56	Receipts
\$ -100,000.00	Operating Loss Reserve
\$ -59,593.02	Gain/Loss transactions
\$ 2,400,100.00	Prior year cancellations
<u>\$ 30,836,463.22</u>	AVAILABLE FUNDS AS OF 2/15/87
\$ -200,000.00	Rural Nonowner-Occupied funds expended
\$-20,773,125.00	Rural Owner-Occupied funds expended
<u>\$ 9,863,338.22</u>	TOTAL AVAILABLE FUNDS AS OF 2/15/87

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2. LOAN PORTFOLIO COMPOSITION AS OF 2/23/87:

	# LOANS	LOAN AMT.	PRIN. AS OF 2/23/87	AVG. LOAN AMT.
Nonconforming	144	\$ 10,436,175	9,976,143.05	\$ 72,473
Rural Owner	969	\$ 92,813,812	90,923,280.26	\$ 95,783
Rural Nonowner	81	\$ 22,197,300	21,882,242.77	\$274,040
<u>TOTALS</u>	<u>1194</u>	<u>\$125,447,287</u>	<u>122,781,666.08</u>	<u>\$105,064</u>

NONCONFORMING ACTIVITY AS OF 2/23/87

	# LOANS	LOAN AMT.	PRIN. AS OF 2/23/87	AVG. LOAN AMT.
<u>FY 81</u>				
Active	24	\$ 1,844,700	\$ 1,713,426.96	\$ 76,863
Cancelled	5	307,600		
Paid Off	70	4,103,500		
Foreclosed	1	71,250	68,962.83	
<u>TOTALS</u>	<u>100</u>	<u>\$ 6,327,050</u>	<u>\$ 1,782,389.79</u>	
<u>FY 82</u>				
Active	60	\$ 4,336,375	\$ 4,105,397.62	\$ 72,273
Cancelled	36	2,146,750		
Paid Off	244	14,768,266		
Foreclosed	6	425,300	420,958.94	
<u>TOTALS</u>	<u>346</u>	<u>\$21,676,691</u>	<u>\$ 4,526,356.56</u>	
<u>FY 83</u>				
Active	37	\$ 2,649,400	\$ 2,569,248.67	\$ 71,605
Cancelled	22	1,552,650		
Paid Off	183	12,204,326		
Foreclosed	3	133,950	132,099.19	
<u>TOTALS</u>	<u>245</u>	<u>\$16,540,326</u>	<u>\$ 2,701,347.86</u>	
<u>FY 84</u>				
Active	5	\$ 434,100	\$ 429,043.00	\$ 86,820
Cancelled	5	389,900		
Paid Off	132	8,432,750		
Foreclosed	3	224,750	222,887.69	
<u>TOTALS</u>	<u>145</u>	<u>\$ 9,481,500</u>	<u>\$ 651,930.69</u>	
<u>FY 35</u>				
Active	5	\$ 316,350	\$ 314,118.15	\$ 63,270
Cancelled	16	1,156,100		
Paid Off	148	10,274,900		
<u>TOTALS</u>	<u>169</u>	<u>\$11,747,350</u>	<u>\$ 314,118.15</u>	

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<u>FY 86*</u>			
<u>Cancelled*</u>	<u>1</u>	\$	<u>55,000</u>
<u>TOTALS</u>	<u>1</u>	\$	<u>55,000</u>

<u>FY 87*</u>					
<u>Active*</u>	<u>1</u>	\$	<u>47,500</u>	<u>47,474.74</u>	<u>47,500</u>
<u>TOTALS</u>	<u>1</u>	\$	<u>47,500</u>	<u>47,474.74</u>	<u>47,500</u>

*These loans were previously reported as nonconforming; however, they are now classified as rural owner-occupied and are reflected below as such.

RURAL OWNER-OCCUPIED ACTIVITY AS OF 2/23/87

	# LOANS	LOAN AMT.	PRIN. AS OF 2/23/87	AVG. LOAN AMT.
<u>FY 82</u>				
Active	29	\$ 3,398,625	\$3,270,874.18	\$117,194
Cancelled	8	879,100		
Paid Off	23	2,088,000		
Foreclosed	1	160,000	156,225.23	
<u>TOTALS</u>	<u>61</u>	<u>\$ 6,525,725</u>	<u>\$3,427,099.41</u>	
<u>FY 83</u>				
Active	160	\$15,730,075	\$15,198,540.81	\$ 98,313
Cancelled	29	2,762,650		
Paid Off	119	9,962,200		
Foreclosed	4	581,200	572,244.69	
<u>TOTALS</u>	<u>312</u>	<u>\$29,036,125</u>	<u>\$15,770,785.50</u>	
<u>FY 84</u>				
Active	238	\$21,953,662	\$21,385,032.53	\$ 92,242
Cancelled	40	3,383,300		
Paid Off	101	8,507,700		
Foreclosed	4	397,450	394,395.12	
<u>TOTALS</u>	<u>383</u>	<u>\$34,242,112</u>	<u>\$21,779,427.65</u>	
<u>FY 85</u>				
Active	241	\$21,787,700	\$21,453,658.10	\$ 90,405
Committed	1	31,000		
Cancelled	51	5,043,650		
Paid Off	217	19,241,075		
Foreclosed	1	75,000	74,646.27	
<u>TOTALS</u>	<u>511</u>	<u>\$46,178,425</u>	<u>\$21,528,304.37</u>	

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<u>FY 86</u>				
Active	240	\$23,878,250	\$23,693,117.87	\$ 99,493
Committed	25	2,565,875		
Cancelled	46	4,858,700		
Paid Off	42	3,594,825		
<u>TOTALS</u>	<u>353</u>	<u>\$34,897,650</u>	<u>\$23,693,117.87</u>	

<u>FY 87</u>				
Active	51	\$ 4,851,850	\$ 4,724,545.46	\$ 95,134
Committed	154	15,595,250		
Cancelled	19	2,495,250		
Paid Off	8	792,150		
<u>TOTALS</u>	<u>232</u>	<u>\$23,734,500</u>	<u>\$ 4,724,545.46</u>	

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8/23/87
2/24

NONOWNER-OCCUPIED ACTIVITY AS OF 2/23/87

	# LOANS	LOAN AMT.	PRIN. AS OF 2/23/87	AVG. LOAN AMT.
<u>FY 83</u>				
Active	25	\$ 7,816,300	\$ 7,637,868.50	\$312,652
Cancelled	6	843,250		
Paid Off	3	233,450		
<u>TOTALS</u>	<u>34</u>	<u>\$ 8,893,000</u>	<u>\$ 7,637,868.50</u>	
<u>FY 84</u>				
Active	22	\$ 4,228,850	\$ 4,152,921.88	\$192,220
Cancelled	6	1,277,300		
Paid Off	4	433,000		
<u>TOTALS</u>	<u>32</u>	<u>\$ 5,939,150</u>	<u>\$ 4,152,921.88</u>	
<u>FY 85</u>				
Active	27	\$ 8,260,700	\$ 8,204,369.01	\$305,952
Cancelled	3	1,379,400		
Paid Off	26	3,785,700		
Foreclosed	1	133,500	132,772.90	
<u>TOTALS</u>	<u>57</u>	<u>\$13,559,300</u>	<u>\$ 8,337,141.91</u>	
<u>FY 86</u>				
Active	6	\$ 1,757,950	\$ 1,754,310.48	\$292,992
Committed	3	\$ 1,322,650		
Cancelled	2	260,000		
Paid Off	1	364,000		
<u>TOTALS</u>	<u>12</u>	<u>\$ 3,704,600</u>	<u>\$ 1,754,310.48</u>	
<u>FY 87</u>				
Active				
Committed	1	\$ 200,000		
Cancelled				
<u>TOTALS</u>	<u>1</u>	<u>\$ 200,000</u>		

DECLINED LOANS AS OF 2/23/87

	# LOANS	LOAN AMT.
FY 81	17	\$ 1,098,450
FY 82	49	3,110,100
FY 83	44	3,745,300
FY 84	38	3,644,250
FY 85	51	4,956,100
FY 86	22	2,782,950
FY 87	27	2,758,500
<u>TOTALS</u>	<u>248</u>	<u>\$22,095,650</u>

3. RURAL/URBAN BREAKOUT OF ACTIVE LOANS ALL PROGRAMS AS OF 2/23/87:

	# LOANS	LOAN AMT.	PRIN. AS OF 2/23/87
<u>FY 81</u>			
Rural	20	\$ 1,527,700	\$ 1,420,896.73
Urban	5	388,250	\$ 361,493.06
<u>TOTALS</u>	<u>25</u>	<u>\$ 1,915,950</u>	<u>\$ 1,782,389.79</u>
<u>FY 82</u>			
Rural	88	\$ 7,718,750	\$ 7,389,090.71
Urban	8	601,550	\$ 564,365.26
<u>TOTALS</u>	<u>96</u>	<u>\$ 8,320,300</u>	<u>\$ 7,953,455.97</u>
<u>FY 83</u>			
Rural	226	\$26,721,525	\$25,925,123.23
Urban	3	189,400	184,878.63
<u>TOTALS</u>	<u>229</u>	<u>\$27,238,812</u>	<u>\$26,110,001.86</u>
<u>FY 84</u>			
Rural	265	\$26,655,962	\$26,007,272.32
Urban	7	582,850	577,007.90
<u>TOTALS</u>	<u>272</u>	<u>\$27,398,412</u>	<u>\$26,584,280.22</u>
<u>FY 85</u>			
Rural	270	\$30,256,900	\$29,865,446.28
Urban	5	316,350	314,118.15
<u>TOTALS</u>	<u>275</u>	<u>\$30,573,250</u>	<u>\$30,179,564.43</u>
<u>FY 86</u>			
Rural	246	\$25,636,200	\$25,447,428.35
<u>TOTALS</u>	<u>246</u>	<u>\$25,636,200</u>	<u>\$25,447,428.35</u>
<u>FY 87</u>			
Rural	49	\$ 4,775,350	\$ 4,648,096.17
Urban	2	76,500	76,449.29
<u>TOTALS</u>	<u>51</u>	<u>\$ 4,851,850</u>	<u>\$ 4,724,545.46</u>

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4. RURAL/URBAN BREAKOUT-NONCONFORMING LOAN PROGRAM AS OF 2/23/87

	# LOANS	LOAN AMT.	PRIN AS OF 2/23/87
<u>FY 81</u>			
Rural	20	\$ 1,527,700	\$ 1,420,896.73
Urban	5	388,250	361,493.06
<u>TOTALS</u>	<u>25</u>	<u>\$ 1,915,950</u>	<u>\$ 1,782,389.79</u>
<u>FY 82</u>			
Rural	58	\$ 4,160,125	\$ 3,961,991.30
Urban	8	601,550	564,365.26
<u>TOTALS</u>	<u>66</u>	<u>\$ 4,761,675</u>	<u>\$ 4,526,356.56</u>
<u>FY 83</u>			
Rural	37	\$ 2,593,950	\$ 2,516,469.23
Urban	3	189,400	184,878.63
<u>TOTALS</u>	<u>40</u>	<u>\$ 2,783,350</u>	<u>\$ 2,701,347.86</u>
<u>FY 84</u>			
Rural*	1	\$ 76,000	\$ 74,922.79
Urban	7	582,850	577,007.90
<u>TOTALS</u>	<u>8</u>	<u>\$ 658,850</u>	<u>\$ 651,930.69</u>
<u>FY 85</u>			
Urban	5	\$ 316,350	\$ 314,118.15
<u>TOTALS</u>	<u>5</u>	<u>\$ 316,350</u>	<u>\$ 314,118.15</u>
<u>FY 87</u>			
Urban**	1	\$ 47,500	\$ 47,474.74
<u>TOTALS</u>	<u>1</u>	<u>\$ 47,500</u>	<u>\$ 47,474.74</u>

*Decrease due to statutory changes in A.S. 44.47.385 which defined rural as it pertained to the Nonconforming Program.

**This loan was classified on previous reports as a nonconforming property. It is a rural owner-occupied property, however, and will henceforth be reported as such.

5. AVERAGE AGE OF BORROWER ALL PROGRAMS AS OF 2/23/87

Average age of borrowers for all owner-occupied programs is 35.
Average age of coborrowers for all owner-occupied programs is 33.

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6. GROSS INCOME OF BORROWERS ALL OWNER-OCCUPIED LOAN PROGRAMS
AS OF 2/23/87

ANNUAL INCOMES	# LOANS	AVERAGE MONTHLY INCOME	AVERAGE ANNUAL INCOME	AVERAGE LOAN AMOUNT
Less than \$10,000	2**			
\$10,000 - \$20,000	21	\$1380	\$16,562	\$ 43,642
\$20,000 - \$30,000	121	\$2183	\$26,204	\$ 58,211
\$30,000 - \$40,000	232	\$2933	\$35,203	\$ 74,783
\$40,000 - \$50,000	228	\$3774	\$45,297	\$ 90,250
\$50,000 - \$60,000	204	\$4581	\$54,982	\$ 99,259
\$60,000 - \$70,000	127	\$5366	\$64,400	\$112,274
More than \$70,000	178	\$7226	\$86,720	\$127,140
	<u>1113</u>			

** This number includes files whereby the income information is not on the computer to ensure confidentiality.

7. TOTAL PORTFOLIO DELINQUENCY AS OF 1/31/87

Total Loans	# Delinquent Loans	Percentage
1163*	80	6.88%
Total Dollars	Amount Delinquent	Percentage
\$120,038,452.73	\$10,933,042.40	9.11%

*Foreclosed loans are not included in the computation for delinquency. There were twenty (24) foreclosed loans as of this report date.

8. PORTFOLIO BY COMMUNITY AS OF 2/23/87:

<u>COMMUNITY</u>	<u>LOAN AMOUNT</u>	<u>PRINCIPAL BALANCE</u>	<u># OF LOANS</u>
AMBLER	\$20,000	\$19,697.39	01
ANCHOR POINT	\$381,600	\$378,940.36	04
ANCHORAGE	\$665,500	\$653,794.01	07
ANDERSON	\$84,050	\$83,286.03	02
ANIAK	\$936,000	\$922,788.10	10
BARROW	\$1,078,000	\$1,065,885.97	02
BELUGA RIVER	\$196,500	\$178,932.96	02
BETHEL	\$13,569,050	\$13,366,637.99	122
BIG LAKE	\$47,500	\$46,826.94	01
CENTRAL	\$68,000	\$66,469.85	01

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February 23, 1987

CHEVAK	\$55,500	\$52,589.80	02
CHINIAK	\$448,050	\$439,143.40	06
CORDOVA	\$771,700	\$766,463.65	06
CRAIG	\$3,167,050	\$3,102,146.09	39
DELTA JUNCTION	\$1,804,250	\$1,800,091.04	04
DILLINGHAM	\$8,571,400	\$8,334,204.84	70
DIOMEDE	\$24,000	\$22,658.41	01
EAGLE	\$120,500	\$117,943.17	02
EAGLE RIVER	\$49,400	\$48,220.06	01
ELIM	\$140,800	\$139,779.27	01
EMMONAK	\$150,700	\$148,837.97	03
FAIRBANKS	\$844,200	\$833,221.67	15
FORT YUKON	\$279,625	\$266,980.63	06
FUNTER BAY	\$80,000	\$78,544.21	01
GALENA	\$1,213,800	\$1,185,812.49	17
GUSTAVUS	\$168,350	\$166,280.12	03
HAINES	\$384,700	\$382,093.82	04
HALIBUT COVE	\$49,950	\$42,742.76	01
HOLLIS	\$112,250	\$110,115.34	03
HOONAH	\$446,250	\$439,038.97	07
ILIAMNA	\$549,000	\$537,631.64	04
KASIGLUK	\$125,000	\$121,265.45	02
KENAI	\$77,500	\$76,895.08	01
KIANA	\$221,400	\$214,663.52	03
KING SALMON	\$2,805,550	\$2,744,327.22	14
KLAWOCK	\$1,002,900	\$975,815.57	07
KODIAK	\$21,506,100	\$21,125,922.08	202
KOTZEBUE	\$12,715,600	\$12,474,320.59	85
KUPREANOF	\$105,000	\$89,768.05	02
KUPREANOF ISLAND	\$90,000	\$89,256.35	01
LAKE MINCHUMINA	\$28,900	\$28,599.95	01
LITTLE DIOMEDE	\$30,000	\$17,435.30	01
MANOKOTAK	\$68,200	\$66,956.06	02
MCGRATH	\$1,114,850	\$1,092,956.94	15
MEKORYUK	\$379,500	\$368,451.62	05
METLAKATLA	\$644,900	\$630,730.84	10
NAKNEK	\$1,006,300	\$932,365.98	09
NENANA	\$147,750	\$143,210.43	01
NEWHALEN	\$57,000	\$55,290.90	01
NOME	\$24,807,950	\$24,239,076.56	219
NUNAPITCHUK	\$70,000	\$69,216.94	01
PEDRO BAY	\$95,000	\$94,187.00	01
PELICAN	\$508,200	\$490,249.40	10
PETERSBURG	\$11,101,000	\$10,846,383.07	123
PORT ALEXANDER	\$101,150	\$99,368.44	03
PORT ARMSTRONG	\$25,000	\$24,639.88	01
PORT LIONS	\$103,500	\$46,942.55	02
RUBY	\$38,000	\$31,684.09	01
SAND POINT	\$870,500	\$854,884.37	04
SAVOONGA	\$34,200	\$33,557.24	01

Portfolio Analysis
 February 23, 1987

SELAWIK	\$97,700	\$95,157.25	02
SELDOVIA	\$903,650	\$894,592.55	12
SHISHMAREF	\$99,262	\$98,994.15	01
SKAGWAY	\$40,850	\$40,781.12	01
SKWENTNA	\$60,000	\$59,101.23	01
ST MARYS	\$329,250	\$324,061.25	03
ST PAUL	\$23,750	\$20,689.05	01
STEBBINS	\$263,600	\$260,543.39	02
TANANA	\$124,750	\$122,535.24	03
TENAKEE SPRINGS	\$35,000	\$34,429.22	01
THORNE BAY	\$764,750	\$757,716.62	12
TOGIAK	\$29,900	\$29,609.40	01
UNALAKLEET	\$924,400	\$903,201.14	06
UNALASKA	\$1,192,200	\$1,166,571.78	11
WASILLA	\$202,350	\$199,801.52	04
WILLOW	\$38,000	\$36,947.54	01
WRANGELL	<u>\$3,959,250</u>	<u>\$3,860,713.21</u>	<u>56</u>
TOTALS	\$125,447,287	\$122,781,666.08	1194

Major Highways in Alaska (see map)

Name	Route #	Completed*	total length		open	Point to point
			paved	gravel		
Alaska	2	1942	298.2**		All yr.	Border-Fairbanks
Copper River	10	see note	12.4	35.7	"	Cordova-Million Dollar Bridge
Dalton (North Slope Haul Road)		1974		416	"	LIVENGOOD Prudhoe Bay
Denali	8	1957		135	Apr-Oct	Paxson-George Parks Highway
Edgerton	10	?	19	14	All yr.	Richardson Hwy-Chitina
Elliott	2	?	28	124	Apr-Oct.	Fox-Livengood - Manley Hot Springs
George Parks	3	1971	322.7		All yr.	Glenn Hwy-Fairbanks
Glenn	1	?	328**		"	Tok-Anchorage
Haines	7	?	40.5		"	Haines-Border
Klondike 2		1978		14.6	Apr-Oct. All Year	Skagway-border
Richardson	4	1923	368**		All yr.	Valdez-Fairbank
Seward	1&9	?	127		"	Anchorage-Seward
Steese	6	?	43.8	118.2	Apr-Oct.	Fairbanks-Circle
Sterling	1	?	135.8		All yr.	Seward Hwy-Home
Taylor	5	1954		161	Apr-Oct.	Alaska Hwy-Eagle
Petersville					closed beyond mile 7.6 Apr-Oct.	George Parks

*Year highway open to vehicle traffic

**The Richardson shares a common alignment with the Alaska Highway (for 98 miles) and with the Glenn (for 14 miles).

NOTE: Construction on the Copper River Highway--which was to link up with Chitina on the Edgerton--was halted by the 1964 Good Friday earthquake which damaged the Million Dollar Bridge.

Construction costs were derived by providing detailed drawings and directions to three independent professional cost estimates companies. These companies were chosen via competitive RFP to Alaskan professionals. The result, therefore, was three independent estimates of the exact same items. This provided a fair estimate of average costs per each item.

Directions to the estimators consisted of the following: 1) estimates based upon detailed drawings provided by the State and in quantities sufficient to build 5 complete houses; 2) interior finishes, realtor fees, land development and utility development costs are not to be included; 3) plumbing and electric costs are not to be included; 4) estimators use their expertise to arrive at appropriate material costs (Seattle F.O.B. or Anchorage); shipping methods and costs; appropriate crew size, make-up and productivity; properly distributed overhead, profit, tax and insurance costs; and labor rates based upon prevailing labor rates at each of the 15 statewide regions.

The statewide cost index was based upon an Anchorage index of 1 and the other 14 regions adjusting site specific costs in relation to Anchorage.

The three professional cost estimators were: 1) Clark-Graves, Inc.; 2) Construction Support Services; and 3) Construction Administrative Services. All are Alaskan professionals.

These costs and the methodology by which they were derived were presented in 19 public meetings around the state, to several professional trade associations, and at the 7th annual Alaska energy conference.

Equally importantly, these costs and methodology were presented in detail first to the 16 member Lighting and Thermal Standard Advisory committee. The Advisory Committee showed strong consensus agreement as to its results and its use to develop the thermal standard.

These figures are a part of a larger report describing the research for the development of the Residential Conservation Standard.

STATEWIDE REGIONAL INDEX MAP

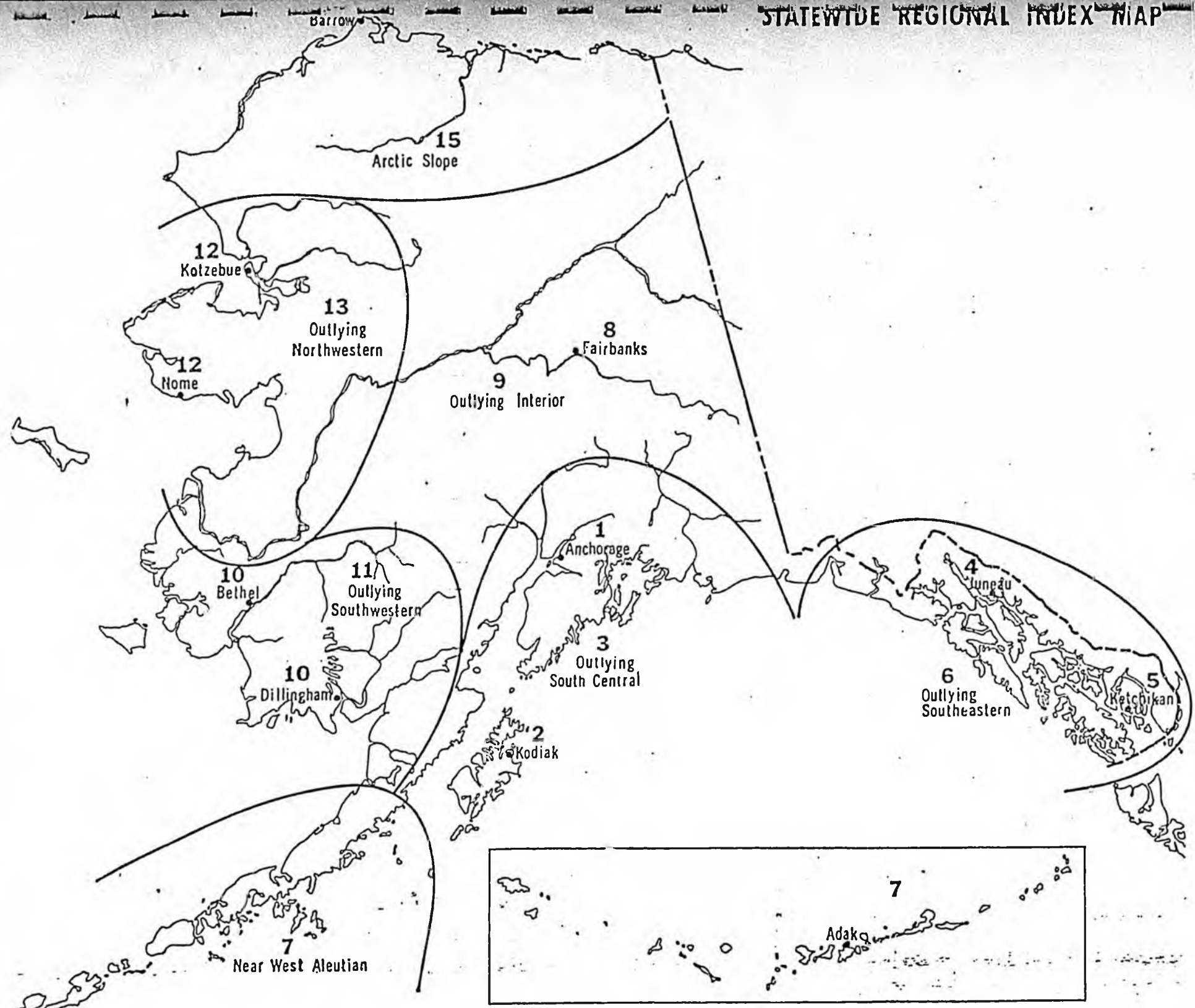


Table D-1.
STATEWIDE COST INDEX SUMMARY *

COST REGION	COST REGION NAME	CG	CONSTRUCTION COST INDEX		AVERAGE
			CSS	CAS	
1	Anchorage	1.00	1.00	1.00	1.00
2	Kodiak	1.37	0.93	1.08	1.13
3	Outlying Southcentral Area	1.52	0.91	1.26	1.23
4	Juneau	1.00	0.73	0.98	0.90
5	Ketchikan	1.04	0.72	0.98	0.91
6	Outlying Southeastern Area	1.60	0.74	1.24	1.19
7	Aleutian (Adak)	1.75	2.79	1.42	1.99
8	Fairbanks	1.05	1.07	1.05	1.06
9	Outlying Interior Area	1.64	1.44	1.32	1.47
10	Bethel, Dillingham	1.24	1.05	1.12	1.14
11	Outlying Southwestern Coastal/River Areas	1.81	1.47	1.36	1.55
12	Nome, Kotzebue	1.40	1.82	1.21	1.48
13	Outlying Northwestern Coastal/River Areas	2.04	1.79	1.48	1.77
14	Barrow	1.59	2.14	1.39	1.71
15	Arctic Slope	2.10	2.11	1.70	1.97

* Cost of material - freight, labor



The Associated Press

Steve Cloudt doesn't mind the lack of amenities in his two rented container vans. He uses one for business, one for home.

Cold, close quarters at \$200 a month

Good, cheap housing hard to find in Bethel

By PAUL JENKINS
The Associated Press

BETHEL — With affordable housing only a dream in Alaska's far-flung settlements, people do what they must to survive. Some in this Kuskokwim River village pay \$200 a month just to live in shipping containers.

The rusting, patched metal boxes once used to barge freight into Bethel now perch cheek-by-jowl atop 55-gallon drums in ramshackle clusters called "The Tundra Apartments" and "Two-Slough View." Some have been there since 1972.

The cramped vans have no running water. "Honey buckets," or plastic pails, suffice for toilets. Dishwater, or "gray water," is dumped outside, where it stands in frozen puddles until spring. Weathered plywood doors sag in the icy wind, and broken windows gape at passers-by.

"If I had my way, I'd do everything possible to remove them from the community," said Ivan Widom, Bethel's 47-year-old city manager. "They're not insulated. They're not lighted properly. I think the vans are a disgrace. If we had a way to prohibit their existence, we would."

The vans are owned by the Kuskokwim Development Corp. Fourteen sit on about a half-acre, said James Mather, one of the owners and manager of the property. They all are rented. "My position all along has been that they



The Associated Press

Dolores and Silver Ruiz walk away from their old neighborhood.

are for sale cheap if they want to kick them out," Mather said.

Silver and Dolores Ruiz and their son lived in one of the 8-by-24 containers for seven months before moving out in October.

"We were on welfare and we couldn't afford anything else," said Ruiz, a 38-year-old unemployed teacher. "There was no room, no privacy; you get on

each other's nerves. You feel like you're in a coffin. And in the winter, they are cold, cold, cold."

But some who have set up house-keeping in the boxes seem to like them. "The reason I live here is because it's cheap," said Steve Cloudt, 20, who runs a custom sewing business in one container and lives in another.

See B-3, CONTAINER

... might no one was listening. ops and you just don't do The Luscious Lobe hasn't

... yone's favorite columnist, y John McKay, the media st child in June. "No," said be named Open Meetings t.

... People tell Ear such cruel ge of nowhere. For instance, become a Fairbanks oil rbanks oil billionaire."

... "Hurt unattended will paid for what is sown." s? Yes, it's Bill. Not Bill Big Bad Bill has published hich is quite good, in Ear's It's called "The White Mule r Things." The verse offers t known political pugilist, too thrilled with the sides e Appendage, classy orifice."

... hears that any female seen days gets asked if she's the Drifter and Michael (what a ng for someone to watch the ncredibly poor taste have a real nice lady and has . Who is it? Well, let's just

er fatal accident

The victim was Mary Lorraine Warwick.

Alaska State Troopers said Warwick was struck shortly after getting off a People Mover bus near her DeArmon Road home. Her body was found about 6:20 p.m. by her 17-year-old grandson who had come to meet her at the bus stop.

NING SPECIAL

of your choice when your living room, & hall carpets

CONTAINER VANS: Lacking amenities, but they're cheap

Continued from Page B-1

He said he fled to the vans to escape rent of about \$1,300-a-month for a two-bedroom house. "These things serve a purpose," he said.

Steve Barnes and Margie Evon have lived in one of the vans for about three years. "Most everybody would like to have more space," Barnes said. "It's like living in your own recreational vehicle — except it doesn't go anywhere."

Bethel, a community of about 4,400 people sprawled on the tundra some 420 miles west of Anchorage, has few ordinances to deal with housing of any kind, Widom said. "What you find in rural Alaska are people moving away from other areas to get away from building codes and restrictions," he said.

The lack of building codes and zoning, along with natural conditions, makes the community look as if somebody just tossed it onto the tundra. Weathered plywood shacks and Quonset huts hunker next to more expensive homes. Disabled cars and other vehicles dot the landscape. There are 15 miles of roller-coaster gravel roads, and few trees.

The community has no bars. Although it is illegal to sell liquor in Bethel, empty plastic whiskey bottles are found everywhere. Bootleggers hawk their wares for \$40 a bottle. The same jug would cost about \$8 in Anchorage. A

half-case of beer is \$20. Drunks wander the streets at all hours.

Heavily insulated, above-ground sewer lines snake through some areas. The high water table makes burying utilities impractical. "They've had two buried systems, and they froze up," Widom said.

Most Bethel residents pump their sewage into holding tanks emptied regularly by city crews. Others, like the shipping-container dwellers, depend on honey buckets and dump their dishwater on the ground. About 20 percent pipe their sewage and waste away.

All of it winds up in a lagoon near town, Widom said.

While an unlikely candidate for a spread in a home and garden magazine, Bethel provides vital services for more than 50 villages. It is a regional hub for communications, transportation, medical care, government and education.

People come and go depending upon the number of jobs available in the region, and housing has always been a problem. Like all other Alaska cities, it has its share of woes from plunging oil prices.

Federal Housing and Urban Development authorities say at least 450 more units of low-income housing are needed across Alaska — at least 60 units around Bethel alone. Other officials say even more housing could be used.

"In Bethel proper there's probably a need for up to 100 units of low-rental housing," said John Guinn, executive director of the regional housing authority run by the Association of Village Council Presidents. "In the surrounding villages, there's a need for at least another 600 or 700 anyway. That's my conservative estimate."

Sherrylee Dovolos, project manager for the Alaska State Building Authority in Bethel, said her agency has 117 low-rent units in Bethel. "The wait to get into them can be anywhere from six months to a year," she said.

Silver Ruiz said his family waited for almost a year to get into the authority's low-rent housing. Much of the time was spent with his wife's family; the rest, in one of the freight containers.

"There's just too much of a jump between what we would have to pay for a freezer van and how much we would have to pay for a better place," Ruiz said.

Vernon Keezer, Bethel's only licensed Realtor, said housing ranges from shanties to \$165,000 homes. "There are very, very few low-income houses," he said. "And there is a big gap between the \$200- to \$260-a-month rentals to the \$500-a-month rentals. There's not much in between."

A furnished two-bedroom apartment rents for about \$1,200, he said. "It's expensive to live here."

Those seeking low-rent

housing sometimes end up in places such as Mather's cargo containers.

Mather, who said he is working on a deal to sell the vans, questions critics' motives.

"I really believe that there are people who hate to see a person make a dollar. And these things do make money. The people who do the most talking about them have not put up any money to improve housing here.

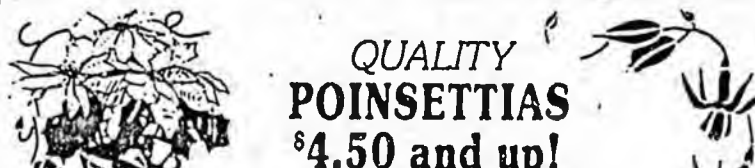
"When housing gets good enough, I'll have a problem renting these things, won't I?"

Woman found dead in Spenard

A Korean woman in her mid-30s was found dead Saturday night at the International Escort Service at 3833 Spenard Road, according to Anchorage police.

The woman's body was found at the entrance by another woman, said Anchorage police Sgt. Bill Gaither.

The woman was not identified. Gaither said the cause of death had not been determined, and police were continuing their investigation. He said an autopsy was to be performed this morning.



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STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: CSHB 67(C&RA)
Publish Date: HOUSE 2/9/87

REQUEST: _____
Revision Date: _____
Title: An Act relating to the
rural housing program of DCRA
Sponsor: Binkley/Hoffman
Requestor: _____

Agency Affected: DCRA
BRU: Housing Assistance
Components: Housing Loan

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS : (Attach a separate page if necessary)

This bill will have no fiscal impact on the Housing Loan Program (see position paper).

Prepared by: Clark D. Boston *CDB* Phone: 561-0900
Division: Housing Assistance Division Date: 1-25-87
Approved by Commissioner: David G. Hoffman Date: 1-28-87
Agency: Community and Regional Affairs

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

HOUSE COMMITTEE REPORT

2/9

(5)

Date referred: 1/22/87

FURTHER REFERRALS: Judiciary

DATE: 02/06, 87

The Community and Regional Affairs Committee has considered HB 67

"An Act relating to the rural housing program of the Department of Community and Regional Affairs; and providing for an effective date."

RECOMMENDS:

- replace with CSHB67 (C&RA) 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 _____
- zero with analysis

SIGNING DO PASS:

SIGNING OTHER RECOMMENDATIONS:

Henry Kalle

James R. ...

Heinrich Spriger

Heinrich Spriger

 Chairman's signature