

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

7755 HOUSE COMMUNITY & REGIONAL AFFAIRS



*Darroll Hargraves, Chairperson
Shelley Dagan, Vice-Chairperson
4th Judicial District*



*Frances Hullgren, 1st Judicial District
Myrtle Johnson, 2nd Judicial District
H. Tom Salmeier, 3rd Judicial District*

Local Boundary Commission

RECOMMENDATION NUMBER THREE TO THE SECOND SESSION OF THE EIGHTEENTH ALASKA LEGISLATURE

A recommendation for the annexation of approximately 1.8 acres to the City of Seldovia.

As noted in the preceding recommendation for the annexation of 42.8 acres to the City of Seldovia, the City inadvertently omitted the 1985 extension of the Seldovia Airport runway from its March 16, 1993 annexation proposal. As further noted in the preceding recommendation, the LBC concluded that the airport runway extension meets the standards for annexation. Consequently, the LBC also approved that property for annexation.

In acting on the City of Seldovia's annexation petition, the LBC stipulated that a legislative recommendation for the annexation of the airport property extension be filed separately from the recommendation for the annexation of the 42.8 acres. This approach is consistently taken by the LBC in situations involving an amendment of a petition to expand the area approved for annexation beyond the original proposal. This is done to fully insulate the original proposal from any claims of wrongdoing arising out of the amendment of the petition.

However, the Commission also exercises every reasonable precaution in such cases to ensure that affected parties' rights to due process are upheld. In this particular case, the owner of the property in question and other interested parties provided written expressions of non-objection to the annexation of the property.

DESCRIPTION AND MAP

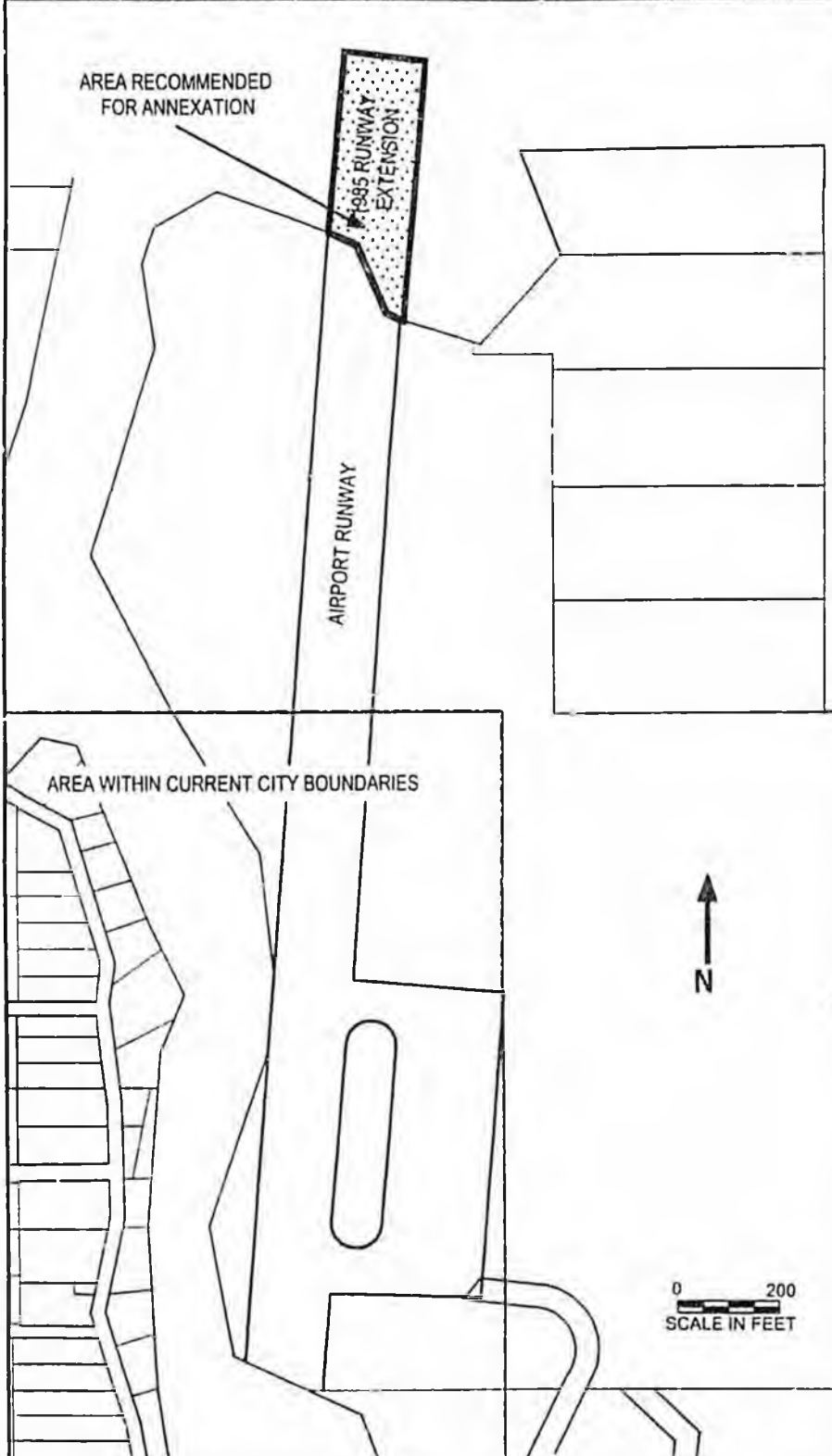
The territory hereby recommended for annexation to the City of Seldovia is described as:

The filled area lying above the mean high water line in Seldovia Slough containing the extension of the Seldovia airport runway adjoining the northerly line of Government Lot 1; containing 1.8 acres, more or less.

A map of this area appears following page.



AIRPORT RUNWAY EXTENSION RECOMMENDED FOR ANNEXATION TO THE CITY OF SELDOVIA





If the two recommendations for the collective annexation of 44.6 acres to the City of Seldovia are approved, the boundaries of the City of Seldovia will be described as follows:

Beginning at the Standard Corner common to Sections 31 and 32 on the Second Standard Parallel South, T8S, R14W, Seward Meridian, Alaska, identical with Corner No. 11, U.S. Survey No. 1771 (U.S.S. 1771);

thence west along the south line of said Section 31, identical with line 11-12 of U.S.S. 1771, to Corner No. 12, a meander corner, U.S.S. 1771, identical with Corner No. 104, Alaska Tidelands Survey No. 219 (A.T.S. 219);

thence continue west along line 104-105 of A.T.S. 219 to Corner No. 105, A.T.S. 219, in Seldovia Bay;

thence northwesterly along line 105-106 of A.T.S. 219 to Corner No. 106, A.T.S. 219, in Seldovia Bay;

thence north along line 106-107 of A.T.S. 219 to Corner No. 107, A.T.S. 219, in Seldovia Bay;

thence east along line 107-1 of A.T.S. 219 to Corner No. 1, A.T.S. 219, identical with Corner No. 13, a meander corner, U.S.S. 1771;

thence northeasterly along the meanders of the eastern shores of Seldovia Bay, identical with the western boundary of Lot 5, George Cook Subdivision, Plat No. D-145, Seldovia Recording District, to the northwest corner of said Lot 5;

thence east along the north line of said Lot 5 to the northeast corner of said Lot 5 on the line common to Sections 31 and 32, T8S, R14W, S.M.;

thence south along the east line of Said Lot 5, identical with the said common line to Sections 31 and 32, to the southeast corner of said Lot 5, identical with Corner No. 14, U.S.S. 1771, identical with the N 1/16 corner to said Sections 31 and 32;

thence east along the north 1/16 line of said Section 32 to Corner No. 63, A.T.S. 219, on the western shore of Seldovia Slough;

thence continue east to Corner No. 64, A.T.S. 219, on the eastern shore of Seldovia Slough, identical with the westerly corner common to Government Lots 1 and 4 in said Section 32;

thence northerly and easterly along the meanders of the eastern shores of Seldovia Slough, thereby including the filled area in Seldovia Slough containing the northerly extension of the Seldovia Airport Runway, to the point of intersection with the western boundary of Lagoon Acres Subdivision, Plat No. 86-1, Seldovia Recording District;

thence easterly and southerly along the western boundary of said Lagoon Acres Subdivision to the southwest corner of said Lagoon Acres Subdivision, identical with a point on the line common to Government Lots 1 and 4 in said Section 32;

thence east along the south boundary of said Lagoon Acres Subdivision, identical with the said line common to Government Lots 1 and 4, to the southeast corner of said Lagoon Acres Subdivision, identical with the eastern corner common to said Government Lots 1 and 4, identical with a point on the north-south centerline of said Section 32;

thence south along the north-south centerline of said Section 32, identical to the east line of said Government Lot 4, to the southeast corner of said Government Lot 4, identical with the center 1/4 corner of said Section 32;

thence west along the south line of said Government Lot 4, identical with the east-west centerline of said Section 32, to the easterly right-of-way line of Airport Avenue;

thence southwesterly along the easterly right-of-way line of said Airport Avenue to the point of intersection with line 7-8, U.S.S. 1771;

thence south along line 7-8 of U.S.S. 1771 to Corner No. 8, U.S.S. 1771;





thence west along line 8-9 of U.S.S. 1771 to Corner No. 9, U.S.S. 1771;

thence south along line 9-10 of U.S.S. 1771 to Corner No. 10, U.S.S. 1771, identical with the west 1/16 corner on the south line of said Section 32;

thence west along line 10-11 of U.S.S. 1771, identical with the south line of said Section 32, to Corner No. 11, U.S.S. 1771, identical with the Standard Corner common to Sections 31 and 32 and the Point of Beginning.

Containing 344 acres, more or less.

CHAPTER IV SPECIAL ISSUES



SUGGESTED CHANGES TO AS 29

For the past several years, the LBC has advocated changes to state laws concerning municipal incorporation, boundary changes and reclassification. Last year, the Senate Community and Regional Affairs Committee introduced a bill to implement the recommended changes. The LBC urges the Legislature to pass CSSB 164 (CRA) in its present form. The major effects of the bill are summarized below.

- ❖ **Establishes mechanism for first class and home rule cities to reclassify to second class cities.** Under current law, such reclassification can only be done in an indirect and complex fashion (i.e., dissolve the first class or home rule city and incorporate a second class city). Some first class and home rule cities in the Unorganized Borough have expressed interest in reclassifying to second class cities (e.g., **Galena**). Doing so would consolidate the city school district with the regional educational attendance area school district.
- ❖ **Provides State oversight concerning all municipal reclassifications.** The State has legitimate interests in any city reclassification. In particular, reclassification of second class cities in the Unorganized Borough has major consequences for the State. Such reclassifications result in the creation of new municipal school districts. However, under current law the State has no means to regulate municipal reclassification. Some second class cities in the Unorganized Borough are presently considering reclassification (e.g., **Fort Yukon**). There are a total of 27 second class cities in the Unorganized Borough that could become first class or home rule cities without any oversight by the State.¹⁰ There are also eleven unincorporated communities in the Unorganized Borough that could incorporate as second class cities and subsequently reclassify to first class or home rule cities.¹¹ The bill would assign responsibility to the Local Boundary Commission to oversee reclassifications.
- ❖ **Creates opportunity for unincorporated community to incorporate directly as a home rule city.** Currently, a city must incorporate as a general law city and then undergo an extensive process to adopt a home rule charter. State law currently allows direct incorporation of a home rule borough — this would extend the same privilege to cities. Some communities (e.g., **Nikiski**) have shown strong interest in such an option.

¹⁰ Community/Borough Map – 1993, Department of Community and Regional Affairs.

¹¹ Alaska Population Overview – 1990 Census & Estimates, Department of Labor.



- ❖ **Permits a region to incorporate as a unified municipality.** To form a unified municipality under current law, there must be both an organized borough and one or more cities. Interest in such an option has been expressed by many regions throughout the state.
- ❖ **Clarifies the authority of the Local Boundary Commission to amend petitions that come before it and to adopt regulations concerning matters that come before it.** As noted in the summary of the status of the appeal involving Petitioners for the Incorporation of the City and Borough of Yakutat vs. Local Boundary Commission, the Superior Court ruled that the LBC lacks legislative rulemaking authority for incorporation proceedings. It does, however, have such authority for matters involving annexation, detachment, merger and consolidation and dissolution. CSSB 164 (CRA) would eliminate questions over the authority of the LBC to adopt legislative regulations concerning incorporation. The bill would also eliminate any question over the LBC's authority to amend any petition to come before it.
- ❖ **Removes any question that a home rule government may be formed through merger or consolidation.** DCRA and the LBC believe that such can be accomplished under current law, however, others have expressed differing views. The City of Ketchikan is presently developing a petition for consolidation of the City and the Ketchikan Gateway Borough as a home rule borough.

COMPENSATION

The Local Boundary Commission urges the Legislature to enact a law providing compensation for the LBC members at the rate of \$150 for each day that the Commission meets. While the current economic climate is clearly less than ideal for this proposal, the demands placed on the LBC have grown beyond what can be reasonably expected of unpaid members. Given the exclusive role that the Commission plays in the formation and alteration of municipal government boundaries, this compensation proposal is a wise investment in the future of this state. Please consider the following:

- ❖ The Alaska Supreme Court has consistently acknowledged the expertise of the LBC in all matters involving municipal boundary proposals. In doing so, the state's highest court has placed lofty expectations and demands on the LBC. These compel members to dedicate substantial time evaluating complex and controversial proposals. Often, the record before the Commission on a single issue will exceed 1,000 pages.
- ❖ The Alaska Constitution gives the LBC exclusive authority to determine all municipal boundary proposals. These include petitions for city and borough incorporation, annexation, detachment, dissolution, merger and consolidation.



- ❖ The LBC formulates fundamental policies that have important state-wide political, economic and social implications. Again, such responsibilities dictate that the Commission be both prudent and diligent in carrying out its duties.
- ❖ The LBC is one of only five boards with origins in the State Constitution. The others are the Judicial Council, Commission on Judicial Qualifications, Reapportionment Board and the University Board of Regents. The Board of Regents and the Reapportionment Board are compensated in some fashion. Further, the two judicial boards include at least some members who are salaried state judges. The work of the LBC is most similar to the Reapportionment Board which is compensated at the rate of \$150 per day.
- ❖ With few exceptions, the demands and expectations placed on the LBC appear to be at least comparable to the twenty or so state boards and commissions that are presently compensated. Exceptions are limited to the three full-time salaried commissions.
- ❖ There are 165 municipal governments in Alaska today. That number is more than quadruple the number that existed at statehood. Even then, the Public Administration Service – which played a critical role in setting the framework for State government – recommended to the First Session of the First Alaska Legislature that members of the LBC be compensated.
- ❖ Beside the fourfold increase in the number of municipalities since statehood, the scope of the Commission's responsibilities has grown substantially since its creation. Initially, the LBC was responsible only for municipal annexations and detachments. The courts handled other municipal boundary matters. Over the years, responsibility for municipal incorporations, dissolutions, mergers and consolidations has been shifted from the courts to the Commission. Not only has this relieved the courts of a substantial burden, but all municipal boundary issues are now placed before a single expert body. CSSB 164(CRA) would add to the duties of the LBC.
- ❖ The Commission typically meets about 20 - 25 times each year. Travel and participation at meetings of the LBC take members away from their paying professions, often requiring substantial financial sacrifice on the part of each Commission member.
- ❖ Meetings are often held in remote locations. This involves extended travel, sometimes under arduous conditions.
- ❖ The fiscal impact of such compensation would be minimal. Using an estimate of 25 one-day meetings per year and compensation of \$150 per day per member, the total cost of compensation would be \$18,750



- 12 Tables published in Alaska Taxable, (DCRA, January 1993) on pages 14 - 17 indicate that during 1992, municipalities in Alaska collected \$110,287,693 in sales taxes and "special taxes" such as alcohol, tobacco, bed and commercially caught fish: \$319,181,020 in non-oil & gas property taxes and \$256,462,165 oil and gas property taxes. This totals \$685,930,878. According to the State Revenue Sharing and Municipal Assistance - FY 92 Final Report (DCRA March 1992) the populations of all municipal governments in Alaska total 552,484. Thus, the statewide average per capita municipal tax collected from the sources described equals \$1,242.
- 13 Chapter 159, Session Laws of Alaska 1990, repealed a 6% limitation on sales taxes.
- 14 AS 29.45.090(b) states that, "A municipality, or combination of municipalities occupying the same geographical area, in whole or in part, may not levy taxes (1) that will result in tax revenues from all sources exceeding \$1,500 a year for

per year if all members were present at each meeting. Without such compensation, it is likely to become increasingly difficult for the State to find qualified Alaskans who are willing to stay on the Commission long enough to give it the needed continuity and experience.

MUNICIPAL TAX ISSUES

In 1992, the LBC reported to the Legislature that concerns had been expressed over the lack of reasonable limits on the authority of municipalities to levy taxes. Such concerns continued to be expressed during the year just ended. While the recently formed City of Pilot Point was most often cited as an example of the need for reasonable limitations, the Commission is aware of several other local governments that also levy substantial taxes on natural resources. These resources are not limited to fisheries, but include oil and gas properties, mining properties, timber and other natural resources.

Because Pilot Point is cited so frequently in arguments regarding this issue, the Commission offers details below concerning the tax levy of that particular government. In doing so, however, the Commission stresses that it does not intend to single out the City of Pilot Point for judgment as to the reasonableness of its taxes. There are other municipal governments in Alaska that levy even more taxes on a per capita basis than the City of Pilot Point.

In 1992, the City of Pilot Point reportedly collected some \$590,000 from its 3% sales tax on commercially-caught fish. With a population of 97 residents, the tax revenue in this case amounts to more than \$6,000 for each man, woman and child of the community. This compares to a per capita average of all taxes levied by the remaining 164 municipal governments in Alaska amounting to \$1,242.¹² If municipal taxes on oil and gas properties were excluded from the equation (87% of which are collected by a single municipal government), the average per capita municipal tax would be only \$777 - about one-eighth of the per capita revenue of the City of Pilot Point.

Presently, the law imposes no limitation on the rate at which a municipal government may levy a sales tax.¹³ Additionally, according to the State Attorney General's Office, the limitations imposed by AS 29.45.090(b) do not apply to the levy of sales taxes.¹⁴ Thus, there appear to be no legal limitations whatsoever on a municipality's authority to levy sales taxes (subject to voter ratification of rate increases).

The LBC is keenly aware that as State funding for local services continues to decline, the ability of Alaska's 165 municipal governments to raise revenues will become more critical. Therefore, any attempt to address this issue fairly will no doubt prove to be very difficult and controversial. The Commission raises this issue only to ensure that the legislature is aware of the sentiments concerning this matter.

OTHER ISSUES

Occasionally, concerns beyond those noted previously are brought to the LBC. Typically, such concerns deal directly or indirectly with State laws and policies on municipal incorporations and boundary changes. Examples of such include the following.

- ❖ There are inequities in the manner in which the borough concept has been implemented. In 1963, the Legislature mandated the formation of eight boroughs. Today, those eight mandatorily formed boroughs encompass about 80% of Alaska's population. The residents and property owners in the mandatory boroughs typically pay substantial local taxes for basic services. In contrast, there are other areas of the state that lie outside any local government. Some of those areas enjoy services comparable to the services in the mandatory boroughs. Further, some of these areas have resources at least comparable to areas within the mandatorily formed boroughs. Notwithstanding, the areas outside local government pay no taxes to support the services.
- ❖ There are disparities in funding for education. Because of requirements for local contributions, some areas of Alaska receive State and federal aid amounting to only about two-thirds of their defined level of "basic need" for education. Other districts receive more State funding because they are required to contribute little or nothing in support of education. Further, some districts receive funding not available to other districts (e.g., National Forest Receipts). The result is that some districts receive substantially more State and federal aid for education – upwards of twice the level of basic need – than other districts.

Here again, the Commission raises these issues simply in order to keep the legislature informed of the nature of concerns brought to the attention of the LBC.



FOOTNOTE 14 CONTINUED FROM PREVIOUS PAGE:

each person residing within the municipal boundaries; or (2) upon value that, when combined with the value of property otherwise taxable by the municipality, exceeds the product of 225 percent of the average per capita assessed full and true value of property in the state multiplied by the number of residents of the taxing municipality." The Attorney General's Office takes the position that this law applies only to property taxes.

HB

446

GOVERNOR HICKEL'S LOCAL ENVIRONMENTAL PRIORITIES INITIATIVE (HB 446)

Governor Hickel's Local Environmental Priorities Initiative Bill provides communities, regions or organizations with a formal mechanism to identify and address environmental issues.

The legislation consolidates the Department of Environmental Conservation's (DEC) authorities in one place in order to provide legislative impetus to the department's efforts in addressing environmental needs at the local level.

Through a formal "Community Agreement" communities and the Department of Environmental Conservation jointly prioritized environmental needs on the basis of comparative risk. All environmental issues do not present the same risks to humans, ecosystems or the quality of life. Therefore, it is important that environmental risks be prioritized according to the risk they present to communities.

Additionally, through this legislation, communities and DEC would jointly assess the availability of funds to address federal and state environmental mandates. There are over 40 environmental programs dealing with environmental protection. A rural community located in the interior may have the administrative and financial capacity to deal with only three of these programs. Therefore, it makes sense for DEC and local communities to cooperatively prioritize environmental needs at the community or regional level in order to focus our limited resources on the most important issues.

Large communities are faced with the same environmental protection responsibilities as small rural communities. Communities in rural Alaska may have very different environmental needs than urban communities. Some communities have far fewer financial and technical resources to meet state and federal environmental mandates.

Through Community Agreements, DEC and local communities or regions of the state can focus their combined resources on issues that make the most sense in terms of highest risk and cost-effectiveness. A common ground can be developed between DEC and local communities in addressing environmental needs of a community.

FISCAL NOTE

**STATE OF ALASKA
 1993 LEGISLATIVE SESSION**

BILL NO. _____

Revision Date: 23-Dec-93
 Title: Community Agreements for
Environmental Conservation Purposes
 Sponsor: Rules Committee
 Requestor: Governor

Department Affected: Environmental
Conservation
 BRU: Division of Environmental Quality
 Component: EQ Program Development

COMPONENT SERIAL NO. _____

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS,CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

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

REVENUE						
FUND SOURCE:						

FUNDING:

1002 FEDERAL RECEIPTS	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF MATCH	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/PROGRAM RECPT	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
OTHER	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ NONE

ANALYSIS: (Attach a separate page if necessary.)

Amends the powers of the Department to expressly authorize the department to enter into community agreements to best allocate environmental resources.

Prepared by: Robert Poe, Director
 Division: Division of Administrative Services

Phone: 465-5010
 Date: 12/23/93

Approved by Commissioner: John Sandor
 Agency: Department of Environmental Conservation

Date: 12/23/93

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

WALTER J. HICKEL
GOVERNOR



P. O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 4, 1994

The Honorable Ramona L. Barnes
Speaker of the House
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear Speaker Barnes:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to community agreements for environmental conservation purposes. The bill would provide the Department of Environmental Conservation with specific authority to enter into agreements with local governing bodies, Native regional corporations, Native village councils, other similar organizations, and, as appropriate, federal agencies, to jointly assess and prioritize local environmental needs and funding.

The bill amends the powers of the Department of Environmental Conservation found in AS 46.03.020 to expressly authorize the department to enter into community agreements to best allocate environmental resources. These community agreements have three basic components. First, the community agreement would provide for the joint assessment of environmental needs within a local community or region and the establishment of indicators to track progress in meeting those needs. Second, the parties to the agreement would jointly assess and prioritize those needs by comparative risk to human health and the environment. Third, the parties would work cooperatively to resolve those needs through delegation and cooperative management, to the extent allowable under the law, using local, state, and federal authorities and funding available to meet those identified environmental needs. The bill would allow a federal agency, such as the Environmental Protection Agency (EPA), to join as a party to the community agreement. Federal government participation would be voluntary and would not prevent the community agreement process from going forward. However, recent policy announcements by the EPA suggest that it may be interested in joining with the state and local communities in fashioning cost-effective cooperative solutions to the local environmental problems envisioned by these agreements.

The Honorable Ramona Barnes
February 4, 1994
Page 2

Alaska communities face "unfunded mandates" from the federal government that often exceed a community's financial capabilities. Prioritization is necessary. The information exchange and other activities contemplated by the bill would be structured in law and regulations, to meet legal requirements that may not presently be met.

Given the serious unmet environmental needs of the villages, local communities, and rural areas throughout our state, I urge prompt passage of this bill.

Sincerely,

A handwritten signature in cursive script, reading "Walter J. Hickel". The signature is written in dark ink and is centered on the page.

Walter J. Hickel
Governor

THE WHITE HOUSE
WASHINGTON

November 18, 1993

The Honorable Walter J. Hickel
Governor of Alaska
Juneau, Alaska 99811-0001

Dear Wally:

As part of our efforts to forge a more responsible and coordinated intergovernmental relationship, it gave me great pleasure to sign Executive Order No. 12875 on October 26, 1993. This directive marks the beginning of our efforts to relieve state and local governments from the imposition of unfunded mandates, to increase the flexibility of federal programs, and to create a meaningful consultation process.

Under this executive order, federal agencies and departments are required to provide state and local governments with adequate funding to cover the cost of compliance with federal regulations. Otherwise, agencies must justify to the Office of Management and Budget the imposition of the mandate, including an account of the affected governmental entities' concerns. In addition, this order directs agencies to look favorably upon requests for waivers of federal statutory or regulatory requirements and compels them to issue timely decisions on such requests.

In conjunction with my recently issued executive order on Regulatory Planning and Review, Executive Order No. 12875 is a significant step toward building a more effective intergovernmental partnership. With your continued support for these critical efforts, we will achieve this goal.

Sincerely,

Bill Clinton

RECEIVED

NOV 24 1993

OFFICE OF
CONSERVATION
OFFICE

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 26, 1993

EXECUTIVE ORDER
(#12875)

- - - - -

ENHANCING THE INTERGOVERNMENTAL PARTNERSHIP

The Federal Government is charged with protecting the health and safety, as well as promoting other national interests, of the American people. However, the cumulative effect of unfunded Federal mandates has increasingly strained the budgets of State, local, and tribal governments. In addition, the cost, complexity, and delay in applying for and receiving waivers from Federal requirements in appropriate cases have hindered State, local, and tribal governments from tailoring Federal programs to meet the specific or unique needs of their communities. These governments should have more flexibility to design solutions to the problems faced by citizens in this country without excessive micromanagement and unnecessary regulation from the Federal Government.

THEREFORE, by the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to reduce the imposition of unfunded mandates upon State, local, and tribal governments; to streamline the application process for and increase the availability of waivers to State, local, and tribal governments; and to establish regular and meaningful consultation and collaboration with State, local, and tribal governments on Federal matters that significantly or uniquely affect their communities, it is hereby ordered as follows:

Section 1. Reduction of Unfunded Mandates. (a) To the extent feasible and permitted by law, no executive department or agency ("agency") shall promulgate any regulation that is not required by statute and that creates a mandate upon a State, local, or tribal government, unless:

(1) funds necessary to pay the direct costs incurred by the State, local, or tribal government in complying with the mandate are provided by the Federal Government; or

(2) the agency, prior to the formal promulgation of regulations containing the proposed mandate, provides to the Director of the Office of Management and Budget a description of the extent of the agency's prior consultation with representatives of affected State, local, and tribal governments, the nature of their concerns, any written communications submitted to the agency by such units of government, and the agency's position supporting the need to issue the regulation containing the mandate.

(b) Each agency shall develop an effective process to permit elected officials and other representatives of State, local, and tribal governments to provide meaningful and timely input in the development of regulatory proposals containing significant unfunded mandates.

more

RECEIVED
NOV 23 1993

(OVER)

GOVERNOR'S OFFICE



HOUSE COMMUNITY AND REGIONAL AFFAIRS

SUBJECT OF MEETING:

HB 446

DATE: 3/1/94

PLACE: Rm. 124

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
JIM KOHLER	SECONF.	124 W. 5 TH ST.	99801		463-3445	(Y) N	446
JOHN WALSH	DCRA	BOX 112100	99811	4898		Y (N)	.
John Sandor	DEC	BOX 21135 JAO	99802	586-2487 5058	→	(Y) N	446
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	

CORRECTION

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

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

October 26, 1993

EXECUTIVE ORDER
(#12875)

- - - - -

ENHANCING THE INTERGOVERNMENTAL PARTNERSHIP

The Federal Government is charged with protecting the health and safety, as well as promoting other national interests, of the American people. However, the cumulative effect of unfunded Federal mandates has increasingly strained the budgets of State, local, and tribal governments. In addition, the cost, complexity, and delay in applying for and receiving waivers from Federal requirements in appropriate cases have hindered State, local, and tribal governments from tailoring Federal programs to meet the specific or unique needs of their communities. These governments should have more flexibility to design solutions to the problems faced by citizens in this country without excessive micromanagement and unnecessary regulation from the Federal Government.

THEREFORE, by the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to reduce the imposition of unfunded mandates upon State, local, and tribal governments; to streamline the application process for and increase the availability of waivers to State, local, and tribal governments; and to establish regular and meaningful consultation and collaboration with State, local, and tribal governments on Federal matters that significantly or uniquely affect their communities, it is hereby ordered as follows:

Section 1. Reduction of Unfunded Mandates. (a) To the extent feasible and permitted by law, no executive department or agency ("agency") shall promulgate any regulation that is not required by statute and that creates a mandate upon a State, local, or tribal government, unless:

(1) funds necessary to pay the direct costs incurred by the State, local, or tribal government in complying with the mandate are provided by the Federal Government; or

(2) the agency, prior to the formal promulgation of regulations containing the proposed mandate, provides to the Director of the Office of Management and Budget a description of the extent of the agency's prior consultation with representatives of affected State, local, and tribal governments, the nature of their concerns, any written communications submitted to the agency by such units of government, and the agency's position supporting the need to issue the regulation containing the mandate.

(b) Each agency shall develop an effective process to permit elected officials and other representatives of State, local, and tribal governments to provide meaningful and timely input in the development of regulatory proposals containing significant unfunded mandates.

more

RECEIVED
NOV 23 1993

(OVER)

GOVERNOR'S OFFICE

Sec. 2. Increasing Flexibility for State and Local Waivers. (a) Each agency shall review its waiver application process and take appropriate steps to streamline that process.

(b) Each agency shall, to the extent practicable and permitted by law, consider any application by a State, local, or tribal government for a waiver of statutory or regulatory requirements in connection with any program administered by that agency with a general view toward increasing opportunities for utilizing flexible policy approaches at the State, local, and tribal level in cases in which the proposed waiver is consistent with the applicable Federal policy objectives and is otherwise appropriate.

(c) Each agency shall, to the fullest extent practicable and permitted by law, render a decision upon a complete application for a waiver within 120 days of receipt of such application by the agency. If the application for a waiver is not granted, the agency shall provide the applicant with timely written notice of the decision and the reasons therefor.

(d) This section applies only to statutory or regulatory requirements of the programs that are discretionary and subject to waiver by the agency.

Sec. 3. Responsibility for Agency Implementation. The Chief Operating Officer of each agency shall be responsible for ensuring the implementation of and compliance with this order.

Sec. 4. Executive Order No. 12866. This order shall supplement but not supersede the requirements contained in Executive Order No. 12866 ("Regulatory Planning and Review").

Sec. 5. Scope. (a) Executive agency means any authority of the United States that is an "agency" under 44 U.S.C. 3502(1), other than those considered to be independent regulatory agencies, as defined in 44 U.S.C. 3502(10).

(b) Independent agencies are requested to comply with the provisions of this order.

Sec. 6. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

Sec. 7. Effective Date. This order shall be effective 90 days after the date of this order.

WILLIAM J. CLINTON

THE WHITE HOUSE,
October 26, 1993.



HOUSE COMMUNITY AND REGIONAL AFFAIRS

SUBJECT OF MEETING:

HB 446

DATE: 3/1/94

PLACE: Rm. 124

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
JIM KOHLER	SE CONF.	124 W. 5 TH ST.	99801		463-3445	<input checked="" type="radio"/> Y	<input type="radio"/> N	446
JOHN WAUSH	DCRA	BOX 112100	99811	4898		<input type="radio"/> Y	<input checked="" type="radio"/> N	
John Sandor	DEC	BOX 21135 JAO	99802	586-2487 5058	→	<input checked="" type="radio"/> Y	<input type="radio"/> N	446
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	
						<input type="radio"/> Y	<input type="radio"/> N	

**Alaska Department of Environmental Conservation
Division of Environmental Quality**



**Cooperative Environmental Community Agreement
1993 Program Report**

**Cooperative Environmental Community Agreement
1993 Program Report
TABLE OF CONTENTS**

	PAGE
PROGRAM REPORT CARD	1
PART ONE (Why Community Agreements?)	2
Background	2
Timeliness of Program	2
a. Unfunded Federal Mandates	
b. Community Agreements ("Short-Hand" Comparative Risk)	
PART TWO (Description of the Program)	4
Program Goals	4
Objectives	5
PART THREE (Regional Reports)	5
Common Issues Among the Regions	6
a. Accomplishments	6
b. Areas for Improvement	6
Regions	7
Northern Region	7
Southcentral Region	8
Southeast Region	10
PART FOUR (Implementation Plan for 1994 and Future Objectives)	11
Implementation for 1994	11
a. Top Priorities	11
b. Administrative Priorities	12
c. Resources	12
Future Objectives	13
a. Community Environmental Progress Report	13
b. Interagency Coordination for Sustainable Communities	13
PART FIVE (Conclusion)	14
ATTACHMENT Community Agreement Status Report	15

PART ONE

Why Community Agreements?

Background

In 1991 the Department of Environmental Conservation recognized a need to strengthen communications with local communities and the commitment to solving problems at the community level. There was also a recognition that environmental issues at the local level should be identified and prioritized jointly with the communities. On a more basic level, there was a need to improve trust and develop a common agenda.

On April 20, 1991, the Department and the City of Unalaska signed the first Community Agreement. Since that time 23 agreements have been entered into. There are more than 22 in draft form. Each of these agreements contains a list of the most important environmental issues, developed jointly by the community and the Department. These agreements formally commit the Department and the community or regional organization to a strategy and goals for addressing each of the communities' issues.

Timeliness of Program

The Community Agreement Program comes at a critical time considering the cost of unfunded federal mandates, the development of environmental indicators, the upcoming statewide comparative risk project and the need to focus local, state and federal resources.

Unfunded Federal Mandates

President Clinton's November 18, 1993, letter to Governor Hickel and Executive Order Number 12875 issued October 26, 1993, recognize the problem of unfunded mandates and initiatives. These documents propose to initiate "...efforts to forge a more responsible and coordinated intergovernmental relationship ... to relieve state and local governments from the imposition of unfunded mandates, to increase the flexibility of federal programs, and to create a meaningful consultation process."¹ Partnerships with local communities, such as the Community Agreements, provide a mechanism to identify the most important issues that can be addressed and foster collaborative problem solving.

¹ Commissioner Sandor's December 12 memorandum.

Small communities in Alaska have the same environmental protection responsibilities that apply to larger communities, but they have far fewer financial and technical resources to meet the federally mandated requirements. Communities of all sizes generally lack the permanent staff qualified to help them plan and comply with federal and state regulations.

Some of the largest cities are fortunate to have professional staff who are able to write permit and grant applications. The larger communities also interact more easily with the Department of Environmental Conservation's staff, Regional and District Offices, and understand agency regulatory procedures. However, in contrast to the very few large communities, most communities in Alaska lack the resources to create a staff of environmental professionals. Consequently, it is extremely difficult for them to comply with many environmental regulations.

Alaska's communities, both large and small, must comply with several concurrent environmental regulations. These may include:

- Drinking water monitoring and system upgrades, including wellhead protection;
- Wastewater treatment, sludge disposal and aquifer protection;
- Developing, upgrading, or closing solid waste landfills;
- Implementing air quality attainment programs;
- Underground and aboveground storage tanks;
- Stormwater management; and
- Wetland development and protection.

A community may need to work on compliance with several regulations at once, and many communities are unable to generate the resources needed to comply with the multiple environmental protection mandates.

The most common problems are related to drinking water and wastewater treatment. Drinking water and wastewater treatment standards apply to all communities regardless of technical or financial resources. The burden to meet the standards is disproportionate for small communities because it creates a reverse economy of scale. A water quality monitoring program for a small city represents a bigger percentage of its budget and mission than for a larger community or borough.

There are over 350 communities in Alaska. The majority of these communities have 300 residents or less. Most of these communities have a village leader, and possibly an administrator and a clerk. Because many communities cannot keep up financially with requirements, they face being out of compliance with federal and state regulations. A major impact of the regulations, in addition to the capital and operating costs of meeting standards, are the penalties and sanctions for noncompliance. Communities do not choose to be in noncompliance. Noncompliance is the result of overwhelming infrastructure needs without the technical or financial wherewithal to address them. It is clear that communities, especially small communities, have special problems including multiple regulatory burdens. These special problems must be considered and addressed in innovative ways.

Community Agreements ("Short-Hand" Comparative Risk)

There are more than 40 environmental programs in DEC. A small community in Alaska may be concerned with three to five of these programs; however, it may be asked to expend resources to comply with regulations for a dozen of these programs under state or federal law.

Nationally, EPA regions, five states and a few cities have conducted comparative risk analyses. Comparative risk is a process that ranks the highest environmental risks to humans, the ecosystem and quality of life. In determining the highest risks, the public is involved and available science is gathered to determine the ranking. This process has helped states and communities to prioritize environmental issues.

The Community Agreement Program is a "short-hand" comparative risk process. The community leaders determine what the most important issues are in their community, and DEC brings to them what professional judgment they have on these issues. Together they establish a common agenda that includes a list of the most important issues, a strategy for addressing these issues, and a goal. This list is part of an agreement that is signed by the Department and the community leader. Through these agreements small communities can address their most pressing environmental problems jointly with DEC.

PART TWO

Cooperative Environmental Community Agreements

Program Goals

The goal of the Cooperative Environmental Community Agreement is to establish a framework for the department and the communities to work together to find solutions to locally defined environmental problems. Through the commitments made in the agreements, trust can be achieved, which can enable local officials, Department and other state agencies and the communities to cooperatively solve environmental issues.

The Community Agreements formalize the commitment of DEC and a local community to solving environmental problems. The Community Agreements identify and prioritize major environmental issues and strategies for resolving them. They provide the state with a mechanism for direct community involvement and feedback about state and federally delegated environmental programs

Objectives

The objectives of the Community Agreements Program are to:

- Strengthen the Department's working relationship with communities, Native organizations and regional organizations,
- Identify environmental issues and actions that the community and DEC consider significant and willing to jointly address.
- Improve communication between DEC and the community by establishing a working list and persons responsible for implementing the commitments,
- Establish a point of contact between the community and DEC,
- Encourage meetings on a more regular basis between DEC's District and Regional Office representatives and community officials.
- Build a trust relationship between the community and DEC.

PART THREE Regional Reports

The progress and status reports on the Community Agreement Program were developed by the Division of Environmental Quality's statewide program coordinator and from information from the regional coordinators. The reports also reflect the comments from a recent meeting between the Regions and the statewide program coordinator. Below is a summary of this discussion with recommendations for improving the program.

For a quick status of the agreements that have been signed and drafted, please refer to the attachment.

Common Issues Among the Regions

a. Accomplishments

The agreements that have been successful in meeting the goals of the program are the agreements with organizations that cover more than one community or regional organizations. The high performers among the agreements are Tanana Chiefs Conference, Southeast Conference and Fairbanks Area Agreements. These bright stars in the program are encouraging to DEC staff and managers. Specific accomplishments can be found in the regional reports. These agreements have fostered innovative approaches and collaborative problem solving between DEC staff, communities and regional organizations.

Also, the regional staff supports the proactive planning of the agreements that have allowed communities to avoid costly problems.

There has been an impressive amount of time spent on Community Agreements this past year considering the reduced resources in the Department. Until the agreements become more a part of the day-to-day operation of the District and Regional Offices they will require a capital investment in time. However, there have been accomplishments that have already occurred that will net the state cost savings in the future.

Specific examples of why these agreements are successful are outlined under the regional reports.

b. Areas for Improvement

The Department has been able to enter into many agreements; however, only a portion of these have been formally updated. In order that district and regional personnel keep the agreements current, it has been suggested that the Central Office needs to demonstrate that this program has a high priority and integrate

it into the core programs. Otherwise the day-to-day crises that occur in the District Offices will push the Community Agreement to a lower priority. The staff can only respond to the highest priorities due to reductions in resources.

The Central Office plans to assist in keeping this program a high priority during the coming year by using management and tracking tools. These include:

- ensuring the integration of the core DEC programs into the list of issues and goals in the agreements;
- quarterly reports; and
- frequent contact with Regional and District Offices about the program.

One of the common criticisms from the regional staff is that there still is not a clear understanding of the process for signing the agreements. There is not one process for tracking or processing the agreements. The program plans on addressing these issues as outlined in the "Implementation Plan for 1994," which is included toward the end of this report.

NORTHERN REGION

High Performance Agreements:

1. **Tanana Chiefs Conference (TCC):** The TCC Community Agreement is different from most other Community Agreements in that it is signed with a Native organization instead of a village or borough official. By working cooperatively with TCC, the Department can efficiently use its resources through coordinating travel, sharing information, and jointly prioritizing the major issues in the TCC region.

This agreement has been signed by the President of TCC and the U.S. Public Health Service Director of Environmental Health Services Unit within TCC. The U.S. Public Health Service has a mission similar to DEC's and visits its 43 villages more frequently than DEC.

This agreement was renegotiated this summer. As the TCC communities are located in both the Northern and Southcentral Regions, this agreement has been signed by both NRO and SCRO. One of the many important aspects of this agreement is the establishment of regular meetings to discuss common issues. Some of the high points of this agreement are: established standards for above-ground fuel tanks, connection to DEC e-mail, improved coordination

of travel to villages and a common ground approach to the most important issues in the Region.

2. **FNSB, City of Fairbanks, and City of North Pole:** This agreement is unique in that it includes the City of Fairbanks, the Fairbanks North Star Borough (FNSB) and the City of North Pole. All of these organizations have signed the agreement. This agreement was also unique in that it incorporates the results of a series of town meetings that listed the important environmental issues of the Fairbanks area. The town meetings included such groups as industry, interest groups and state and federal agencies.

Currently, the list of concerns in the agreement is being addressed with the partners in the agreement. The Regional Office is currently working with FNSB on the recently proposed solid waste regulations.

Agreements Signed:

1. **North Slope Borough (NSB):** The Regional Office has been working with Chris Mello of the NSB Office and expects to renegotiate the agreement within the next few months. The Regional Office has been very active with NSB representatives, particularly on the issue of management of radioactivity which is included in the agreement.
2. **White Mountain, Unalakleet, and Kotzebue:** There has been a lot of activity with city managers and council managers based on the items on the agreements. All the communities are willing to re-sign the agreement. They are considering a five-year agreement.

Draft Agreements and Interested Communities:

1. **Nome:** Mildly interested.
2. **Northwest Arctic Borough:** The DEC district manager recently spoke to the city administrators of all the villages from the Northwest Arctic Borough and provided a generic agreement. The district manager will be following up on the offer.
3. **Alaska Village Electric Coop:** See the Southcentral Regional Report.

SOUTHCENTRAL REGION

By far, the Southcentral Region is the most complex and has the largest number of communities of the three Regional Offices. The Southcentral Region has the largest population center, Anchorage, and is consequently faced with the most complex environmental problems and governmental infrastructure.

A large part of the Southcentral Region is western Alaska and is in the unorganized borough and has undeveloped governmental structures other than individual villages. DEC will be evaluating the possibility of developing agreements with organizations like the U.S. Public Health Service regional offices and with quasi-governmental organizations like the Local Coastal District Offices and perhaps Regional Development Organizations.

During the past two years LCRO has been actively developing agreements. Approximately half of the agreements within the last six months have expired and the others are being drafted.

Agreements signed:

1. **Unalaska, Sand Point, and St. Paul:** These agreements were the first agreements signed by the Department, in April 1991. They are agreements with extremely remote communities and are currently being reviewed. Because of the remote location the Department has had a rapid turn over in staff at these locations.
2. **Kenai Peninsula Borough:** This is one of the largest boroughs in the state. The agreement has no expiration date.
3. **Tatitlek:** This agreement was signed last year and is being revised.
4. **Old Harbor:** expires 1996
5. **Whitter:** expires 1997
6. **Karluk:** expires 1996
7. **Nightmute:** This agreement was signed on May 31, 1993 and is a four year agreement set to expire in 1997.

Draft Agreements:

1. **King Cove:** A final draft has been reviewed by DEC and expected to be signed in early 1994.

2. **Alaska Village Electric Cooperative (AVEC):** This organization supplies power to 49 villages in the northern and southcentral part of Alaska. This organization is interested in an agreement with the Department to develop fuel handling practices and improve their overall environmental practices. A draft has been completed and approved by the AVEC. The Department is working toward obtaining the necessary signatures. NRO is working with SCRO in developing this agreement.
3. **Valdez, St. Mary's, Kwethluk, Kotlik:** Draft agreements are being developed with all these communities.
4. **City of Kodiak:** The city has declined to sign the agreement.
5. **Chenega Bay and Cordova:** Agreements were drafted, but not perfected.

Interested Communities:

1. **Anchorage:** An initial draft was being developed but there is only mild interest.
2. **Akutan:** An initial contact was made and they mentioned they would like to work through the Aleutians East Borough.

SOUTHEAST REGION

The Southeast Region has signed eight agreements and has five additional agreements in draft.

HIGH PERFORMANCE AGREEMENT:

- **Southeast Conference Partnership Agreement:** Perhaps the most distinctive agreement is with the Southeast Conference, an organization which provides services to most of the communities in the Southeast region of Alaska. The Southeast Conference is a quasi-governmental organization funded by each of these communities and the Alaska Department of Commerce and Economic Development.

Through this partnership agreement with the Southeast Conference a regional approach was developed to collect hazardous wastes from communities. Without this collection hazardous wastes would have remained in the communities and created potential health problems in the future. This agreement is also becoming a catalyst for long-term planning for the region. It

is currently being updated, and the Department has requested that the U.S. Environmental Protection Agency (EPA) become a co-signer of the agreement.

The most recent agreement includes the following issues: solid waste management, hazardous waste collection, and used oil and other recyclable material. The agreement has also led to other partnerships and cooperation in the participating communities. One of these is a regional approach to sustainable development.

Agreements Signed:

1. **Ketchikan Gateway Borough:** This agreement was one of the first agreements to be signed by the Department. It is currently being updated.
2. **City of Ketchikan, City of Haines, Haines Borough, Klawock, Thorne Bay, Angoon:** All these agreements were signed within the last year.

Draft Agreements:

1. **Petersburg, Wrangell:** A draft agreement has been signed for these communities.
2. **Saxman:** The drafting process is starting over.

Interested Communities:

1. **Kake:** The city is interested, as indicated in a letter that was sent to DEC this past September.
2. **Juneau:** The city has been connected to DEC's e-mail system. The District Office is working with Juneau to assess the city's interest.

Communities Not Interested:

1. **Skagway:** They declined to participate.
2. **Craig:** The city rejected the draft agreement.

PART FOUR
Implementation Plan for 1994 and Future Objectives

1994 Objectives and Tasks (January 1994- January 1995)

a. TOP PRIORITIES

1. Maintain existing commitments: The most important objective is to review the commitments contained in each of the existing agreements. Each needs to be reviewed to determine the degree of progress made on each commitment and to ascertain whether the community contact person has changed. Each agreement will then be considered for re-signing.
2. Community Environmental Progress Report: A Community Environmental Progress Report will be developed for each community and region that has entered into a Community Agreement. The report will include a community profile that contains key environmental indicators and a progress report on the issues listed in the agreements. This report will be connected to the Department's Geographic Information System (GIS) effort which is currently underway.
3. Additional Agreements: Because all the high performing agreements are regional agreements (agreements that included more than one community, or Native organizations, boroughs, or private organizations), additional attention will be given to developing regional partnerships.

b. ADMINISTRATIVE PRIORITIES

1. 1994 Tasks: A work plan for 1994 with measurable tasks will be developed by the Program Coordinator in consultation with the Regional Coordinators.
2. Quarterly Teleconferences: The Central Office will play a more active role by initiating quarterly teleconference with regional offices. A review of the progress made by the regional and district offices will be discussed and progress toward the top priorities.
3. Internal Program Review: The Central Office will conduct an internal Program Review, which will consist of interviewing community contact persons in the Regional Offices
4. External Program Review: The Central Office will do an external Program Review to assess the perceived effectiveness of the program by interviewing community officials or leaders of organizations that have agreements with the Department.

5. Central Office Program Coordination: The Central Office staff will receive a copy of the agreements. However, as agreed by the Regional Offices, the regional program managers will be responsible for ensuring that program concerns are reflected in the agreements.

c. RESOURCES

Priority Placed on Community Agreement Issues

The Regional Offices expressed reservations about the Department's ability to fulfill the commitments of the Department's core programs. In order to address this concern a clear priority must be given to the issues listed in the agreements. A priority to perform the work identified in the agreements must be allowed if the District and Regional Offices are to fulfill the commitments in the agreements.

Part-time Central Office Coordinator

The Division of Environmental Quality Central Office has given priority to this project by assigning an existing position to 10-15 hours per week to work on Community Agreements. The division is also seeking additional federal funds to coordinate the agreements with the Regional Offices as well as integrate the agreements with GIS, and develop community environmental progress reports.

Future Objectives

a. Community Environmental Progress Report

Communities that sign agreements or participate through regional agreements will receive an annual "Community Environmental Progress Report." This report provides the community with an update on the progress made on the issues the community identified as priorities. The report is currently being developed by the Department. The Community Environmental Progress Report is envisioned to contain general environmental quality information about Alaska's environment, and will also contain a community profile including five to 12 local environmental indicators.

These reports will be connected to the GIS that is being developed by the Department.

b. Interagency Coordination for Sustainable Communities

It is also envisioned that the Alaska Departments of Commerce and Economic Development (DCED) and Community and Regional Affairs (DCRA) will become partners in the Community Agreements. DCED's Alaska Regional Development Organizations Programs (ARDOR) are a logical partner in these agreements, considering their missions and similar programs. DCRA's "Community Profile" currently includes a map of ownership and other details about the community. Combining our efforts can result in enhanced efficiency.

The EPA has been asked to become a co-signer of the agreements. This should improve the communication between the local communities and the EPA, particularly on the current issue of unfunded federal mandates and reduced funding.

PART FIVE Conclusion

In a time when communities are unable to comply with basic environmental federal and state environmental mandates, partnerships with communities and regional organizations can play a critical role. Community Agreements identify the environmental issues most important to local communities and also identify what the local and state agencies can realistically achieve, considering limited resources.

The coming year will challenge DEC District, Regional and Central Office staff to provide their traditional services to the public. To ensure that the Community Agreement Program does not overextend itself, the agreements already signed will be reviewed and updated before new agreements are signed.

After the existing agreements are updated new agreements will be considered and other agencies will be considered as partners to these agreements. Also, an annual report "Community Environmental Progress Report" will be provided to communities. In order that the Community Agreement Program sustain itself and eventually decrease the workload of the Department, it will require time and eventual integration into the basic programs of the Department. This will require capital investment; however, the long-term benefits will net time savings through better communications, focusing on the most important issues and coordination among the partners.

HB

467



520 East 34th Avenue
Anchorage, AK 99503-4199
(907) 561-1900

P.O. Box 101020
Anchorage, AK 99510-1020

To: House CRA Committee

From: Robert L. Breen
Director, Rural Housing
AHFC

RE: Agency comments on HB 467

AHFC feels that HB 467 is a positive pro-active bill that provides for flexibility and consideration of the Rural Housing programs providing service to Rural Alaska.

Rural Housing has worked jointly with Rep. MacLean and her staff to provide for the elements of HB 467 which are as follows:

- 1.) The Regional housing authorities statewide would be authorized through HB467 to originate and service residential loans in small communities in their respective regions. This provision further empowers the regional housing authorities to provide service in their region with the support of AHFC as apposed to AHFC attempting to duplicate a service at a local and regional level. AHFC supports and advocates this concept.
- 2.) AHFC,s Rural Housing Programs would be authorized through HB 467 to increase the allowable match of the Housing and Urban Development Grants to the Regional Housing Authorities from 20% to 30% on a case by case basis. Presently the Supplemental Housing Grant Program provides a 20% match to HUD,s total development cost of housing units in Rural Alaska. In some cases the 20% match is insufficient to provide for adequate water and sewer systems. This provision of the bill increases the allowable match to go up to 30% on a case by case basis for water and sewer features. AHFC supports and advocates this concept.

3.) AHFC,s Rural Housing Programs would be authorized through HB 467 to expand the definition of " rental housing" from eight units to sixteen units and allow the owner to occupy the complex in order to provide for on site operation an maintenance and protection of the owners investment. This action enhances local economic development opportunities throughout Rural Alaska. AHFC supports and advocates this concept.

4.) AHFC,s Rural Housing Programs would be authorized through HB 467 to expand the definition of " housing" to mean a dwelling containing up to four units as apposed to a dwelling containing up to two units. This definition also allows for the enhancement of local economic development opportunities throughout Rural Alaska. AHFC supports and advocates this concept.

In general we feel that this legislation is positive, constructive, and promotes the local economies and well being of Rural Alaska. We recommend support of HB 467.



Kodiak Island Housing Authority

MEMORANDUM

TO: David Harding
& Rep. Maclean

FROM: Karen King
Kodiak Island Housing Authority

DATE: March 9, 1994

SUBJECT: House Bill No. 467

Post-It™ brand fax transmittal memo 7671		# of pages > 1	
To	David Harding	From	Karen King
Co.	Rep. Maclean	Co.	KIHA
Dept.		Phone #	486-8111
Fax #	463-3241	Fax #	486-4432

House bill 467 will further assist regional housing authorities in our efforts to offer housing opportunities to communities on a local level.

SECTION 1

Home mortgages will be promptly available for residents of small communities by authorizing regional housing authorities to make, originate, and service loans within their jurisdiction. Currently, AHFC loan originations are not readily available to all communities. By not having local origination authority, the service delivery is impeded, requiring residents to go through an inordinate amount of effort based solely on logistics. The current situation only serves to make procuring a home mortgage, which is a stressful situation in the best of circumstances, inefficient and daunting.

SECTION 3

The Association of Alaska Housing Authorities strongly supports the corporation's increased contribution to federally funded housing developments from 20% to 30%. We would encourage a revision to the proposed language which would allow the funding to be utilized on "off-site" sewer and water facilities. Flexibility to permit the use of funding for on-site or off-site situations, based on local circumstances, will insure sufficient funds are available to develop viable, credible housing units.

A recently completed development in Craig, Alaska required an inordinate amount of development funds be utilized for off-site water/sewer facilities. The usual agencies available to the housing authority to support the development, PHS, BIA, and HUD, were unable to fully support the off-site needs which jeopardized the entire development. Combined with the difficulty in actually defining where on-site, off-site water/sewer expenses begin and end, and lack of funds, the community struggled with bringing the development to fruition.

By allowing the corporation's proposed 30% contribution to be utilized based on local circumstances, the State of Alaska could demonstrate strong support for the federal funds that are available for the housing needs of low-income Alaska residents.

**BERING STRAITS REGIONAL HOUSING AUTHORITY**

P.O. Box 995
Nome, Alaska 99762
443-5256 or 5257
FAX No. (907) 443-2160

TESTIMONY IN SUPPORT OF HB 467

The Bering Straits Regional Housing Authority is in support of HB 467 and agrees with the testimony and comments offered by the Association of Alaska Housing Authorities. Our specific comments concern inclusion of sewer and water facilities in the Supplemental Housing Grant program.

The funding cycles of projects for improvement of community sanitation facilities are often not coordinated among various federal, state, and local agencies. Alaska's Housing Authorities accommodate the gaps in project planning, scheduling, and implementation by incorporating alternate approaches to sanitation. For example, permanent plumbing may be installed in a home's walls in anticipation of an expected project, but temporary water, water storage, waste storage, and plumbing are also installed to allow occupancy until the community's sanitation facilities are upgraded. This costs more money which is not anticipated by HUD's cap for Total Development Costs. These costs are very appropriate for Supplemental Housing Grants.

Some community facility needs are also overlooked when a planned water and sewer project is anticipated to upgrade the community system. Funding for costs of the "off-site" facilities are likewise appropriate. Examples include short extensions of water and sewer mains, additional "honeybucket" bins, and connections to community septic systems which require service lines beyond individual lot lines.

I appreciate the opportunity to offer these comments in support of HB 467.

Sincerely,

Bruce Kovarik
Executive Director

March 10, 1994



Alaska State Legislature

Please enter into the record my testimony to the House Community & Regional Affairs committee name

committee on HB 467 / AHFC Housing Loans, dated 3/10/94
bill/subject

Memo: Pro-testimony for HB 467
From: Craig H. Johnson
Associated Island Brokers Inc.
Date: March 10, 1994
Re: Supporting this legislation

Today I attended a teleconference hearing at our local LIO. Essentially what this does is allow FHA-type financing for rural Alaska. As an owner of the largest real estate office serving the Kodiak area I've seen over the past 10-15 years a definite need for this type of program. As a member of the Alaska Association of Realtors I know that this is unlikely to attract the attention of non-rural Alaska.

The program as it now exists finances single-family & duplex owner-occupied, this bill will expand that to up to 4-plex owner-occupied. Rental property can now be financed up to 8-plex non-owner occupied. This bill would allow up to 16 units & allow the owner to reside in the complex if desired (now that's prohibited).

Since we don't have the option in rural Alaska for conventional or FHA financing in all cases we have depended on the State for assistance. That's why the rural program exists & these changes are helpful to better serve the housing needs for our state. Call me with questions; office, 486-2000, home, 486-4826.

Signed: _____

Sincerely, Testifier Craig H. Johnson / ASSOC. ISLAND BROKERS INC.
Representing (Optional) 216 CENTER, STE 200 KODIAK AK
Address 907-486-2000 99605
Phone No. _____

8/88 Legislative Information Office

Sponsor Statement
HB 467
Rep. Eileen P. MacLean

HB 467 makes changes to the Rural Loan Program of the Alaska Housing Finance Corporation in order to increase the availability of loan services and to encourage more investment in rural housing.

Current law does not specifically authorize regional housing authorities to originate or service loans in areas where AHFC has a regional office. This prevents housing authorities in Fairbanks, Kotzebue, Nome, Bethel, Dillingham and Juneau from generating and servicing loans for AHFC. Some of these authorities are located in areas with the greatest need for new housing.

Housing authorities often have more contact with villages and a better understanding of local conditions in remote areas. Many authorities are involved in HUD housing projects in the outlying communities. This makes them ideally suited to handle AHFC loans. HB 467 would authorize this practice in statute.

The bill also encourages greater investment in rural housing by allowing owner-occupants to finance up to four units in a complex and by allowing owners to inhabit larger rental complexes.

Finally, HB 467 allows AHFC to increase its participation in projects with unusually high water and sewer installation costs without reducing the amount of the federal contribution to such projects.

HB 467 has a zero fiscal note and is supported by AHFC and builders throughout the state.

Testimony - HB 467 House C&RA

HB 467 makes changes to statutes related to certain rural loan and grant programs in AHFC. The bill has three goals that will contribute to greater investment in rural housing:

- The first is to take advantage of the regional housing authorities already out there to help sell and service AHFC loans.
- The second is to encourage more private investment in multi-unit housing by doubling the size of complexes that are eligible for loans under AHFC's non-owner-occupied housing program, and allowing owners to live in one of these units to allow closer monitoring and better maintenance of the complex.
- The third goal is to increase the limit of AHFC's participation in water and sewer hookups to eligible housing projects. This funding is dependent on federal support, and any increase in AHFC's participation will not reduce the federal contribution.

Rep. MacLean believes these changes will lead to more housing construction in remote areas, greater availability of rental units, and better servicing of loans.

Thank you.

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 467

Revision Date: March 8, 1994 Dept. Affected: Department of Revenue
 Title: An Act relating to housing programs of the AHFC and regional BRU: Alaska Housing Finance Corp
 housing authorities... Component: Operations
 Sponsor: Rep MacClean
 Requestor: House CRA COMPONENT SERIAL NO. 0110

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
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	4,100.0	4,100.0	4,100.0	4,100.0	4,100.0	4,100.0
----------------	----------------	----------------	----------------	----------------	----------------	----------------

REVENUE FUND SOURCE:	0	0	0	0	0	0
-----------------------------	----------	----------	----------	----------	----------	----------

FUNDING: (Thousands of Dollars)

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
1022 Corporation Receipts	4,100.0	4,100.0	4,100.0	4,100.0	4,100.0	4,100.0
TOTAL	4,100.0	4,100.0	4,100.0	4,100.0	4,100.0	4,100.0

POSITIONS:

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

Estimate of current year (FY94) impact: \$ 0

ANALYSIS: (Attach a separate page if necessary.)

For the portion of the bill that increases the Supplement Housing Development Grants to 30 percent match from 20 percent; from Alaska Housing Finance Corporation receipts, up to additional \$4.1 million annually (capital budget) depending upon secured U.S. Housing & Urban Development funding (presently the supplemental housing development grant fund is at \$8.2 million at the 20 percent match level).

Prepared by: Judith DeSpain Phone: (907) 561-1900
 Division: Alaska Housing Finance Corporation Date: March 8, 1994
 Approved by: Darrel J. Rexwinkel Date: 3/9/94
 Agency: Alaska Department of Revenue

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

**DIVISION OF LEGAL SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA**

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

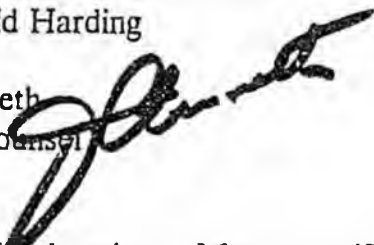
MEMORANDUM

February 17, 1994

SUBJECT: House Bill 467 -- Sectional analysis (Work Order No. 8-LS-1613\E)

TO: Representative Eileen MacLean
ATTN: David Harding

FROM: Jack Chenoweth
Legislative Counsel



The measure deals, generally, with housing. More specifically, it modifies key elements or features of housing programs of the Alaska Housing Finance Corporation that operate in rural areas and authorizes regional housing authorities to serve as seller-servicers of loans in the state's small communities.

Bill section 1: This section, an amendment to AS 18.55.997 relating to the powers granted to regional housing authorities, (1) would add to the powers currently granted that of originating and serving residential housing loans (in AHFC parlance, it would grant the regional housing authorities the status of "seller-servicer" of AHFC loans) and (2) expands the authorities' ability to operate geographically by substituting reference to "small community" for "rural" and by eliminating the limitation that restricts program operations to parts of the state outside of "an area where the corporation has a loan office."

Bill section 2: The substantive amendment made in this bill section incorporates reference to the exception made by AS 18.55.998(f).

Bill section 3: Under current law, the portion of the grant that may be made by AHFC for residential housing for which financial assistance is to be provided by the U.S. Department of Housing and Urban Development is limited to 20 percent of the total development cost per unit. This bill section proposes an exception under which the AHFC contribution may increase to as much as 30 percent of total development cost per unit if the corporation determines that "costs of installation of safe and sanitary on site sewer and water facilities to serve [the] residential housing" would cause the total project cost to exceed the 20 percent limitation on total development cost per unit. The draft intends no reciprocal reduction or loss in the amount of

support by the federal agency, only an increase in the AHFC contribution to try to be responsive on these additional water and sewer installation costs.

*

The remainder of the bill makes changes in the current "nonowner-occupied" housing program of the Alaska Housing Finance Corporation. The nonowner-occupied housing program now limits financial assistance to each of the following in which the owner may not reside: single-family units and multi-plex buildings containing up to eight units. As its name implies, the AHFC program chiefly supports the development of rental units. The changes made in the following sections are intended to remove the restriction imposed on owner-occupancy in order to allow the owner to occupy. Since the program could no longer properly be styled "non-owner occupied housing," the bill proposes to describe it as "rental" housing.

Bill section 4: The changes made in this bill section are technical. Since the nature of the changes made in the following bill sections is to remove the restriction on owner-occupancy (and the program ought not, therefore, to bear the name "nonowner-occupied" housing), the revision on page 4 restates the current restriction on total AHFC loans in terms that reflect the change.

Bill sections 5 and 6: AS 18.56.580 now sets out the "non-owner occupied housing program." The amendments in the respective sections substitute reference to "rental" for reference to "nonowner-occupied" to describe this program.

Bill section 7: The changes (1) substitute the term "rental housing" for "non-owner occupied housing"; (2) expand the limitation on the number of eligible multi-plex units from 8 to 16; (3) permit the owner to occupy one of those multi-plex units; and (4) limit the program to operating in the state's "small communities," a term already defined for purposes of these housing programs. See AS 18.56.600(2), set out in the bill's section 8.

Bill section 8: The amendments (1) broaden, in subparagraph (A), the definition of "housing" for purposes of certain other AHFC programs to cover owner-occupied housing with as many as four units under one roof (the limit in the current definition is two units), and (2) excludes, in subparagraph (B), assistance under the various other AHFC programs for development of housing units that would be built under the former "non-owner occupied", now retitled "rental," housing program of AS 18.56.580. The purpose of subparagraph (B) is to preclude a prospective borrower from being eligible under the various housing assistance programs.

L L H

B H

Alaska State Legislature

HOUSE OF REPRESENTATIVES



REPRESENTATIVE FRAN ULMER

MEMORANDUM

February 16, 1994

TO: Rep. Harley Olberg, Chair
House Community & Regional Affairs Committee

FROM: Rep. Fran Ulmer

RE: HB 477, relating to local contributions for education

The amount of money which may be appropriated to a school district to operate is limited by state and federal law. This limit or cap is designed to ensure relative parity among school districts and their educational programs across the state. Under federal law, there shall be no difference in funding greater than 25% between districts.

Alaska law establishes a maximum local contribution of 23% of the instructional unit value in AS 14.17.056. HB 477 raises the cap on voluntary local contributions to 24% of the instructional unit value; there is no change to the minimum requirement.

There are several districts close to the existing maximum limits, including Fairbanks, Juneau, Kenai, Ketchikan and Sitka. A 1% increase in local contributions will maintain the policy of parity among districts while allowing districts to better maintain the level of service currently in place.

The intent of this bill is consonant with Alaska's policy of local control of education. Increasing the amount which a municipality MAY contribute to the funding of its school district allows local communities a greater opportunity to create the type of educational programs they desire. This bill thus encourages the concept of local control and responsibility as well as offering a practical remedy for those districts who wish to offset the negative effects of inflation on school funding.



HB 477
Local Contributions to Education

Sectional Analysis

Section 1. Increases the maximum amount of voluntary local contribution to a school district from 23% to 24% of the district's basic need.

Section 2. Effective date: July 1, 1994.

INCAP.XLS

ALASKA DEPARTMENT OF EDUCATION
FY94 FOUNDATION PROGRAM1% of Basic
Need

ALEUTIANS EAST	40,425
ANCHORAGE	2,290,764
BRISTOL BAY	24,254
CORDOVA	32,147
CRAIG	23,491
DENALI	33,373
DILLINGHAM	38,564
FAIRBANKS	799,631
GALENA	14,756
HAINES	25,827
HOONAH	21,350
HYDABURG	10,114
JUNEAU	289,957
KAKE	13,804
KENAI	567,880
KETCHIKAN	133,791
KLAWOCK	16,074
KODIAK	172,545
LAKE AND PENN.	72,401
MATSU	608,280
NENANA	16,061
NOME	53,338
NORTHWEST ARCTIC	182,250
PELICAN	6,015
PETERSBURG	37,881
SITKA	93,861
SKAGWAY	11,535
ST. MARY'S	11,682
TANANA	12,316
WRANGELL	30,884
YAKUTAT	13,408
TOTALS	5,698,659

Potential increase of local contributions due to increased cap
from 23% of basic need to 24%.

FISCAL NOTE

STATE OF ALASKA

BILL NO. HB 477

1994 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Education

Title: An Act increasing the amount of local contribution that may be made to a city or borough school district....

BRU: K-12

Component: Foundation Program

Sponsor: Representative Ulmer

Requestor: _____

COMPONENT SERIAL NO. _____

141

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

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

REVENUE FUND SOURCE:						
----------------------	--	--	--	--	--	--

FUNDING:

(Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0	0	0	0	0	0

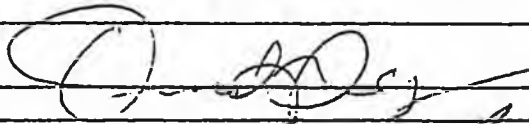
POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: \$ -0-

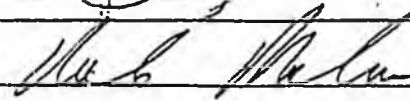
ANALYSIS: (Attach a separate page if necessary.)

HB 477 does not have a fiscal impact on the State. HB 477 will amend AS 14.17.025(b)(2) which will increase the additional local revenue cities or boroughs are allowed to contribute for school operations from 23% to 24% of that district's basic need.

Prepared by: 

Phone: 465-8679

Date: February 16, 1994

Approved by Commissioner: 

Jerrv Covey

Date: February 16, 1994

Agency: Education

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE

For further distribution information call the Governor's Legislative Office



HOUSE COMMUNITY AND REGIONAL AFFAIRS

SUBJECT OF MEETING:

HB 477

DATE: 2/24/94

PLACE: Rm 124

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
DUANE GUILLEY	DOE	Juniata, AK			5-8679	Y	N	AVAILABLE TO ANSWER QUESTIONS
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

H B

4 9 7

HB 497

POSITION PAPER
BY
ALASKA RURAL ELECTRIC COOPERATIVE ASSOCIATION
February 16, 1994

Effect

Although HB 497 requires several pages to accomplish it, the only thing this bill does is to make it optional with the electric or telephone cooperative as to whether the co-op uses the title "president" and "vice-president" or "chairman" and "vice-chairman" for its top two board officers.

As introduced, this bill actually uses the terms "chair" and "vice-chair".

Purpose

The reason for this statutory change is to permit cooperatives, if they choose to do so, to adopt standard business designations for its officers. The standard practice among business corporations is for its top board position (elected) to be its chairman while the chief executive officers (employed) is its president.

Importance

The reason we think this is desirable comes from the fact that the Rural Electrification Administration is decreasing the availability of its loans to the cooperatives. The co-ops have to seek other sources of capital, including the issuance of bonds. Chugach Electric Association went through the process of issuing its own bonds in 1991, and they found that the confusion caused by their not using standard business titles made this process more difficult and time consuming.

Position

The Alaska Rural Electric Cooperative Association supports HB 497 as an aid in getting financing when it is needed at the lowest possible cost. However, we think the bill should be amended to use the terms "chairman" and "vice-chairman". We realize that "chair" is now regarded as politically correct, but to most of corporate America, including Wall Street, "chair" is simply a piece of furniture. For this bill to accomplish its intended purpose, it needs to be amended to use the traditional titles "chairman" and "vice-chairman". We understand these titles to be gender neutral.

Alaska State Legislature

WHILE IN SESSION
CAPITOL BUILDING
JUNEAU, ALASKA 99801-1182
(907) 465-4931
(907) 465-4318 FAX

INTERIM ADDRESS
718 WEST 4TH AVENUE
ANCHORAGE, ALASKA 99501
(907) 258-8198
(907) 258-8171 FAX

DISTRICT 10



CHAIR, OIL & GAS COMMITTEE
VICE CHAIR, LABOR & COMMERCE
COMMITTEE
JUDICIARY COMMITTEE
RESOURCES COMMITTEE
INTERNATIONAL TRADE & TOURISM
COMMITTEE

ECONOMIC TASK FORCE

Representative Joe Green

Sponsor Statement

HB 497 "An act relating to electric and telephone cooperatives"

HB 497 simply allows utility cooperatives to entitle their officers "president" or "chairman".

Problem: As restricted by current statute, the presiding officer of a utility board of directors must assume the title "president". Usually the president assumes the responsibility of day-to-day operations while a chairman or chairwoman presides over the board.

I have sponsored this bill at the request of the electrical cooperative that serves my district. At that utility, the day-to-day manager is called the general manager. The problem is, banks and other institutions with whom this person must deal pay little attention or respect to someone with the title of general manager.

Solution: This bill would allow, but not require, utilities to call the presiding officer of their board a chairman, which is the common title for such a position in today's business world. This would allow the day-to-day manager to be called a president. When the president of the utility calls for an appointment, it is my belief that he or she will be better received than a general manager. This would serve the utility well and the 65,000 cooperative members would benefit.

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 497

Revision Date: 3/10/97
Title: "Officers of utility cooperatives"

Department Affected: Commerce and Economic Development
BRU: Boards and Commissions
Component: Occupational licensing

Sponsor: Rep. Green
Requestor: Rep. Green

COMPONENT SERIAL NO. _____

Expenditures/Revenues:

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
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 EXPENDITURES	0	0	0	0	0	0
----------------------	---	---	---	---	---	---

CHANGE IN REVENUES ()	0	0	0	0	0	0
------------------------	---	---	---	---	---	---

FUND SOURCE

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

Estimate of current year (FY 94) cost: \$ 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.)

Prepared by: Wendy Mulder, Office of Commissioner
Division: Department of Commerce and Economic Dev.

Phone: 3/11/94
Date: _____

Approved by Commissioner: Paul Fuhs
Agency: Commerce and Economic Development

Date: 3/11/94

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

NO. _____
BILL VERSION: HB 497
PUBLISH DATE: _____

Revision Date: _____
Title: "An Act relating to electric and telephone cooperatives."
Sponsor: Representative Green
Requestor: Representative Green

Department Affected: Legislative Affairs Agency
BRU: All
Component: All

COMPONENT SERIAL NO:

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
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						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE FUND SOURCE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER FUND SOURCE						
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

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary)

Zero fiscal impact.

Prepared By: Karla Schofield, Deputy Director *Karla Schofield* Phone: 465-3852
Division: Administrative Services Date: 2/24/94

Approved By: Pamela A. Stoops, Executive Director *Pamela A. Stoops*
Agency: Legislative Affairs Agency Date: 2/24/94

Distribution (by preparer): Leg. Finance, Legislative Sponsor, Requestor, OMB, Gov. , & Impacted Agency(ies).



HOUSE COMMUNITY AND REGIONAL AFFAIRS

DATE: 3/15/94

PLACE: Rm. 124

SUBJECT OF MEETING:
 55HB 497
 HB 467

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?		WHAT SUBJECT/ WHICH BILL?
David Hutchens	AK Rural Elec Coop ASS	730 W. Tudor Rd ANCH. 99503			455 561-6103	Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	
						Y	N	

H B

5 0 1

DIVISION OF LEGAL SERVICES

LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

130 Seward Street, Suite 409
Juneau, Alaska 99801-2105

MEMORANDUM

February 17, 1994

SUBJECT: Sectional summary of HB 501 (Work Order No. 8-LS1694A)

TO: Representative Bill Williams
Attn: Laura

FROM: *TJB*
Theresa L. Bannister
Legislative Counsel

You have requested a sectional summary of the above described bill. As a preliminary matter, note that a sectional summary should not be considered an authoritative interpretation of the bill. The bill itself is the best statement of its contents.

Section 1. Establishes certain procedures and conditions for the shareholders of a Native corporation to petition or otherwise demand to bring a matter to the shareholders for a vote.

Sec. 10.06.959(a) states that when the shareholders are entitled to petition or otherwise demand to bring a matter to the shareholders for a vote, the procedure for obtaining the approval of the requisite number of shareholders to present the petition must comply with this section.

Sec. 10.06.959(b) requires the sponsor of the petition to apply to the corporation's secretary for the petition form. Indicates what information the application must contain.

Sec. 10.06.959(c) directs the secretary to issue the petition form if it meets the requirements in (b).

Sec. 10.06.959(d) identifies what the petition form issued by the secretary must contain.

Sec. 10.06.959(e) allows a petition with the requisite number of signatures to be filed with the secretary within a certain time period.

Sec. 10.06.959(f) establishes certain requirements for the validity of the petition.

Sec. 10.06.959(g) directs that the petition form be filed with the secretary within the required time period, if any, required before the next shareholder meeting.

Sec. 10.06.959(h) requires the secretary to verify the validity of the signatures within 10 days after the executed petition is submitted to the secretary. Requires the secretary to notify the contact person about the invalid signatures, if there is an insufficient number of valid signatures.

Sec. 10.06.959(i) provides guidelines for determining whether a signature is valid.

Sec. 10.06.959(j) authorizes supplementation of the petition with additional signatures if there is an insufficient number of valid signatures and under certain conditions.

Sec. 10.06.959(k) directs the secretary to reject a petition that does not contain the required number of valid signatures. Directs the secretary to verify any supplementary signatures within a certain time and to notify the contact person.

Sec. 10.06.959(l) authorizes the petition sponsors to file a protest with the commissioner of commerce and economic development within seven days after receiving a notice that the petition was rejected. Directs the commissioner to hold a hearing and decide the protest. Directs the subject matter of the petition to be considered either at the next shareholders' meeting or at a special shareholders' meeting, depending on certain circumstances, if the commissioner upholds the protest.

Sec. 10.06.959(m) prohibits an undertaking to secure signatures for another petition on the same subject matter within a year after filing an application for a petition and failing to present the necessary signatures to the corporation within a certain time.

Sec. 10.06.959(n) directs the corporation to place the subject matter of the petition on the agenda of the next succeeding annual shareholder meeting, or to call a special shareholder meeting, if the petition is verified or if the commissioner sustains a protest. Authorizes the sponsors to call the meeting or the superior court on petition to order the corporation to hold the meeting if the corporation fails or refuses to call the meeting, and, unless the superior court orders otherwise, directs the corporation to conduct the meeting.

Sec. 10.06.959(o) prohibits a person from undertaking to secure signatures for a petition for consideration of the same subject matter at a shareholder meeting until after the second annual meeting following the meeting where the subject matter is rejected, if the subject matter is rejected at the meeting and if the proponents do not receive a certain vote.

Sec. 10.06.959(p) states that a petition is a proxy solicitation under AS 45.55.139(b) and that every document or statement distributed to shareholders with the intention of influencing the shareholder's vote on the matter is a proxy solicitation and must be filed with the secretary of the corporation and with the commissioner.

Sec. 10.06.959(q) requires a petition sponsor to disclose to the secretary and the commissioner changes in the information under (d) of this section within five business days of the change. Also requires a sponsor to disclose the receipt of a contribution over a certain amount of money, goods, and services from a single source.

Sec. 10.06.959(r) prohibits a petition sponsor from knowingly misrepresenting the number of signatures obtained. States that a knowing misrepresentation is an untrue statement of material fact under the Alaska Securities Act.

Sec. 10.06.959(s) states that this section doesn't limit the ability of a corporation to require that a petition be filed within a specified minimum period of time, not exceeding 90 days, before the date of the meeting where it will be considered.

Sec. 10.06.959(t) defines certain terms for the section.

Section 2. Adds six new provisions relating to the operation of Native corporations.

Subsec. (j) prohibits a bylaw that is properly adopted or amended by the corporation's shareholders from being adopted or amended without shareholder approval.

Subsec. (k) authorizes the board to adopt a bylaw that specifies or changes a fixed number of directors or the maximum or minimum number of directors, or that changes the board from a fixed to a variable board or from a variable to a fixed board, if the corporation was organized before July 1, 1989 (the effective date of the revised corporations code, AS 10.06).

Subsec. (l) establishes certain conditions for a corporation to hold a special meeting of shareholders.

Subsec. (m) establishes under what conditions shareholders may demand the removal of a director without reason.

Subsec. (n) authorizes the superior court to remove a director from office under AS 10.06.463 if the director fails to meet the qualifications for being a director. Authorizes the court to bar the removed director from reelection for a period set by the court.

Subsec. (o) establishes who can call a regular or special meeting of the board, or of a special committee of the board.

Representative Bill Williams
February 17, 1994
Page 4

Section 3. Authorizes the superior court to order a Native corporation to hold a meeting, if certain conditions are met. Authorizes the court to fix the time, place, and certain other matters necessary to accomplish the purpose of the meeting.

Section 4. Amends a section of the Alaska Securities Act to make it compatible with sec. 5 of the bill.

Section 5. Establishes when materials relating to proxy solicitations for a Native corporation are required to be filed with the administrator (the commissioner of commerce and economic development) concurrently with the distribution to shareholders. Requires a filing to be supplemented when the filing contents change materially.

Section 6. Gives the bill an immediate effect date.

If I may be of further assistance, please advise.

TLB:gc
94-133.glc

SECTION-BY-SECTION ANALYSIS By AFN

Section 1. The Corporations Code permits shareholders to petition or demand that their corporation take a number of actions, such as holding a special meeting or placing a question on the agenda at an annual meeting of shareholders. This legislation establishes a procedure for Native corporation shareholders to exercise that important right. The current statutes offer no guidance to shareholders or corporations in a situation that inspires a petition or demand upon the corporation. Further, a shareholder who sponsors such a petition or demand may circulate it indefinitely; there is now no requirement that sponsors submit the petition or demand once it begins circulating. This circumstance carries tremendous potential for abuse. Under current law, one shareholder may keep an issue alive endlessly, preventing the Native corporation from moving on to perform its functions fully as a for-profit corporation with a duty to all shareholders.

This provision adheres closely to the municipal recall procedure set out at AS 29.26.260. Like that process, it contemplates that petition sponsors will apply for a petition form to the corporate secretary, the corporate equivalent of a city clerk. The secretary, like the city clerk, will compute the number of shares that must be represented by signatures on the petition. The process limits circulation of petitions and demands to 60 days, and requires sponsors to bring the signatures to the corporation once they have been collected. If the sponsors cannot collect enough signatures during the 60 days allowed even to put an issue on the ballot, they cannot bring up the issue again for another year. Likewise, if a petition or demand has resulted in a shareholder vote, that issue may not be presented again until after the second annual meeting following the meeting where the issue is voted upon. Again, these reasonable limitations are analogous to those codified at AS 29.26 et seq. for municipal official recall elections. A sponsor whose petition has been rejected by a corporation may appeal to the Administrator of Securities.

Section 1 defines a shareholder petition or demand as the start of proxy solicitation, triggering all filing and accuracy requirements under State law. This change codifies the relevant case law, which has long defined proxy solicitation as "a continuous plan" intended to end in solicitation and to prepare the way for success." Studebaker Corp. v. Gittlin, 360 F.2d 692, 696 (2nd Cir. 1966). See also Conagra, Inc. v. Tyson Foods, Inc., 708 F. Supp. 257, 268 (D. Neb. 1989). The State Division of Banking, Securities and Corporations now employs this definition of proxy solicitation. This bill would merely codify and clarify the definition and the parties' obligations.

Finally, Section 1 requires that Native corporation shareholder sponsors of petitions and demands disclose a few items of basic information to the Division of Banking, Securities and Corporations when they start soliciting signatures. This change in the

AFN

disclosure requirement would simply inform shareholders of the names, addresses, and sources of funding of those who solicit their support. Further, it contemplates that sponsors will report contributions of money, goods, or services that exceed \$500 in the aggregate from any single source. This requirement is similar to statutorily prescribed candidates' reports to the Alaska Public Offices Commission, found at AS 15.13 et seq.

Section 2. This section would give a special status to bylaws properly amended or adopted by Native corporation shareholders. Particularly in a corporation with many shareholders, placing a bylaw change before the shareholders for a vote can be time-consuming and costly. Without this amendment, the board is free to undo in its next meeting whatever shareholders have done to the bylaws, with the exception of bylaws changing the number of board members (see AS 10.06.230(c)).

In addition, this section permits Native corporations to change the size of their boards by a vote of the board rather than by approval of the outstanding shares. This change makes State law consistent with federal law, and in fact this was State law at the time the Alaska Native Claims Settlement Act was enacted. ANCSA has always left the size of the board up to the corporation (see 43 U.S.C. 1606(f)): "The number, terms, and method of election of members of the board of directors shall be fixed in the articles of incorporation or bylaws of the Regional Corporation"). The quoted ANCSA provision preempts any more restrictive Corporations Code requirement, and therefore the choice of method to fix the number of directors is left up to the corporation, in this case through the bylaws. This amendment simply puts to rest any question that ANCSA corporations may adjust their board size.

In addition to federal preemption, there are good reasons to exempt Native corporations from the Corporations Code's requirement of shareholder approval to change board size. It is so difficult for large Native corporations to obtain the approval of the holders of more than half of all shares that their boards would be effectively frozen in size if they were not exempted from the quoted provisions of the new Code. In the years after they started out, ANCSA corporations typically had large, representative boards; later, as they settled into their roles and found cost-cutting to be necessary, many of them moved to smaller boards. The Code requirements, if applicable, would virtually prohibit this simple money-saving measure, and in any case present a potential conflict between State and federal law on this point.

There need be no concern that exempting ANCSA corporations in this instance would make minority directors vulnerable to ouster through their colleagues' vote to reduce the board. Alaska Statute 10.06.453(b)(2), which would be unchanged by this amendment, specifically notes that no reduction in the size of a board may shorten the term of any incumbent director. No provision of ANCSA is inconsistent with this rule, and therefore the State law would control.

AFN

Like the present shareholder petition law, the current statute gives little guidance or restriction to Native corporations and their shareholders in the event of an effort to remove a corporate director. The proposed amendment corrects this problem by again adapting the process used by municipalities when voters move to recall elected officials.

An example of the current removal statute's deficiency is that it permits any single shareholder to call for a vote on removal of one or more directors at any annual meeting. The only requirement is that the shareholder, in a corporation of more than 500 shareholders, provide notice of the removal attempt to shareholders @ and, if the removal proponent notifies the corporation within 75 days of the annual meeting, this notice must be delivered by the corporation.

The statute as now written confers upon each shareholder the power to force all other shareholders to vote on the shareholder's attempt at removal, no matter how slim the odds of success or how frivolous the reason. In a large Native corporation, any one of the thousands of shareholders could hold up the corporation's annual meeting in this way.

By contrast, when voters want to remove municipal officials from office, they must apply to the municipal clerk for a recall petition, supplying the names of at least ten sponsors and the grounds for recall. AS 29.26.260. Once the petition is prepared, it must be signed by a number of voters equal to at least 25 percent of the number who voted at the last regular election before the municipal clerk may call an election. AS 29.26.280. Just as the Legislature does not permit one voter to force a recall election, it should reconsider permitting any one shareholder to bring a removal vote.

The policy behind the municipal recall statutes is clear: The Legislature has balanced the municipalities' need to avoid the expense and general upheaval of a recall election, and to attract and keep qualified elected and appointed officials, against the constitutional right of the voters to reconsider their choice of officials. This policy, at least in part, should apply equally to large corporations. To place this argument in perspective: many of Alaska's municipalities have far fewer residents than the number of voting shareholders in many Alaska Native corporations.

The bill does not prevent or frustrate the shareholders' right to remove directors but instead simply requires the support of a quarter of those who voted in the last election of directors. The bill in no way alters the clear policy of permitting removal without cause, in contrast to the serious grounds required for municipal recall elections.

The current statute does not answer most of the questions it raises about the process for removing corporate directors. This bill proposes simple and clear steps for removal.

AFN

Finally, this section lends Native corporation an exception to AS 10.06.470(a), which permits a single director to call a meeting of a corporate board of directors. While a meeting called by a sole director might not be attended by others, it would put the corporation to the expense of time and money required to host a board meeting. The proposed amendment alleviates the cost of fruitless meetings as it protects minority board members by permitting one-quarter of the directors to call a meeting.

Section 3. This section adds a new provision, taken from the 1988 Revised Model Business Corporation Act (§ 7.03), which gives shareholders a clear legal remedy whenever a corporation fails or refuses to call an annual or special meeting.

This section also adds a new provision governing court removal of directors of Native corporations when the board or 10 percent of shareholders bring suit. The general statute for all corporations, AS 10.06.463, limits the grounds for court removal to cases of extreme misconduct. Oddly, the general statute does not provide for removal of a director who has ceased to meet the requirements for membership on the board of directors. As an example, Native corporation bylaws frequently require directors to be shareholders, or not to be directors of competing corporations. A director who transfers all of his or her stock or joins the board of a competing business no longer meets the minimum qualifications of directorship; however, under current law, the director could be removed by a court only if some outrageous act has accompanied the failure to qualify.

The proposed new provision would leave in place all of the current grounds for court removal, adding the failure to meet qualifications for directorship, as those qualifications may be established by bylaw. Directors' qualifications, like any bylaw provision, are subject to the limitations of statutory (AS 10.06.230) and case law; the latter requires that the qualifications be reasonable and not designed to limit minority representation on the board.

Sections 4 and 5. These sections amend AS 45.55.139, which defines those Native corporations that must submit annual reports, proxies, proxy statements, and other materials to the Administrator of Securities. Under current law, any corporation with fewer than 500 shareholders is exempt from all reporting requirements. This cutoff excepts corporations that have huge assets but relatively few shareholders. The bill would set a threshold of 500 shareholders or \$5,000,000, covering any large corporation with at least 150 shareholders.

Section 6. This bill takes effect immediately.

AFN

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. HB 501

Revision Date: _____
 Title: An Act relating to Native Corporations; and providing
for an effective date
 Sponsor: Rep. Williams (by request)
 Requestor: _____

Department Affected: Commerce and Economic Development
 BRU: Banking, Securities & Corporations
 Component: _____
 COMPONENT SERIAL NO. 1233

Expenditures/Revenues:

OPERATING EXPENDITURES	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
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 EXPENDITURES	0	0	0	0	0	0
-----------------------------	---	---	---	---	---	---

CHANGE IN REVENUES ()	0	0	0	0	0	0
-------------------------------	---	---	---	---	---	---

FUND SOURCE

1002 Federal Receipts	0	0	0	0	0	0
1003 GF Match	0	0	0	0	0	0
1004 GF	0	0	0	0	0	0
1005 GF/Program Receipts	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
Other	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

Estimate of current year (FY 94) cost: \$ 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.)

Prepared by: *L. P. Carroll, Sr. Securities Examiner*
 Division: Banking, Securities & Corporations

Phone: 465-5451
 Date: _____

Approved by Commissioner: *Paul Fuhs*
 Agency: Commerce and Economic Development

Date: 4-13-94

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

HOUSE COMMITTEE REPORT

(7) Date Referred: February 14, 1994 FURTHER REFERRALS: Judiciary

Date of Committee Action: 4-18-94

The COMMUNITY AND REGIONAL AFFAIRS Committee considered: HB 501

HOUSE BILL NO. 501 CORPORATION CODE & ANCSA CORPORATIONS

"An Act relating to Native corporations; and providing for an effective date."

RECOMMENDATIONS: the same title
 be replaced with _____ a new title

have attached amendments(s)
 do pass
 do not pass
 no recommendations
 individual recommendations
 additional referral to the _____ Committee

ADOPTS: H-CRA letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) APPROVES PREVIOUS: (Dept/Date)

fiscal impact _____ fiscal note(s) _____

zero fiscal note C + E D zero fiscal note(s) _____

SIGNING DO PASS	LP	OTHER RECOMMENDATIONS	DNP	NR	AM
W.K. Williams		John Sanders		✓	
		John Sanders			✓
W.K. Williams	✓	Ed Willis			✓
		W.K. Williams ^{Ed}			
		Harley Olberg		✓	

Harley Olberg
 CHAIRMAN'S SIGNATURE



HOUSE COMMUNITY AND REGIONAL AFFAIRS

SUBJECT OF MEETING:

CSSB 255

HB 501

DATE: 4/18/94

PLACE: Rm 124

NAME	REPRESENTING	BUSINESS/PERSONAL MAILING ADDRESS	ZIP	(H) PHONE	(W) PHONE	DO YOU WANT TO TESTIFY?	WHAT SUBJECT/ WHICH BILL?
Vince BARRI	DOF				465-8889	(Y) N	255
Maxine Richert	AFNI Sealaska	One Sealaska Plaza, St 400 JUN	99801		586-1512	(Y) N	HB 501
Joe Wiltsie	Goldbelt Shareholder	P.O. Box 215 54 Juneau, AK	99802		789-9897	(Y) N	HB 501
Carl C. Nelson	Goldbelt Shareholder	P.O. Box 34203 Juneau, AK 99803		789-3140		(Y) N	HB 501
Leslie Longenbaugh	AFNI Sealaska	One Sealaska Plaza, Suite 301, Juneau				Y N	
Katherine J. Mijorath	Goldbelt Sealaska Shareholder	525 W. Franklin St	99801	586-3942		(Y) N	HB 501
						Y N	
						Y N	
						Y N	
						Y N	
						Y N	