

ALASKA LEGISLATURE COMMITTEE FILES 1993-1994 8672

8249 SENATE COMMUNITY & REGIONAL AFFAIRS

**HB**

**398**

# STATE COMMITTEE REPORT

DATE: 3/9/94

FURTHER: Resources

DATE TURNED INTO OFFICE: \_\_\_\_\_

CRA Committee considered CS FOR HOUSE BILL NO. 398(RES)

"An Act relating to conveyance of certain land to municipalities."

and recommends:

replace with SCS CS HB 398 (CRA)  
 or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_  
 attaches amendment(s)

same title  
 new title  
 technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**NEW FISCAL NOTES**

Department	Date	Zero	Fiscal
DNR	2/11/94	0	FY95

**PREVIOUS FISCAL NOTES**

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

**DO PASS:**

Robert A. Leman  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**OTHER RECOMMENDATIONS:**

Robin L. Taylor No Rec.  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Robert E. [Signature] No Rec.

Chair: Signature and Recommendation

(7)

Date Referred: January 26, 1994

FURTHER REFERRALS:

Resources

Date of Committee Action: \_\_\_\_\_

The COMMUNITY AND REGIONAL AFFAIRS Committee considered:

HB 398

HOUSE BILL NO. 398

RIGHTS IN TIDE AND SUBMERGED LAND

"An Act relating to rights in certain tide and submerged land."

RECOMMENDATIONS:

be replaced with C.S. HB 398  the same title

a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) \_\_\_\_\_

APPROVES PREVIOUS: (Dept/Date) \_\_\_\_\_

fiscal impact \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note DNR

zero fiscal note(s) \_\_\_\_\_

SIGNING <u>DO PASS</u>	DP	<u>OTHER</u> RECOMMENDATIONS	DNP	NR	AM
<i>John Sander</i>	<input checked="" type="checkbox"/>	<i>Ed Willis</i>		<input checked="" type="checkbox"/>	
<i>Carl Bunde</i>	<input checked="" type="checkbox"/>	<i>W.F. Williams</i>		<input checked="" type="checkbox"/>	
<i>Scott Lee</i>	<input checked="" type="checkbox"/>				
<i>Harley Olberg</i>	<input checked="" type="checkbox"/>				

*Harley Olberg*  
CHAIRMAN'S SIGNATURE

# HOUSE COMMITTEE REPORT

(9)

Date Referred: February 15, 1994

FURTHER REFERRALS:

Date of Committee Action: 2/23/94

The RESOURCES Committee considered:

HB 398

HOUSE BILL NO. 398

LAND CONVEYED TO & FROM MUNICIPALITIES

"An Act relating to rights in certain tide and submerged land."

RECOMMENDATIONS:

be replaced with

CS HB 398 (RES)

the same title  
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept)

APPROVES PREVIOUS: (Dept/Date)

fiscal impact \_\_\_\_\_

fiscal note(s) \_\_\_\_\_

zero fiscal note DNR 2/23/94

zero fiscal note(s) \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<i>Bill Hudson</i> Hudson	<input checked="" type="checkbox"/>				
<i>John Carney</i> Carney	<input checked="" type="checkbox"/>				
<i>Carol Green</i> Green	<input checked="" type="checkbox"/>				
<i>Charmette James</i> James	<input checked="" type="checkbox"/>				
<i>David Pinkelstein</i> Pinkelstein	<input checked="" type="checkbox"/>				
<i>Joe Davies</i> Davies	<input checked="" type="checkbox"/>				
<i>John Mulder</i> Mulder	<input checked="" type="checkbox"/>				
<i>Bob Bunde</i> Bunde	<input checked="" type="checkbox"/>				
<i>W.F. Williams</i> Williams	<input checked="" type="checkbox"/>				

*W.F. Williams*  
 CHAIRMAN'S SIGNATURE

# FISCAL NOTE

STATE OF ALASKA

BILL NO. CSHB398(RES)

1994 LEGISLATIVE SESSION

Revision Date: 23-Feb-94 Dept Affected: Natural Resources  
 Title: "An Act relating to conveyance of certain land BRU: Resource Development  
to municipalities." Component: Land Development  
 Sponsor: Representative Olberg  
 Requestor: House Resources Component Serial No. 431

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURES</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CHANGE IN REVENUES ( )</b>	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY94) cost: \$ None

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)

There is no change in the fiscal analysis of the Resource Committee substitute for this bill.

Prepared by: Ron Swanson, Director Phone: 762-2692  
 Division: Land Date: 23-Feb-94  
 Approved by Commissioner: Harry A. Noah Date: 23-Feb-94  
 Agency: Natural Resources

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



# ALASKA STATE LEGISLATURE




Delta Junction Office:  
P.O. Box 1189  
Delta Junction, AK 99737-1189  
907-895-4236

White in Juneau:  
State Capitol, Room 110  
Juneau, AK 99801  
907-465-4859

Representative Harley Olberg

## MEMORANDUM

TO: Senator Randy Phillips, Chair  
Senate Community & Regional Affairs Cmte.

FROM: Representative Harley Olberg, Chair   
House Community & Regional Affairs Cmte.

DATE: March 9, 1994

RE: CSHB 398

-----

I would appreciate it if you would schedule Committee Substitute for House Bill 398 "An Act relating to conveyance of certain land to municipalities." at your earliest possible convenience.

If you have any questions concerning this request please do not hesitate to call me or Dave at # 4859.

Thanking you in advance for your attention to this request.

Ho/dk

# Alaska State Legislature

ALASKA STATE CAPITOL  
JUNEAU, ALASKA 99801-1182  
(907) 465-4925

REPRESENTATIVE  
JERRY MACKIE

PO BOX 795  
CRAIG, ALASKA 99921  
(907) 926-3008 OFFICE  
(907) 826-2910 HOME

## House of Representatives

### CO-SPONSOR STATEMENT

ON

SSHB 398

I am cosponsoring SSHB 398 to correct a long standing land ownership problem in Skagway. Fifty years ago a dike was constructed along the Skagway River to protect the town from flooding. Over the years, the area between the original river bank and the dike has been reclaimed and subdivided by the city with lots sold and built upon (see attached map). Even the high school is located in the area.

The problem is that the city did not have clear title to this land from the start. Hence, the title for subsequent private property owners is also clouded. Not only are the owners' investments and improvements at risk, but bank financing for further improvements or sales is foreclosed.

In the past several years, the city and the Department of Natural Resources have unsuccessfully sought an administrative remedy for the problem. While current statute allows DNR administrative discretion in resolving land ownership errors and omissions for individual citizens [AS 38.05.035 (b)(2) and (b)(3)], there is no similar provision for errors and omissions of a municipality.

SSHB 398 would add such a provision. The new proposed subsection, AS 35.05.035 (b)(11), allows the director of the division of lands the discretion to quitclaim land to a municipality to correct past errors and omissions. The director may also set any terms or conditions that is deemed appropriate for the transaction. Furthermore, land title transferred to a municipality in this manner is counted against the municipality's general land grant entitlement from the state.

Section 3 provides a January 1, 1998 repeal of (b)(11). Thus the opportunity to correct municipal land ownership errors is limited to a three and one-half year period.

# CITY OF SKAGWAY

GATEWAY TO THE GOLD RUSH OF '98"

P. O. BOX 415 SKAGWAY, ALASKA 99840

(PHONE) 907-983-2297

(FAX) 907-983-2151

January 13, 1994

Representative Jerry Mackie  
Room 602, Court  
State Capitol  
Juneau 99801-1182

Dear Jerry,

I would like to take this opportunity to request your assistance in supporting legislation which would correct a land use problem in Skagway.

The details of the situation focus on a section of the community which was flooded by the Skagway River on a regular basis then protected by the construction of a dike approximately 50 years ago. The newly dried out land was subdivided as an extension of the existing street and lot grid and sold or used for community purposes.

The problem that has resulted today from these earlier efforts involves reluctance on the part of a title insurance company to provide coverage on a lot in the reclaimed zone.

Dave Gray has been working diligently with the city in arriving at a solution to this problem that will serve all parties well.

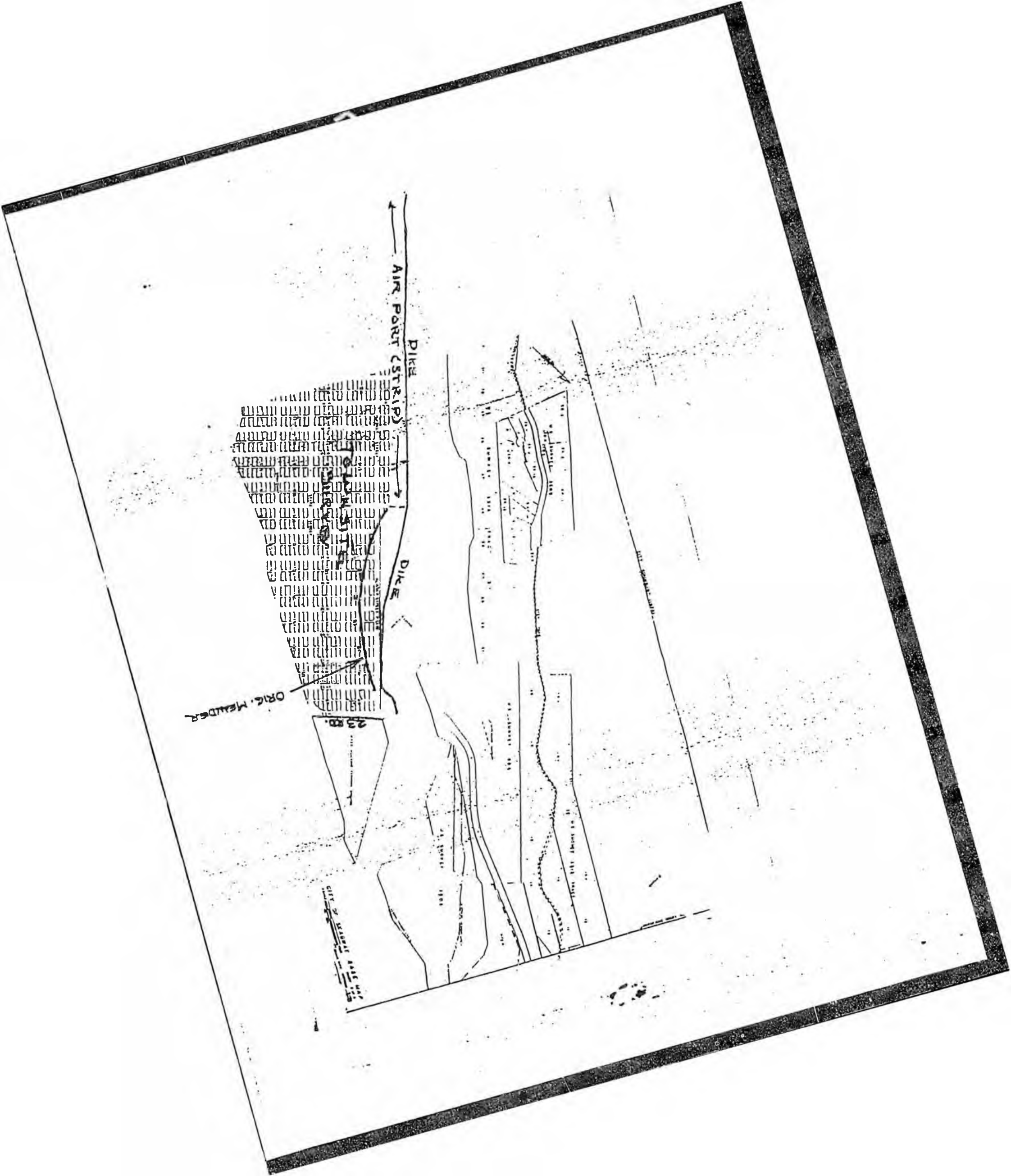
Your support will help bring resolution to a problem which cannot be solved in another way. Thank you for your help on this issue and I look forward to working with you on other matters of state or local concern.

Sincerely,



Stan Selmer  
Mayor

cc: City Manager



AIR PORT (STRIPS)

DIKE

DIKE

TOASTERS

ORIG. MAUNDER

23B

CITY OF SEASIDE APTS

# ALASKA STATE LEGISLATURE

*Delta Junction Office:*  
P.O. Box 1189  
Delta Junction, AK 99737-1189  
907-895-4236



*While in Junction*  
State Capitol, Room 110  
Junction, AK 99501  
907-465-4850

Representative Harley Olberg

## SPONSOR STATEMENT

### CS HB 398 (RES)

At a time when the State of Alaska is mandating a greater measure of self-sufficiency on local governments and promoting economic development at the local level, current state statutes work against second class cities and municipality's incorporated after April 1, 1964.

In particular, Title 38 of Alaska Statutes fails to recognize second class cities and municipality's eligibilty to obtain tide and submerged lands despite the fact that home rule and first class cities incorporated prior to April 1 ,1964, have this right. The effect of this oversight places coastal second class cities and municipality's at a disadvantage as they pursue economic development along their waterfronts.

CS HB 398 (RES) allows for all municipalities, Home rule, First and Second class cities and boroughs to apply for tide and submerged land and to have them conveyed. There would be four conditions to meet in order for this to happen.

- (1) Lack of unreasonable interference with public access resulting from the proposed use of the land;
- (2) Application for conveyance by the municipality, with the municipality paying all cost;
- (3) Compatibility of the proposed use and the land classification or land use plan for the area;
- (4) Need for the land for development.

Land conveyed under this bill is subject to the public trust doctrine. Title to land conveyed under the bill would revert to the state if the municipality is dissolved. Conveyances of land under the bill would not affect the general land entitlement of a municipality provided by AS 29.65.

Section 1 permits the director of the division of lands to quitclaim land to a Municipality to correct errors or omissions of the municipality when inequitable detriment would result to a person due to that person's reliance on the errors or omissions of the municipality. Section 3 of this bill repeals Section 1 effective January 1 1998.

# ALASKA STATE LEGISLATURE

Delta Junction Office  
P.O. Box 1189  
Delta Junction, AK 99737-1189  
907-895-4236



White in Juneau  
State Capitol, Room 110  
Juneau, AK 99801  
907-465-4859

Representative Harley Olberg

## Sectional Analysis of CSHB 398 (RES)

The following is a sectional analysis of CSHB 398(RES); "An Act relating to conveyance of certain land to municipalities."

Section 1 amends AS 38.05.035(b). Title 38 deals with "Public Lands," chapter 05 deals specifically with the "Alaska Land Act" and section 035 is entitled "Powers and duties of the director."

Section 1 allows the director of the division of lands of the Department of Natural Resources to quitclaim to a municipality land or an interest in land including submerged or shore land. The director would be authorized to make such a transfer in cases where a person has detrimentally relied upon an error made by the municipality.

If a municipality has any remaining entitlement land the land or interest in land transferred under this section would count against that remaining entitlement.

Section 2 amends AS 38.05 by adding a new section entitled "conveyance of tide and submerged land to municipalities."

Subsection (a) establishes the guidelines to be followed when a municipality requests the commissioner to transfer to the municipality tide or submerged land appropriate for development.

Subsection (b) states that land designated by the legislature may not be transferred unless the transfer is consistent with the legislative purpose behind the designation

Subsection (c) States that if the commissioner has determined that an application for conveyance meets the appropriate standards the commissioner shall transfer the land to the municipality. This subsection also states that after the commissioner has approved the application the municipality shall have control over the land.

Subsection (d) limits the restrictions that the state can put on the land conveyed under this section but there must be reasonable public access to the public waters. Any land that has been transferred under this section reverts back to the state upon the dissolution of the municipality.

Unlike the provisions established under section 1 of the Act (transfers to correct municipal errors) subsection (e) states that land transferred under this section does not count against a municipality's general land grant.

Section 3 repeals section 1 of this Act on January 1, 1998.

STATE OF ALASKA  
DEPARTMENT OF COMMUNITY  
& REGIONAL AFFAIRS

POSITION PAPER

Bill No.: CS HB 398(CRA)

DCRA FN: Zero

Sponsor: Representative Olberg

Position: Support

Title: An Act relating to rights in certain tide and submerged land.

Effects of the Bill

Section 1 permits the Director of the Division of Lands of the Department of Natural Resources (DNR) to quitclaim land "to a Municipality to correct errors or omissions of the municipality when inequitable detriment would result to a person due to that person's reliance on the errors or omission of the municipality... " Such conveyances are counted against any entitlement of the municipality under AS 29.65. Section 3 of the bill repeals this provision effective January 1, 1998.

Section 2 requires DNR to convey to a municipality tide or submerged land requested by a municipality that is "occupied or suitable for occupation and development" if four conditions are met. The four conditions relate to (1) lack of unreasonable interference or public access resulting for the proposed use of the land; (2) application for conveyance by the municipality; (3) compatibility of the proposed use and the land classification or land use plan for the area; and (4) need for the land for development. land conveyed under the bill is subject to the public trust doctrine. Title to land conveyed under the bill would revert to the State if the municipality is dissolved. Conveyances of land under the bill would not affect the general land grant entitlement of a municipality provided by AS 29.65.

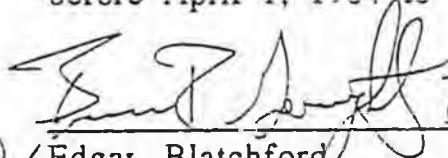
Comments

Except as noted, the Department of Community and Regional Affairs (DCRA) supports CS HB 398 (CRA) with the understanding that DNR has determined that the bill contains appropriate safeguards to preclude unwarranted, wholesale conveyance of tidelands and submerged lands. However, DCRA notes that the bill places no restriction on the relationship between the land to be conveyed and the municipality. Therefore, DCRA recommends that the bill be amended to require that the land to be conveyed be within or adjoining the boundaries of

DCRA Position Paper  
CS HB 398(CRA)  
Page 2  
February 15, 1994

the municipality. Further, DCRA recommends that provisions be included to address competing requests for conveyance of land from a borough and a city within the borough.

Generally however, DCRA believes that the bill will promote economic development. In particular, it will benefit second class cities, unincorporated communities within organized boroughs, organized boroughs, and home rule and first class cities incorporated after April 1, 1964. The bill leaves in place AS 38.05.820(b) which entitles home rule and first class cities incorporated on or before April 1, 1964 to "all land seaward" of those cities.

 DEPUTY Commissioner Feb 15, 1994  
for Edgar Blatchford Date  
Commissioner

HB398

TB ✓

KB —

(file)

Mr. Chairman, members of the committee, I want to thank you for allowing me the opportunity to comment on CS HB 398. My name is Bob Juettner and for the past 2 1/2 I have served as the Administrator of the Aleutians East Borough. Before that, I served as the Administrator of the City of Sand Point for 3 1/2 years.

During the past six years, I have had numerous dealings with DNR on tidelands. I administered the Sand Point boat harbor which is located on a tidelands leases eventhough the City of Sand Point assumed ownership of the facilities from DOTPF. I have also negotiated tideland leases for docks built by the AEB in Cold Bay and False Pass and for the Sand Point airport project. As part of the King Cove dock project, I worked with the City of King Cove and DNR to have the Director's Line moved so that the City could transfer the tidelands to the AEB. The AEB also has an active file in the Div. of Land for a tidelands lease in Nelson Lagoon.

The AEB finds that tidelands are some of the most important lands within its boundary and urges the passage of CS HB 398 for two reasons. One, the AEB is actively involved in developing the transportation infrastructure, especially marine infrastructure within its boundaries. Because the AEB uses GO Bonding in most of its capital construction projects, it must have a fee simple interest or demonstrate a property right as close to fee simple ownership as possible. This is a result of the Hixson case in which the court ruled that the proceeds of GO Bonds can not be used on land not owned by the government which issues the bonds. To fulfill this requirement,

the AEB must have the ownership of tidelands or seek and receive long term 55 year leases.

The second reason the AEB supports CS HB 398 is the lack of conformity in tideland lease stipulations and follow up by DNR. Every tideland lease the AEB received in the last 2 1/2 years is different. The False Pass lease was as close to a fee simple transfer while the Cold Bay tidelands lease is the most onerous and complicated lease. Under the lease, DNR reserves the right to approve all agreement made by the AEB on the tract which contains the dock but does not stipulate when they will complete their review; DNR reserves the right to increase the annual rental fee based upon any changes in the development plan; finally, DNR required a \$100,000 performance bond for the 55 years! If this bond could be purchased, it would cost between 2 and 3% of the face value of the bond per year or 4 to 6 times the annual lease payment of \$500. However, the performance bond is insignificant given \$4.5M dock on the tidelands.

Passage of the CS HB 398 will accomplish several goals:

1. It will substantially reduce the time demand on DNR in the leasing of tidelands to municipalities and the monitoring of those leases. But more importantly, it will institute a practice consistent with the level of staff in DNR.
2. It will facilitate the development of needed infrastructure in Alaska.

3. It will guarantee the integrity of the Public Trust Doctrine  
on the tidelands.

# ALEUTIANS EAST BOROUGH

SERVING THE COMMUNITIES OF

■ KING COVE ■ SAND POINT ■ AKUTAN ■ COLD BAY ■ FALSE PASS ■ NELSON LAGOON

## FAX TRANSMITTAL SHEET

Anchorage Office

DATE 2/23/94

NUMBER OF PAGES 4

TO Tim

FAX NO. \_\_\_\_\_

LOCATION \_\_\_\_\_

FROM Bob

MESSAGE:

FYI

OUR FAX NO. (907)278-7589

OUR PHONE NO. (907)274-7555

CLERK/PLANNER  
P.O. BOX 349  
SAND POINT, ALASKA 99881  
(907) 383-2699  
(907) 383-3496 FAX

BOROUGH ADMINISTRATOR  
1600 A STREET, SUITE 103  
ANCHORAGE, ALASKA 99501-5146  
(907) 274-7555  
(907) 276-7589 FAX

FINANCE DIRECTOR  
P.O. BOX 49  
KING COVE, ALASKA 99612  
(907) 497-2588  
(907) 497-2388 FAX



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907) 586-1325, Fax (907) 463-5480

January 31, 1994

TO: Representative Harley Olberg, Chair  
and Members  
House Committee on Community & Regional Affairs

FROM: Kent E. Swisher, Executive Director

RE: HB 398 - Rights in certain tide and submerged land

The Alaska Municipal League supports HB 398, which would allow all Alaskan cities the right to select and receive title to state-owned tide and submerged lands within their municipal boundaries. In November 1993, AML's members discussed this issue and passed Resolution 94-10 (copy enclosed) supporting the concept included in HB 398.

Present statutes limit the ability of municipalities to obtain ownership to tide and submerged lands within their boundaries, yet often these lands are among the most valuable for economic development purposes. AML and its members support making such lands available to all municipalities, as part of their municipal entitlement to state-owned land.

Enclosure

LEG94.hb398.131

**Resolution of the Alaska Municipal League**

**Resolution No. 94-10**

**A RESOLUTION AUTHORIZING THE SELECTION AND  
CONVEYANCE OF STATE TIDE AND SUBMERGED LANDS  
TO CITIES AND BOROUGHES IN ALASKA**

WHEREAS, pursuant to the Alaska Statehood Act, the State of Alaska received title to most of the tidelands offshore of the state land boundary, from the mean high tide to the three-mile limit; and

WHEREAS, current provisions of Alaska Statutes have authorized the conveyance of state-owned tide and submerged lands to a limited number of Alaska's communities, i.e., Home Rule and First Class Cities incorporated on or before April 1, 1964; and

WHEREAS, it is the policy of the Department of Natural Resources (DNR) to lease tidelands to municipalities only at full value if the municipality will be making what DNR believes is a commercial use of the tidelands; and

WHEREAS, boroughs never qualified for tidelands under the Tide and Submerged Lands Act; and

WHEREAS, DNR will not allow for municipal selection of tidelands under a municipality's land entitlement; and

WHEREAS, limitations on the ability of municipalities to obtain ownership to tide and submerged lands within their boundaries are arbitrary, unnecessary, and unreasonable and should be eliminated in order to enhance the economic future of all of Alaska's communities:

NOW, THEREFORE, BE IT RESOLVED by the Alaska Municipal League that the Alaska Legislature is respectfully encouraged to repeal the provisions of AS 38.05.820(b) as they limit the ability of Second Class Cities and Home Rule and First Class Cities incorporated after April 1, 1964, to obtain title from the state to tide and submerged lands within their municipal boundaries, notwithstanding a prior fulfillment of the municipality's land entitlement.

BE IT FURTHER RESOLVED the State of Alaska is urged to convey to each municipality all tidelands currently leased to the municipality and to convey tidelands to a municipality for which it has a lease application pending.

BE IT FURTHER RESOLVED the State of Alaska is urged to permit each borough to take up to 20 percent of its land entitlement in tidelands.

**HB**

**427**

SENATE COMMITTEE REPORT

DATE: 4/15/94

FURTHER: Finance

DATE TURNED INTO OFFICE: \_\_\_\_\_

CRA Committee considered HOUSE BILL NO. 427

"An Act relating to compensation for members of the Local Boundary Commission."

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_ ( )
- or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_ ( )
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES

Department	Date	Zero	Fiscal
DORA	2/15/94		14.8

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

DO PASS:

\_\_\_\_\_

*Adrian Taylor*

\_\_\_\_\_

*Paul J. Shaver*

\_\_\_\_\_

OTHER RECOMMENDATIONS:

*Adrian Taylor - No Rec*

\_\_\_\_\_

*Steven A. Human Norce*

\_\_\_\_\_

\_\_\_\_\_

*Roll & Roll D. Not Pass*

\_\_\_\_\_

Chair. Signature and Recommendation

STATE OF ALASKA  
DEPARTMENT OF COMMUNITY  
& REGIONAL AFFAIRS

POSITION PAPER

Bill no.: HB 427  
Sponsor: C&RA by Request

DCRA FN: 14.8 (attached)  
Position: Support

**Title:** An Act relating to compensation for members of the Local Boundary Commission

**Effects:** The bill would provide compensation to the Local Boundary Commission at the rate of \$100 for each day or portion of each day that a member of the Commission is engaged in official business or travel related to official business. It allows the Commission to adopt regulations to provide for partial compensation for partial days during which a member is engaged in travel.

**Comments:** The Department of Community and Regional Affairs, which serves as staff to the independent Local Boundary Commission, fully supports this bill.

The demands placed on the Commission have grown beyond what can be reasonably expected of unpaid members. Given the exclusive role that the Commission plays in the establishment 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 Commission in all matters involving municipal boundary proposals. In doing so, the state's highest court has placed lofty expectations and demands on the Commission. These compel members of the Commission 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 Commission exclusive authority over all municipal boundary proposals. These include petitions for city and borough incorporation, annexation, detachment, dissolution, merger and consolidation.
- ❖ The Commission formulates fundamental policies that have important statewide political, economic and social implications. Again, such responsibilities dictate that the Commission be both prudent and diligent in carrying out its duties.
- ❖ The Commission 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 Commission 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 Commission 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 central role in setting the framework for State government — recommended to the First Session of the First Alaska Legislature that members of the Local Boundary Commission 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 Commission 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 Commission.
- ❖ The Commission typically meets about 20 times each year. Travel and participation at meetings of the Commission 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. Based upon the attached fiscal note, the Department estimates that the annual cost will be less than \$15,000.

*Ed Blatchford*

\_\_\_\_\_  
Edgar Blatchford  
Commissioner

*Feb 12-94*

\_\_\_\_\_  
Date

FISCAL NOTE

Revision Date: \_\_\_\_\_ Dept. Affected: Community & Regional Affairs  
 Title: An Act relating to compensation for members of the Local Boundary Commission BRU: Local Government Assistance  
 Sponsor: House C&RA Committee Component: Local Boundary Commission  
 Requestor: \_\_\_\_\_ COMPONENT SERIAL NO. 674

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	14.8	14.8	14.8	14.8	14.8	14.3
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE FUND SOURCE:						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	14.8	14.8	14.8	14.8	14.8	14.3
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>	<b>14.8</b>

POSITIONS:

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

Estimate of current (FY94) impact \$ none

ANALYSIS: (Attach a separate page if necessary)  
 The above cost estimates were developed by staff in the Municipal and Regional Assistance Division who serve as staff to the Local Boundary Commission. These estimates are based on the following assumptions:  
 1) The five-member board will meet 18 times each year.  
 2) Half of the meetings will require travel; the other half will be conducted by teleconference.  
 3) The Commission's attendance rate at meetings will be 94%.  
 4) On occasions when the Commission travels to conduct meetings, each member will be on travel status an average of two and one-half days. (continued on separate sheet)

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 2/15/94  
 Approved by Commissioner: Ed. Perry Date: 2/15/94  
 Agency: Community & Regional Affairs

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

COMMITTEE COPY

COMMITTEE COPY

Fiscal Note Analysis Continued

- 5) The Commission will adopt regulations to pay 50% compensation for partial days during which a member is engaged in travel.

Estimate of Costs:

Meetings by teleconference: 5 members X 9 meetings X 94% attendance X \$100 rate of compensation = \$4,230.

Meetings involving travel: 5 members X 9 meetings X 94% attendance X two and one-half days X \$100 = \$10,575.

Total Cost: \$14,805.



# ALASKA STATE LEGISLATURE



Delta Junction Office:  
P.O. Box 1189  
Delta Junction, AK 99737-1189  
907-895-4236

While in Juneau:  
State Capitol, Room 110  
Juneau, AK 99801  
907-465-4859

Representative Harley Olberg

## MEMORANDUM

TO: Senator Randy Phillips, Chairman  
Senate Community & Regional Affairs

FROM: Representative Harley Olberg  
House Community & Regional Affairs

A handwritten signature in cursive script that reads "H. Olberg".

DATE: April 27, 1994

Subject: HB 427

-----

Thank you for scheduling HB 427, "An Act relating to compensation for members of the Local Boundary Commission," for Thursday the 28th. I anticipate this bill will move easily through the Community & Regional Affairs Committee on its way to Senate Finance.

If you have any question or would like to visit with me vis-a-vis, please do not hesitate to call me at #4859.

Thanks again for your prompt attention to my request.

cc: Senator Taylor  
Senator Leman  
Senator Adams  
Senator Zharoff



THE FOLLOWING WAS AGAIN BEFORE THE HOUSE IN THIRD READING:

HOUSE BILL NO. 427

"AN ACT RELATING TO COMPENSATION FOR MEMBERS OF THE LOCAL BOUNDARY COMMISSION."

THE QUESTION TO BE RECONSIDERED: "SHALL HB 427 PASS THE HOUSE?"  
THE ROLL WAS TAKEN WITH THE FOLLOWING RESULT:

HB 427--RECONSIDERATION  
THIRD READING  
FINAL PASSAGE

YEAS: 21    NAYS: 13    EXCUSED: 3    ABSENT: 3A

YEAS: BARNES, BRICE, BUNDE, DAVIES, B.DAVIS, G.DAVIS, FOSTER, GREEN, HUDSON, LARSON, MACKIE, MOSES, NICHOLJA, OLBERG, PHILLIPS, PORTER, SANDERS, SITTON, TOOHEY, VEZEY, WILLIAMS

NAYS: BROWN, CARNEY, FINKELSTEIN, GRUSSENDORF, HANLEY, JAMES, KOTT, MARTIN, MENARD, MULDER, NOROLUND, PARNELL, THERRIAULT

EXCUSED: DAVIDSON, ULMER, WILLIS

ABSENT: HOFFMAN, MACLEAN, NAVARRE

MACKIE CHANGED FROM "NAY" TO "YEA".

AND SO, HB 427 PASSED THE HOUSE ON RECONSIDERATION AND WAS REFERRED TO THE CHIEF CLERK FOR ENGROSSMENT.



# Alaska State Legislature

House of Representatives  
Community & Regional Affairs

## MEMORANDUM

TO: Senator Randy Phillips, Chair  
Senate Community & Regional Affairs Committee

FROM: Representative Harley Olberg, Chair   
House Community & Regional Affairs Committee

DATE: April 18, 1994

RE: HB 427

-----

I would appreciate it if you would schedule HB 427, "An Act relating to compensation for members of the Local Boundary Commission" at your earliest possible convenience.

If you have any questions concerning this request please do not hesitate to call me or Dave at # 4859.

Thanking you in advance for your attention to this request.

Ho/dk

# ALASKA STATE LEGISLATURE

Delta Junction Office  
P.O. Box 1189  
Delta Junction, AK 99737-1189  
907-895-4236



White Salmon  
State Capitol, Room 110  
Juneau, AK 99801  
907-465-1859

Representative Harley Olberg

## SPONSOR SUMMARY

### HOUSE BILL 427

The Local Boundary Commission acts on petitions for city and borough incorporation, annexation, detachment, dissolution, merger and consolidation. The Commission's role is to objectively consider arguments for and against such proposals, taking areawide and statewide needs into consideration. The Commission is one of five boards or commissions with origins in the Alaska constitution.

The Commission consists of five members. One is appointed from each of Alaska's four judicial districts; the fifth member is appointed at-large. Procedures used by the Commission are designed to secure the reasonable, timely and inexpensive determination of municipal boundary proposals.

This bill would provide compensation to the local Boundary commission members at the rate of \$100 for each day or portion of each day that a member of the commission is engaged in official business or travel related to official business. It allows the Commission to adopt regulations to provide for partial days during which a member is engaged in travel.

You will notice the following analysis on page 1 and 2 of the C&RA fiscal note.

- 1) The five-member board will meet 18 times each year.
- 2) Half of the meetings will require travel; the other half will be conducted by teleconference.

- 3) The Commission's attendance rate at meetings will be 94%
- 4) On occasions when the commission travels to conduct meetings, each member will be on travel status an average of two and one-half days.
- 5) The Commission will adopt regulations to pay 50% compensation for partial days during which a member is engaged in travel.

ESTIMATE OF COSTS:

Meetings by teleconference: 5 members x 9 meetings x 94% attendance x \$100 rate of compensation = \$4,230.

Meetings involving travel: 5 members x 9 meetings x 94% attendance x two and one-half days x \$100 = \$10,575.

Total Cost: \$14,805.

## LOCAL BOUNDARY COMMISSION COMPENSATION

The Local Boundary Commission plays a vital role in setting and carrying out State policy concerning municipal incorporations, dissolutions, annexations, detachments, mergers and consolidations. The importance of the Commission is reflected in the fact that it is one of only five boards established by the State Constitution.<sup>1</sup>

From its inception, arguments have been made that the Commission should be compensated. The Public Administration Service (PAS), recommended to the First Session of the First Alaska Legislature that, "Members of the [Local Boundary] Commission be adequately compensated."<sup>2</sup>

Nevertheless, more than 34 years later, members of the Local Boundary Commission have yet to be compensated for their service. However, the expectations and demands placed on the Commission may now exceed reasonable expectations for unpaid commissioners. Consider the following:

- ✓ The number of municipal governments has quadrupled since the Commission was created. At the time of statehood, there were approximately 40 municipal governments — today, there are 165.
- ✓ The scope of the Commission's responsibilities has grown substantially since it was first formed. The Commission was initially responsible only for municipal annexations and detachments. Today, it is also responsible for municipal incorporations, dissolutions, mergers and consolidations.
- ✓ Initially, the Commission met infrequently. Today, the Commission typically meets about 25 times each year. Meetings are often held in remote locations. This involves extended travel, sometimes under arduous conditions.
- ✓ The Alaska Supreme Court has formally established the expectation that members of the Commission are to be experts in the field of municipal incorporation, annexation, detachment, dissolution, merger and consolidation. To fulfill this expectation, members must spend considerable time preparing for meetings and hearings on matters that are often of a complex and sensitive nature.
- ✓ Issues addressed by the Commission often call forth a very emotional response from the public. Commissioners must have tact, patience and an ability to remain objective while being aggressively challenged.

Bills were introduced in several recent sessions of the legislature to provide compensation of \$150 per day to each Commission member. 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 per year.

Without such compensation, it will likely become increasingly difficult for the State to find qualified Alaskans who are willing to stay on the Commission long enough to give it the desired continuity and experience.

---

<sup>1</sup> The others are the Judicial Council, Commission on Judicial Qualifications, Reapportionment Board and the University Board of Regents.

<sup>2</sup> The PAS worked extensively with the Alaska Statehood Committee, Alaska Constitutional Convention and First Alaska Legislature in setting the framework for State government.



# Alaska State Legislature

---

House of Representatives  
Community & Regional Affairs

HB 427

The following is list of Boards and Commissions referred to in the Alaska State Constitution.

Commission on Judicial Conduct, page 4 of list  
Judicial Council, page 4 of list  
Local Boundary Commission, page 4 of list  
Reapportionment Board, page 7 of list  
University of Alaska Board of Regents, page 7 of list

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

- 
- Board: 001 Alaska State Board of Public Accountancy  
Travel Per Diem  
No additional compensation.
- Board: 165 Board of Directors of the Alaska Aerospace Development Corporation  
Travel Per Diem  
Industry and public members receive additional \$100 per day.
- Board: 002 Agricultural Revolving Loan Fund Board  
Travel Per Diem
- Board: 126 Advisory Board on Alcoholism and Drug Abuse  
Travel Per Diem  
No additional compensation
- Board: 003 Alcoholic Beverage Control Board  
Travel Per Diem  
No additional compensation.
- Board: 005 State Board of Registration for Architects, Engineers, and Land Surveyors  
Travel Per Diem
- Board: 006 Alaska State Council on the Arts  
Travel Per Diem
- Board: 007 State Assessment Review Board  
Travel Per Diem
- Board: 008 Athletic Commission  
Travel Per Diem
- Board: 009 Alaska Chilkat Bald Eagle Preserve Advisory Council  
Travel Per Diem
- Board: 010 Board of Governors of the Alaska Bar  
Travel Per Diem
- Board: 011 Board of Barbers and Hairdressers  
Travel Per Diem  
No additional compensation.
- Board: 042 Big Game Commercial Services Board  
Travel Per Diem  
No additional compensation.
- Board: 014 Alaska Public Broadcasting Commission (APBC)  
Travel Per Diem  
No additional compensation.
- Board: 187 Alaska Rural Bulk Fuel Task Force  
Travel Per Diem
- Board: 016 Board of Chiropractic Examiners  
Travel Per Diem  
No additional compensation.
- Board: 017 Executive Clemency Advisory Committee  
Travel Per Diem  
Members receive no compensation.
- Board: 122 Board of Clinical Social Work Examiners  
Travel Per Diem  
No additional compensation.

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

- 
- Board: 018 Alaska Coastal Policy Council  
Travel Per Diem  
No additional compensation.
- Board: 019 Alaska Code Revision Commission  
Travel Per Diem  
No additional compensation.
- Board: 020 Alaska Commercial Fisheries Entry Commission (CFEC)  
Travel Per Diem  
By statute, salary is Range 26C Juneau exempt salary scale.
- Board: 021 Alaska Commercial Fishing and Agriculture Bank Board of Directors  
Travel Per Diem  
Actual expenses, not to exceed \$250/day as determined by Bd.
- Board: 185 Alaska Community Service Commission  
Travel Per Diem  
No additional compensation.
- Board: 022 State Officers Compensation Commission  
Travel Per Diem  
No additional compensation.
- Board: 133 Commissioners/Public Defender/Military/Miscellaneous  
Legislative Confirmations (not a board)  
Travel Per Diem
- Board: 190 Contract Jails Task Force  
Travel Per Diem
- Board: 023 Correctional Industries Commission  
Travel Per Diem  
No additional compensation.
- Board: 024 Board of Dental Examiners  
Travel Per Diem  
No additional compensation.
- Board: 043 Governor's Council on Disabilities and Special Education  
Travel Per Diem  
No additional compensation.
- Board: 026 Board of Dispensing Opticians  
Travel Per Diem  
No additional compensation.
- Board: 027 Council on Domestic Violence and Sexual Assault  
Travel Per Diem  
No additional compensation.
- Board: 029 Board of Education  
Travel Per Diem  
No additional compensation.
- Board: 031 Alaska Council on Emergency Medical Services  
Travel Per Diem  
No additional compensation.
- Board: 032 Alaska State Emergency Response Commission  
Travel Per Diem  
No additional compensation.

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

- 
- Board: 034 Governor's Committee on Employment of People with Disabilities  
Travel Per Diem  
No additional compensation.
- Board: 035 Employment Security Advisory Council  
Travel Per Diem  
No additional compensation.
- Board: 174 Exxon Valdez Oil Spill Settlement Trustees  
Travel Per Diem
- Board: 036 Citizens' Advisory Commission on Federal Areas in Alaska  
Travel Per Diem  
No additional compensation.
- Board: 037 Board of Fisheries  
Travel Per Diem  
Range 20A for board meetings; 1/2 Range 20A for other mtgs.
- Board: 038 Fishermen's Fund Advisory and Appeals Council  
Travel Per Diem  
No additional compensation.
- Board: 039 Board of Forestry  
Travel Per Diem  
No additional compensation.
- Board: 182 Foster Care Review Panel - Model Program  
Travel Per Diem  
No compensation.
- Board: 040 Board of Game  
Travel Per Diem  
Range 22A for board meetings; 1/2 Range 22A for other mtgs.
- Board: 159 Hazardous Substance Spill Technology Review Council  
Travel Per Diem  
No additional compensation.
- Board: 045 Alaska Historical Commission  
Travel Per Diem
- Board: 046 State Historical Records Advisory Board  
Travel Per Diem  
Members receive no additional compensation.
- Board: 047 Alaska Housing Finance Corporation (AHFC)  
Travel Per Diem  
Public members receive honorarium of \$100 per day.
- Board: 179 Alaska Human Relations Commission  
Travel Per Diem  
No additional compensation.
- Board: 048 State Commission for Human Rights  
Travel Per Diem
- Board: 049 Alaska Humanities Forum  
Travel Per Diem  
No additional compensation.

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

- 
- 
- Board: 181 Statewide Independent Living Council  
Travel Per Diem  
Members will receive wage compensation.
- Board: 050 Alaska Industrial Development and Export Authority (AIDEA)  
Travel Per Diem  
Public members receive \$100 per day plus necessary expenses.
- Board: 161 Interstate Oil and Gas Compact Commission (National  
Commission)  
Travel Per Diem  
See special facts.
- Board: 051 Job Training Council  
Travel Per Diem
- Board: 134 Judgeships (NOT a board or commission)  
Travel Per Diem
- \* Board: 052 Commission on Judicial Conduct  
Travel Per Diem
- \* Board: 053 Judicial Council  
Travel Per Diem
- Board: 054 Juvenile Justice and Family Services Advisory Committee  
Travel Per Diem
- Board: 055 Alaska Labor Relations Agency  
Travel Per Diem
- Board: 057 Advisory Council on Libraries  
Travel Per Diem  
No additional compensation.
- \* Board: 058 Local Boundary Commission  
Travel Per Diem
- Board: 059 Board of Marine Pilots  
Travel Per Diem
- Board: 169 Alaska Regional Marine Research Board  
Travel Per Diem  
Members receive reimbursement for pre-approved expenses.
- Board: 173 Board of Marital and Family Therapy  
Travel Per Diem
- Board: 060 Medicaid Rate Advisory Commission  
Travel Per Diem
- Board: 061 State Medical Board  
Travel Per Diem
- Board: 063 Alaska Mental Health Board  
Travel Per Diem
- Board: 172 Board of Certified Direct-Entry Midwives  
Travel Per Diem
- Board: 065 Alaska Minerals Commission  
Travel Per Diem
- Board: 066 Alaska Municipal Bond Bank Authority  
Travel Per Diem  
Compensated for actual expenses incurred.

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

- 
- Board: 144 Joint Federal-State Commission on Policies and Programs  
Affecting Alaska Natives  
Travel Per Diem  
Non-governmental members receive additional compensation.
- Board: 177 North Pacific Anadromous Fish Commission - Advisory Panel to  
the U.S. Section  
Travel Per Diem  
Members receive no compensation or travel expenses.
- Board: 132 North Pacific Fishery Management Council (NPFMC)  
Travel Per Diem  
Non-governmental members receive additional compensation.
- Board: 130 North Pacific and Bering Sea Fisheries Advisory Body  
Travel Per Diem  
Members receive no compensation.
- Board: 067 Board of Nursing  
Travel Per Diem
- Board: 068 Board of Nursing Home Administrators  
Travel Per Diem
- Board: 069 Occupational Safety and Health Review Board  
Travel Per Diem  
Receive honorarium of \$50 per day.
- Board: 070 Alaska Oil and Gas Conservation Commission  
Travel Per Diem  
Salary is Range 27D, exempt salary scale; 27E for Chair.
- Board: 071 Older Alaskans Commission  
Travel Per Diem
- Board: 072 Board of Examiners in Optometry  
Travel Per Diem
- Board: 151 Local Citizen Out-of-Home Care Review Panel  
Travel Per Diem  
Members receive no compensation unless travel required.
- Board: 176 Governor's Outdoor Recreation and Trails Advisory Committee  
Travel Per Diem
- Board: 073 Pacific Marine Fisheries Commission  
Travel Per Diem
- Board: 139 Pacific Salmon Commission and Northern Panel of the Pacific  
Salmon Commission  
Travel Per Diem  
Travel and per diem paid by federal government.
- Board: 075 State Board of Parole  
Travel Per Diem  
Receive honorarium of \$150 per day.
- Board: 171 Alaska State Pension Investment Board  
Travel Per Diem  
Receive honorarium of \$150 per day.
- Board: 076 Board of Trustees of the Alaska Permanent Fund Corporation  
Travel Per Diem  
Public members receive honorarium of \$400 per day.

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

---

Board:	077	Personnel Board Travel Per Diem
Board:	078	Board of Pharmacy Travel Per Diem
Board:	079	State Physical Therapy and Occupational Therapy Board Travel Per Diem
Board:	080	Alaska Pioneers' Homes Advisory Board Travel Per Diem
Board:	189	Governor's Task Force on Eligibility and Residency for the Pioneers' Homes Travel Per Diem
Board:	081	Alaska Police Standards Council Travel Per Diem No additional compensation.
Board:	082	Alaska Commission on Postsecondary Education Travel Per Diem
Board:	188	Power Project Loan Committee Travel Per Diem No additional compensation.
Board:	084	Alaska Private Industry Council Travel Per Diem
Board:	085	Professional Teaching Practices Commission Travel Per Diem
Board:	086	Admin leave; state reimburses district for more than 15 days Board of Psychologist and Psychological Associate Examiners Travel Per Diem
Board:	033	Public Employees' Retirement Board (P.E.R.S.) Travel Per Diem
→ Board:	087	Physicians compensated at rate consistent to hourly earnings Alaska Public Offices Commission (APOC) Travel Per Diem Receive honorarium of \$50 per day.
Board:	170	Prince William Sound Oil Spill Recovery Institute Advisory Board Travel Per Diem Federal provisions for compensation.
→ Board:	088	Board of Directors of the Alaska Railroad Corporation Travel Per Diem Receive honorarium of \$400 per day.
Board:	183	Rural Alaska Village Economics and Needs (RAVEN) Commission Travel Per Diem No additional compensation.
Board:	154	Board of Certified Real Estate Appraisers Travel Per Diem
Board:	090	Real Estate Commission Travel Per Diem

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

- 
- \* → Board: 129 Reapportionment Board  
Travel Per Diem  
Members compensated per Art. VI, Sec. 8 of AK Constitution. (\$150/day)
- Board: 123 Recreation Rivers Advisory Board  
Travel Per Diem  
Members receive no compensation.
- \* Board: 091 University of Alaska Board of Regents  
Travel Per Diem
- Board: 178 State Rehabilitation Advisory Council  
Travel Per Diem  
Members reimbursed for necessary expenses/wage compensation.
- Board: 092 Alaska Royalty Oil and Gas Development Advisory Board  
Travel Per Diem
- Board: 093 Rural Alaska Television Network (RATNET)  
Travel Per Diem  
No compensation received.
- Board: 094 Alaska Safety Advisory Council  
Travel Per Diem
- Board: 117 Alaska Science and Technology Foundation  
Travel Per Diem  
\$200/day honorarium for public members, up to 30 days/year.
- Board: 096 Alaska Seafood Marketing Institute Board of Directors (ASMI)  
Travel Per Diem
- Board: 148 Selective Service System (Federal/AK Governor nomination)  
Travel Per Diem
- Board: 097 Alaska Soil and Water Conservation Board  
Travel Per Diem
- Board: 152 Board of Storage Tank Assistance  
Travel Per Diem
- Board: 098 Alaska Student Loan Corporation Board of Directors  
Travel Per Diem
- Board: 074 National Park and Park Monument Subsistence Resource  
Commissions  
Travel Per Diem  
Travel/per diem as compensated by the National Park Service.
- Board: 099 Alaska Teachers' Retirement Board (T.R.S.)  
Travel Per Diem  
Physicians compensated at rate consistent with hourly wages.
- Board: 100 Telecommunications Information Council  
Travel Per Diem  
Members receive no compensation.
- Board: 115 Tourism Coordinating Committee  
Travel Per Diem
- Board: 116 Alaska Tourism Marketing Council  
Travel Per Diem

# STATE OF ALASKA - - OFFICE OF THE GOVERNOR

## Boards and Commissions Listing

### Compensation Policy

- 
- Board: 138 Trans-Alaska Pipeline Liability Fund (TAPS) (Federal/AK Governor nomination)  
Travel Per Diem  
Members reimbursed for expenses to attend board meetings.
- Board: 145 National Conference of Commissioners Uniform State Laws  
Travel Per Diem  
Standard travel/per diem for Department of Law member only.
- Board: 101 Alaska Public Utilities Commission (APUC)  
Travel Per Diem  
Members salaried at Range 26C for Juneau; exempt service.
- Board: 102 Board of Veterinary Examiners  
Travel Per Diem
- Board: 103 Violent Crimes Compensation Board  
Travel Per Diem  
No additional compensation.
- Board: 104 Governor's Council on Vocational and Career Education  
Travel Per Diem
- Board: 105 Water and Wastewater Works Advisory Board  
Travel Per Diem  
No additional compensation.
- Board: 106 Water Resources Board  
Travel Per Diem  
No compensation.
- Board: 107 Western Interstate Commission for Higher Education (WICHE)  
Travel Per Diem  
Members compensated for actual and necessary expenses.
- Board: 109 Wood-Tikchik State Park Management Council  
Travel Per Diem
- Board: 110 Alaska Workers' Compensation Board  
Travel Per Diem  
Members (except chair) also receive honorarium of \$50/day.
- Board: 186 Youth Corps State Advisory Council  
Travel Per Diem  
Members serve without compensation.
- Board: 136 Yukon River Salmon Negotiations AKA U.S.-Canada Yukon River Delegation AKA U.S.-Canada Salmon Treaty (Regional Board)  
Travel Per Diem

944

III

# SENATE COMMITTEE REPORT

DATE: 3/28/94

FURTHER: Resources

DATE TURNED INTO OFFICE: \_\_\_\_\_

CRA Committee considered HOUSE BILL NO. 446

"An Act relating to community agreements for environmental conservation purposes; and providing for an effective date."

and recommends:

- replace with \_\_\_\_\_ CS \_\_\_\_\_ ( )
- or  adopt previous \_\_\_\_\_ CS \_\_\_\_\_ ( )
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**NEW FISCAL NOTES**

Department	Date	Zero	Fiscal
DEC	2/4/94	φ	

**PREVIOUS FISCAL NOTES**

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

**DO PASS:**

\_\_\_\_\_  
*Al Wilson*  
 \_\_\_\_\_  
*Paul J. Shuff*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**OTHER RECOMMENDATIONS:**

\_\_\_\_\_  
*Adrian L. Taylor* NO Rec  
 \_\_\_\_\_  
*Loren A. J. Man* No rec  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
*Roll E. [Signature]* No Rec.

Chair. Signature and Recommendation

# FISCAL NOTE

No. 1  
 Bill Version: HB 446  
 (H) Publish Date: 2/4/94

**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
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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).







# Alaska State Legislature

## SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Senator Randy Phillips, Chair  
Senator Robin Taylor, Vice Chair  
Senator Loren Leman  
Senator Al Adams  
Senator Fred Zharoff

SESSION:  
State Capitol  
Juneau, Ak 99801-1182  
(907) 465-4989

INTERIM:  
P. O. Box 142  
Eagle River, Ak 99577  
(907) 694-4949

### AGENDA

April 7, 1994  
9:00 AM

Butrovich Room  
Room 205

1. Call to Order (time and members present)
2. HB 446 - Environmental Conservation Agreement  
Sponsor - Governor  
Commissioner Sandor - Department of Environmental  
Conservation
3. Adjourn

# STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

## DEPT. OF ENVIRONMENTAL CONSERVATION

OFFICE OF THE COMMISSIONER  
410 WILLOUGHBY AVENUE, SUITE 105  
JUNEAU, AK 99801-1795

Phone: (907) 465-5050  
Fax: (907) 465-5070

April 7, 1994 Senate Community and Regional Affairs Committee Hearing  
On House Bill 446 -- Environmental Conservation Agreements  
Statement by John A. Sandor, Commissioner, Dept. of Environmental Conservation

Mr. Chairman, I appreciate this opportunity to testify before your committee. House Bill 446 was proposed by the Governor to provide firm authority to the Alaska Department of Environmental Conservation to enter into agreements with communities, organizations such as the Southeast Conference, and native corporations to address environmental problems.

We heard this bill in House Resources and in Community and Regional Affairs. It is an attractive piece of legislation because it offers communities and the state a way to sit down regularly, exchange information, set priorities and common goals before violations occur or enforcement action needs to be taken.

In recent months Alaska's communities have spoken out against unfunded mandates from the state and the federal government. I can think of no other arena where the requirements on Alaska's communities are as complex and burdensome as in over 40 programs for environmental protection: drinking water, sanitary landfills, wastewater, contaminated sites clean-up, underground storage tanks, clean air act requirements, stormwater requirements, and so forth. Sometimes it is too much for even our larger communities -- who can afford a large professional staff -- to handle all at once.

In every community the environmental problems are different. In every community, we need to set priorities. We don't need exemptions to environmental laws as much as we need a willing attitude on the part of the state and local governments to sit down, schedule priorities, and make sure we do "first things first" in a partnership approach.

I should stress that the agreements authorized by this legislation are voluntary. There is not a fiscal note attached, because this is intended to help organize the funds we spend, the work we do, the information we collect and distribute now to be done on a community based approach.

I urge each member of the committee to give this bill the consideration it deserves.

**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.

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.*

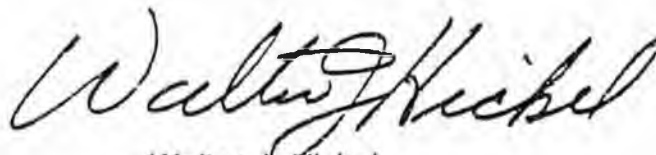
*The bill amends the powers of the Department of Environmental Conservation found in AS 46.03.020 to expressly authorize the department to enter into community agreements to best allocate environmental resources. These community agreements have three basic components. First, the community agreement would 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 fluid and occupies a significant portion of the center of 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

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.

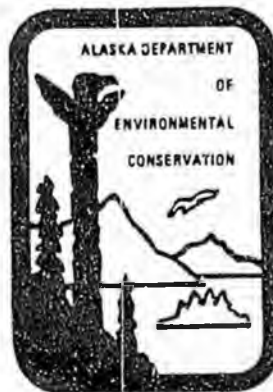
Sec. 6. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities,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

**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
<b>PROGRAM REPORT CARD</b>	<b>1</b>
<b>PART ONE (Why Community Agreements?)</b> .....	<b>1</b>
Background .....	1
Timeliness of Program .....	1
a. Unfunded Federal Mandates	
b. Community Agreements ("Short-Hand" Comparative Risk)	
<b>PART TWO (Description of the Program)</b> .....	<b>3</b>
Program Goals .....	3
Objectives .....	4
<b>PART THREE (Regional Reports)</b> .....	<b>4</b>
<b>Common Issues Among the Regions</b> .....	<b>4</b>
a. Accomplishments .....	4
b. Areas for Improvement .....	5
<b>Regions</b> .....	<b>6</b>
Northern Region .....	6
Southcentral Region .....	7
Southeast Region .....	8
<b>PART FOUR (Implementation Plan for 1994 and Future Objectives)</b> .....	<b>10</b>
<b>Implementation for 1994</b> .....	<b>10</b>
a. Top Priorities .....	10
b. Administrative Priorities .....	10
c. Resources .....	11
<b>Future Objectives</b> .....	<b>11</b>
a. Community Environmental Progress Report .....	11
b. Interagency Coordination for Sustainable Communities .....	11
<b>PART FIVE (Conclusion)</b> .....	<b>12</b>

## **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."<sup>1</sup> 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.

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.

---

<sup>1</sup> Commissioner Sandor's December 12 memorandum.

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 SCRO 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. **Whittor:** 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 Villiage 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**

# FISCAL NOTE

BILL NO. HB 487

## SESSION

1994  
 relating to housing programs of the AHFC and regional  
 Rep MacClean  
 House CRA

Dept. Affected: Department of Revenue  
 BRU: Alaska Housing Finance Corp  
 Component: Operations

COMPONENT SERIAL NO. 0110

Revenues: (Thousands of Dollars)

ACCOUNTING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0	0	0	0	0	0
LEVEL	0	0	0	0	0	0
NONTRACTUAL	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: Mr. Darrel J. Rexwinkel, Commissioner 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

# **CORRECTION**

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

# FISCAL NOTE

**STATE OF ALASKA**  
**1994 LEGISLATIVE SESSION**

**BILL NO. HB 487**

Revision Date: March 8, 1994

Dept. Affected: Department of Revenue

Title: An Act relating to housing programs of the AHFC and regional housing authorities...

BRU: Alaska Housing Finance Corp

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
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>CAPITAL</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>
----------------	----------------	----------------	----------------	----------------	----------------	----------------

<b>REVENUE FUND SOURCE:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
-----------------------------	----------	----------	----------	----------	----------	----------

**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
<b>TOTAL</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>	<b>4,100.0</b>

**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. Hexwinkel, Commissioner  
Alaska Department of Revenue

Date: 3/9/94

Agency:

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

For further distribution information call the Governor's Legislative Office

**SENATE COMMITTEE REPORT**  
FIRST COMMITTEE OF REFERRAL

DATE: 3/30/94

FURTHER: L&C  
JUDICIARY

DATE TURNED INTO OFFICE: \_\_\_\_\_

The CRA Committee considered HOUSE BILL NO. 467

"An Act relating to housing programs of the Alaska Housing Finance Corporation and of regional housing authorities, and permitting regional housing authorities to make, originate, and service loans for the purchase and development of residential housing in the state's small communities."

and recommends:

replace with \_\_\_\_\_ CS \_\_\_\_\_ ( )

same title  
 new title  
 technical title change  
(HB only)

attaches amendment(s)

adopts \_\_\_\_\_ Letter of Intent

further referral to the \_\_\_\_\_

do pass

do not pass

no recommendation

individual recommendations

**FISCAL NOTE INFORMATION**

Department	Date	Zero	Fiscal
DOR	3/9/94		\$4,100.00

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

Governor's Bill with Previous Fiscal Notes (enter information above)

**DO PASS:**

Al Adams  
Paul J. Bennett  
Chris Taylor  
Drew A. Kuman  
Rest E. Kelly D. Per

**OTHER RECOMMENDATIONS:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Chair. Signature and Recommendation



APR 11 1993

# ALASKA STATE LEGISLATURE

Representative Eileen Panigeo MacLean  
Co-Chair House Finance Committee  
P.O. Box 830  
Barrow, Alaska 99723  
(907) 852-7111

WHILE IN JUNEAU  
State Capitol, Room 507  
Juneau, Alaska 99801-1182  
465-4833  
465-4525  
463-3241 FAX

## HOUSE OF REPRESENTATIVES

### MEMORANDUM

District 37

North Slope  
Borough

Anaktuvuk Pass  
Atkasuk  
Barrow  
Kaktovik  
Nulqsut  
Point Hope  
Point Lay  
Wainwright

Northwest Arctic  
Borough

Ambler  
Buckland  
Deering  
Giana  
Kivalina  
Kobuk  
Kotzebue  
Noatak  
Noorvik  
Selawik  
Shungnak

Seward Peninsula

Brevig Mission  
Diomedes  
Shishmaref  
Teller  
Wales

TO: Senator Randy Phillips, Chairman  
Senate Community and Regional Affairs Committee

FROM: Rep. Eileen P. MacLean *Eileen*

DATE: April 11, 1994

RE: Hearing request for HB 467

---

This is to request a hearing for HB 467 in the Senate Community and Regional Affairs Committee.

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

Current law prohibits regional housing authorities from originating or servicing loans in regions where AHFC has a regional office. Housing authorities often have more contact with villages and a better understanding of local conditions in remote areas. This makes them ideally suited to originate and service AHFC loans. HB 467 would authorize this in statute.

The bill also encourages greater investment in rural housing by allowing owners to finance and inhabit larger multi-unit rental complexes.

Finally, HB 467 allows AHFC to increase its participation in HUD-financed projects with unusually high water and sewer installation costs.

I appreciate your consideration of this request.