

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8842 SENATE COMMUNITY & REGIONAL AFFAIRS

Canadian carries torch for northern way of life

By CLYDE H. FARNSWORTH
The New York Times

OTTAWA — She speaks of the despair that leads some of her people to alcoholism, drug abuse and suicide and of their pessimism over the lack of job opportunities. Yet to Mary Simon, an Eskimo who recently became Canada's first Circumpolar ambassador, the news is not all bad.

"Not everybody is out drinking

and living a life of despair," she said. "Part of our culture is thriving, and there's a strong determination to pull through all of this. So I say we can make the changes that are necessary to bring back the pride and the self-esteem."

One of the changes she hopes to see as Canada's chief diplomat on northern issues is creation by the world's eight circumpolar nations of an Arctic Council to make policy

commitments in areas of overlapping concern such as environmental protection.

Not until the Cold War ended was it possible for either Canada or the Eskimos, 40,000 of them, to turn their attention to the enormous common problems of degradation of their environment and deterioration of their economy.

Please see Page B-3, AMBASSADOR



Does Northern Eskimo not have anything to do with this? or say like it??
Pinky

AMBASSADOR: Canadian Eskimo carries the torch for northern way of life

Continued from Page B-1

and social life.

"My own experience goes back 20 years working on both environmental and economic issues in the Canadian north," said Simon, a 47-year-old Inuk from Kuujuaq, a settlement on Ungava Bay in northern Quebec to which she returns frequently, "but now for the first time we have the possibility of a coherent approach by eight governments."

In addition to Canada, the circumpolar nations are the United States, Russia, Norway, Sweden, Finland, Iceland and Denmark, which administers Greenland.

Simon, the first Eskimo to hold the rank of ambassador in Canada, said she wants to look not only at environmental questions, "but at the broader picture of how people live in the north, how developmental

projects affect people in the different regions."

"Does that wealth go back into the north or is it just taken out?" she said. "Is there development taking place in such a way that will provide new jobs for the young people who are desperately in need of work?"

The council is a 6-year-old Canadian initiative that has won the backing of all polar powers except the United States. Washington has had reservations about creating a new international bureaucracy, but Simon's lobbying appears to have brought the Clinton administration around.

David Colson, the deputy assistant secretary of state responsible for polar affairs, said recently from Washington: "I would hope to be in a position to reconcile our differences and have a common point of view with Canada that we

could express to the other six countries in March."

The issue of environmental security has taken on a sense of urgency with the huge oil spill last year near the Russian arctic city of Utsinsk and the disclosure of dumping by the former Soviet Union of nuclear reactors in the shallow waters of the Kara Sea.

The eight polar countries adopted an Arctic Environmental Protection Strategy in 1991, but it was a non-binding agreement lacking enforcement provisions. Pollution also has been a top agenda item for the Inuit Circumpolar Conference, a nongovernmental group representing all the Native people in the north, which Simon headed from 1986 to 1992.

But the hope is that the new governmental body would be able to forestall such disasters and protect

the fragile arctic ecosystem.

By addressing standards required for proper environmental management and conservation, the council could set the stage for sustainable economic development, said Christopher Stephens, an arctic scholar who directs the Indigenous Development International program at the McDonald Institute of Cambridge University.

Canada, which occupies 30 percent of the arctic land mass, is particularly anxious about environmental deterioration. PCBs and chemicals associated with pesticides already have shown up in disconcertingly high concentrations in the Canadian north, borne by winds, rivers and ocean currents.

Through fish and marine mammals, which form a large part of Native diets,

they enter the food chain. PCB levels, for example, have been found to be five times higher in the breast milk of Eskimos in northern Quebec than in mothers in southern Canada.

Simon, who has three children, said people in the north feel an urgency about the contamination.

"The concern is something you feel — like it's in you, like I'm really worried about this," she said. "People are worried that they won't be able to eat fat anymore. And where are they going to get a nutritionally based food source because the cost of living is so great?"

A youth steeped in Eskimo culture gave Simon a deep understanding of the

people's concerns. Her mother is an Eskimo, and her father, a Hudson Bay post manager, is a white Canadian who has long lived in the north. The family spoke Inuktitut, the local language, and her mother speaks little English.

As a child, Simon and her seven brothers and sisters learned how to drive a dog team and to build igloos, but they were taught to appreciate both cultures. She went to high school through correspondence courses. Later she taught Inuktitut at McGill University in Montreal, then joined the Northern Service of CBC as a radio and television broadcaster.

APR - 06 93 THU 14 12 THE NORTHERN FORUM TEL 90 591 0945 2 00

The Second Arctic Leaders' Summit, Tromsø January 25 - 27, 1995

Proposal for the Establishment of an Arctic Council

The participants in the workshop were generally positively interested in the establishment of an Arctic Council, although some scepticism and concerns were expressed with respect to the different levels of participation - these being the membership for Arctic states versus permanent participation status for Indigenous Peoples - represented by their International Indigenous Organizations of the Arctic.

The Arctic Leaders' Summit recommends that the following be embodied in the Declaration of the Arctic Council:

- The eight Arctic states recognize that the Arctic Indigenous Peoples have the right to self-determination within their nation-states.
- The right of Arctic Indigenous Peoples to participate fully and directly in an Arctic Council should be reflected as a key principle in the proposed structure of the Arctic Council.

The Arctic Leaders' Summit support the principle as stated on page 3 and 4 in the section on Structure of the Proposed Arctic Council in the Discussion Paper on the Establishment of an Arctic Council: A Collaborative Opportunity for the Eight Arctic States of January 16, 1995.

. Declaration of the Second Arctic Indigenous Leaders Summit

We, the Representatives of the Indigenous Peoples organizations of the Arctic, the Inuit Circumpolar Conference, the Saami Council and the Association of the Indigenous Peoples in Russia, Siberia and the Far East.

Having convened the Second Arctic Leaders Summit at Tromsø, Norway to continue the cooperation among Arctic Indigenous Leaders to further identify common international issues of concern, to exchange experiences, and to develop strategies and solutions.

Bearing in mind that one of the purposes of the Summit is the achievement of international cooperation in solving problems of an economic, social, cultural, political and humanitarian character and in promoting and encouraging respect for human rights and fundamental freedoms for all without distinction as to race, sex, language or religion.

Recognizing the value and diversity of the indigenous peoples of the Arctic;

Conscious of the need to improve the economic, social, cultural and political situation of Arctic indigenous peoples with full respect for distinctiveness and our own initiatives,

Recognizing the rights of Arctic indigenous peoples to self-determination, self-government, land and resources, in addition to cultural, social and economic rights;

Recognizing the special role of indigenous peoples in environmental management and development in the Arctic, and the significance of indigenous knowledge and traditional practices, and the need to promote our effective participation to achieve sustainable development in the Arctic;

Recalling the principles concerning indigenous peoples in the Arctic Environmental Protection Strategy (AEPS), Caring for the Earth, the Rio Declaration, the Nuuk Declaration, and the recommendations from the 1994 Seminar on the Integration of Indigenous Peoples Knowledge held at Reykjavik;

Recalling United Nations General Assembly Resolution 48/163 of 21 december 1993, which proclaimed the International Decade of the World's Indigenous Peoples,

Recognizing the central theme of effective partnership and cooperation between indigenous peoples and member states, including participation of Indigenous peoples in the plan of action for the decade and its implementation;

Affirming the goal to adopt the Declaration for the Rights of Indigenous Peoples;

Recognizing the importance of the establishment of a permanent forum for indigenous people within the United Nations system;

We adopt, as consensus recommendations of the Summit, the following:

- 1) Recommendations on International Issues
- 2) Recommendations on Business Development and Foreseen Opportunities
- 3) Recommendations on Russian Issues
- 4) Recommendations on Environmental Issues

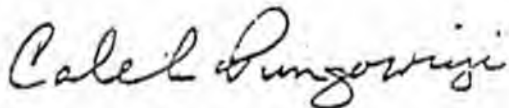
We agree to continue the cooperation, begun in Copenhagen 1991 and continued in Tromsø 1995 by holding our Third Arctic Indigenous Leaders Summit in 1998.

We also agree to consider the establishment of a joint task force and procedures to coordinate common Arctic policies.

We further agree that in order to advance our mutual concerns, we will initiate a process leading up to the third Arctic Indigenous Leaders Summit, to include some of the following issues:

- addressing the situation of the Indigenous Peoples of Russian North, Siberia and the Far East.
- implementation of the Rio Principles and Agenda 21
- indigenous strategies for sustainable and equitable development in the Arctic
- furthering of indigenous rights during the International Decade of the World's Indigenous Peoples

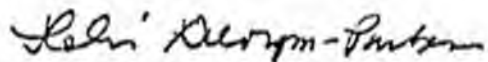
Tromsø, January 27, 1995



Signed by Caleb Pungowiyi, president
On the behalf of the Inuit Circumpolar Conference



Signed by Efemye Aipin, president
On the behalf of the Association of the Indigenous Peoples of the Russian North, Siberia and Far East



Signed by Helevi Nuorgam-Pouliasuo, president
On the behalf of the Saami Council

-- PRESS RELEASE --

Tromsø, Norway - Indigenous leaders of the Arctic from Russia, Scandinavia, Greenland, Canada and Alaska met at a 3-day summit in Tromsø, Norway which ended last Friday, January 27th. It was their first meeting since the inaugural and historic Arctic Indigenous Leaders' Summit of 1991.

The Arctic indigenous leaders, along with invited guests and observers, discussed issues of common concern such as increasing Arctic pollution, loss of indigenous rights over land, possible ways of building upon further cooperation among Arctic indigenous peoples, how to best deal with their respective national governments and how to promote economic opportunities among indigenous communities of the circumpolar region.

The Russian Arctic was the focus of much of the debate at the Tromsø Summit. Stories were heard about how the Soviet era left many people dispossessed, and about the current rapid changes which ironically are further hurting Arctic Russia's indigenous communities. Anna Prahova, an indigenous leader from the Kola Peninsula spoke passionately about how the Saami people had lost their right to fish the Ponoy, the Lumbovka and other rivers which they have used for thousands of years. Foreign-owned tourism companies from Finland, United States and elsewhere were buying up the rights to rivers so that "wealthy Americans, Canadian and Britons can catch our large salmon, take pictures and fly back home with them". Prahova told Summit delegates and observers that only one week ago much of the Lumbovka River had been put up for public auction. Local companies owned by indigenous peoples would have no chance of competing, she said, and local people would receive no economic benefit. "The benefit is all going to a few regional authorities and foreigners", she said.

Another indigenous leader from the Amur region, Nadezhda Bulatova, spoke of forests being sold to Korean firms by local authorities. She cited an example of Udigeys in the Primorski area in which 2000 indigenous peoples "might as well die when cutting of the forest begins". She did offer positive hope, however, by saying that where indigenous groups had gained a measure of autonomy and control over their traditional resources, sustainable use had been ensured. "It can and does work", she said, "but we need autonomous organizations".

Ms. Bulatova thanked the Inuit Circumpolar Conference (ICC) for its support and for sharing the experiences of other Arctic indigenous peoples like the Inuit of Nunavut, Canada, which ICC President, Caleb Pungowiyi, had talked about earlier. "We are sure that the experiences of the Inuit land claims process in Alaska, Canada and Greenland can help us", she said.

In his address to Summit delegates, the ICC President also spoke of the important role of women in Inuit society and Inuit economies. Mr. Pungowiyi used the example of his grandmother's knowledge of

the environment, community wealth and village trading potential in addition to her leadership skills to show how the rights of Inuit to use their living resources in a wise manner must be vigilantly maintained if Inuit culture is to survive and social problems are to be reduced. He was optimistic that it could, and told governmental observers that they must assist in reopening markets such as seal skins that had been taken away from them due to animal rights movements and laws in the United States and in the European Union.

Degradation of the Arctic environment was also a major focus of the Tromsø Summit. Anne Walker from Alaska said that each indigenous leader should take personal responsibility to take back to the local communities the stories heard at the Summit. Ms. Walker further demanded that scientists and governments carrying out environmental research in the Arctic provide plain-language advice on how contaminants arriving from elsewhere, and ending up in the indigenous peoples' food chain may affect them, so they could make their own assessment of whether or not the food they eat is free from unsafe levels of contaminants.

The Arctic indigenous leaders ended the Summit by making several statements on issues relating to Arctic cooperation, environment, rights to sustainable utilization of resources, business development and the Russian Arctic. The Arctic leaders supported a statement by Simeonie Nalukturuk, President of Makivik Corporation in Nunavik (Northern Quebec) that in the event of the province of Quebec separating from Canada, Quebec Inuit have the right to choose their own destiny. Delegates also made a statement in support of a proposed Arctic Council of the eight Arctic governments, but only if the indigenous organizations have full participatory rights in such a council.

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FOR MORE INFORMATION, PLEASE CONTACT:

**Caleb Pungowiyi, President
Inuit Circumpolar Conference
Anchorage, Alaska
Tel: 1-907-563-6917**

**Ingmar Ege, Vice-President
Inuit Circumpolar Conference
Nuuk, Greenland
Tel: 299 23 632**

Chester Reimer, Research Director

**Inuit Circumpolar Conference
Ottawa, Ontario
Tel: 1-613-563-2642**

**Leif Halonen
Summit Organizer
The Saami Council
Ohcejohka/Ulsjoki
Finland
Tel: 358 697 71 351**

SJR

21

SENATE COMMITTEE REPORT
First Committee of Referral

DATE: 3/20/95

FURTHER: Finance

Date of 5-Day Notice: 3/30/95
 (in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 4/7/95

CRA Committee considered SJR 21

Amendments to the Alaska Constitution creating a special fund related to the use of federal mineral revenue sharing payments due the state from certain federal leases on the coastal plain of the Arctic National Wildlife Refuge.

and recommends:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

Senate Bill:
 same title
 new title
House Bill:
 same title
 technical title
 new: SCR# _____

<u>SIGNING DO PASS</u>	<u>DP</u>	<u>OTHER RECOMMENDATIONS</u>	<u>NR</u>	<u>DNP</u>	<u>AM</u>
		<i>Tim Kelly</i>	✓		
		<i>James Hoff</i>	✓		
		<i>Paul E. (JCO)</i>	✓		
CHAIR: <i>John Burgess</i>	✓				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

<i>Office of Governor</i>	<i>3/30/95</i>	<i>✓</i>	<i>2.2</i>
<i>Revenue</i>	<i>3/14/95</i>	<i>✓</i>	

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

Alaska State Legislature

During Interim:

716 West 4th Avenue, Suite 500
Anchorage, Alaska 99501-2133
(907) 258-8185
Fax (907) 258-0226

During Session:

State Capitol
Juneau, Alaska 99801-1182
(907) 465-4993
Fax (907) 465-3872


Drue Pearce
President of the Senate

RECEIVED

MAR 27 1995

Ans'd

To: Sen. John Torgerson, Chairman
Community and Regional Affairs Committee

From: Sen Drue Pearce, Senate President 

Re: SJR 21

Date: March 23, 1995

Please schedule a hearing at your earliest convenience on SJR 21, which would provide a future source of revenue for local governments through establishment of a dedicated fund for royalties from development in the Arctic National Wildlife Refuge.

Thanks.

Alaska State Legislature

During Interim:

716 West 4th Avenue, Suite 500
Anchorage, Alaska 99501-2133
(907) 258-8185
Fax (907) 258-0226

During Session:

State Capitol
Juneau, Alaska 99801-1182
(907) 465-4993
Fax (907) 465-3872

Drue Pearce
President of the Senate

Sponsor Statement for Senate Joint Resolution 21 1/7/95

Senate Joint Resolution 21 would place before the voters of the State of Alaska at the next general election an amendment to the State Constitution, which would create the Arctic National Wildlife Refuge Special Revenue Fund. This fund would consist of all state share royalties from any future development on the coastal plan of the Arctic National Wildlife Refuge, except for the 50% share of royalties already required by the Alaska Constitution and statute to be placed in the Alaska Permanent Fund.

The Legislature could only appropriate money in this fund for assistance or aid to a municipality under a program of State aid to local government established by law as embodied in AS 29.60.100 - AS 29.60.375 or for the support of school construction and school major maintenance programs established by law as currently embodied in AS 14.11.007 - AS 14.11.135.

If ratified by the citizens of our state, this resolution would create a dedicated fund. I believe it is essential that Alaskans be given the opportunity to put this mechanism in place now, before ANWR exploitation and development is a reality. When fields are developed and revenues are flowing to the General Fund, the pressure to use the royalties for other purposes will be overwhelming. This new fund will be an important resource to help local governments meet their obligations in years to come. Municipal Assistance and State Revenue Sharing has been cut approximately 50% in the last ten years while municipalities have been required to take on ever increasing responsibilities.

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

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

130 Seward Street, Suite 469
Juneau, Alaska 99801-2105

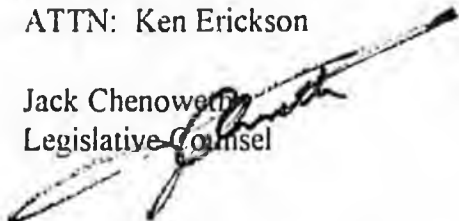
MEMORANDUM

April 5, 1995

SUBJECT: Senate Joint Resolution 21, proposing a constitutional amendment to establish a dedicated fund to receive the federal mineral revenue sharing payments due from federal leases on the coastal plain of the Arctic National Wildlife Refuge, and authorizing use of the fund balance -- sectional analysis. (Work Order No. 9-LS0929\A)

TO: Senator Drue Pearce
ATTN: Ken Erickson

FROM: Jack Chenoweth
Legislative Counsel



Senate Joint Resolution 21 proposes a constitutional amendment to establish a dedicated fund to receive the federal mineral revenue sharing payments due from federal leases on the coastal plain of the Arctic National Wildlife Refuge. The fund is identified as the Arctic National Wildlife Refuge Special Revenue Fund. SJR 21 further specifies the manner of the use of the fund balance.

Bill section 1 amends article IX, section 7 of the Alaska Constitution to create an additional exception to the prohibition against dedicated funds for the Arctic National Wildlife Refuge Special Revenue Fund.

Bill section 2 establishes the Arctic National Wildlife Refuge Special Revenue Fund as the repository of money due the state as federal mineral revenue sharing payments from oil and gas leases made by the federal government on the coastal plain of the Arctic National Wildlife Refuge. The amount payable to the Alaska permanent fund is not to be placed in this special fund but, instead, is to be put into the permanent fund. The proposed amendment directs the legislature to use money in the Arctic National Wildlife Refuge Special Revenue Fund "for payment of assistance or aid to a municipality under a program of state aid to local government established by law and for the support of school construction and school major maintenance programs established by law."

Bill section 3, a boilerplate provision, directs submission of the proposed amendment to the voters at the November, 1996, general election under applicable state election laws.

JBC:klb
95-236.klb

FISCAL NOTE

MAR 29 1995

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. SJR 21

Revision Date: 3/23/95 Dept. Affected: Revenue
 Title: ANWR Special Revenue Fund BRU: Revenue Operations
 Component: Oil and Gas Audit
 Sponsor: Pearco
 Requester: (S) CRA COMPONENT SERIAL NO. 115

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES () See Analysis

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF March						
1004 GF						
1005 GF/Program Receipts						
1008 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY96) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

The coastal plain of the Arctic National Wildlife Refuge is one of the most promising areas for discovery of oil and gas resources in the North America. Discovery and development of oil and gas in this area could be a boon to the Alaskan economy in the next century as the currently producing fields are depleted. At wellhead prices of \$10/bbl, every billion barrels of oil discovered could bring in roughly \$150 million per year in severance tax and royalty income to the Alaska state treasury. This estimate does not include lease bonuses which could also expect to be substantial. The state's 90% share of Federal royalties amounts for \$82 million of this annual revenue estimate. Under current law, 60% of such royalties, or \$41 million annually for every billion barrels discovered, would go to the Alaska Permanent Fund. This bill would require that the other 50% or \$41 million in this example, would be deposited in the ANWR Special Revenue Fund.

Prepared by: [Signature] Phone: 277-5827
 Division: Oil and Gas Audit Division Date: 3/14/95
 Approved by Commissioner: [Signature] Date: 3/29/95
 Agency: Revenue

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FISCAL NOTE

STATE OF ALASKA

BILL NO. SJR 21

1995 LEGISLATIVE SESSION

Revision Date: _____

Department Affected: Office of the Governor

Title: Amendment to the Constitution RE:

BRU: Division of Elections

ANWR Special Revenue Fund

Component: General and Primary Elections

Sponsor: Senator Pearce

COMPONENT SERIAL NO. 22

Requestor: _____

EXPENDITURES/REVENUES:

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	2.2*	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND &	0	0	0	0	0	0
GRANTS.	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL	0	2.2*	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE						
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FUNDING:

1002 Federal	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	0	0	0	0	0	0
1006 GF/MHTIA	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	2.2*	0	0	0	0

POSITIONS:

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

Estimate of current year (FY95) impact: 0

ANALYSIS: (Attach a separate page if necessary.)*This figure covers cost of inclusion of information about this issue in the Official Elections Pamphlet as required by AS 15.58, and programming for counting of votes cast on the measure. However, only 4 measures can be printed on a single ballot card. Should this measure require printing an additional ballot card, the fiscal impact would be 53.4.

Prepared by: David Kolvuniemi, Acting Director Phone: 465-4611
 Division: Division of Elections Date: _____

Approved by Commissioner: Lt. Governor Fran Ulmer
 Agency: Office of the Lt. Governor Date: _____

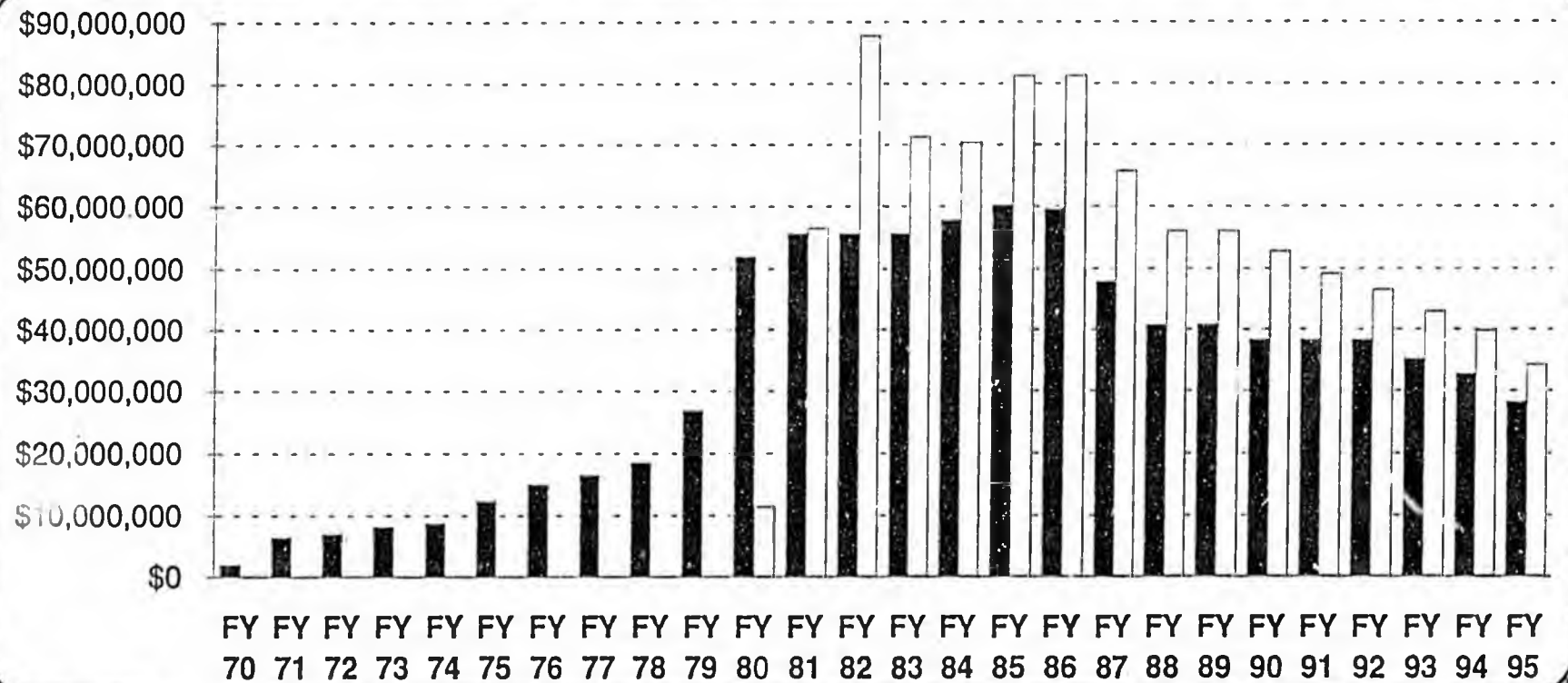
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From DCRA

	State Revenue Sharing	Municipal Assistance
FY 70	\$2,020,000	—
FY 71	\$6,500,000	—
FY 72	\$7,085,000	—
FY 73	\$8,215,000	—
FY 74	\$8,777,000	—
FY 75	\$12,458,626	—
FY 76	\$15,130,100	—
FY 77	\$16,596,657	—
FY 78	\$18,656,800	—
FY 79	\$26,944,912	—
FY 80	\$51,900,000	\$11,399,999
FY 81	\$55,707,600	\$56,496,000
FY 82	\$55,707,600	\$87,929,546
FY 83	\$55,721,000	\$71,300,000
FY 84	\$57,950,000	\$70,500,000
FY 85	\$60,350,000	\$81,306,800
FY 86	\$59,632,200	\$81,306,800
FY 87	\$47,879,100	\$65,858,500
FY 88	\$40,773,400	\$56,084,400
FY 89	\$40,773,400	\$56,084,400
FY 90	\$38,347,000	\$52,747,000
FY 91	\$38,347,000	\$49,103,200
FY 92	\$38,347,000	\$46,648,000
FY 93	\$35,279,200	\$42,916,200
FY 94	\$32,809,700	\$39,912,100
FY 95	\$28,249,133	\$34,364,367

Funding History of State Revenue Sharing & Municipal Assistance

State Revenue Sharing
 Municipal Assistance



Chapter 12. Alaska Resources Corporation.

[Repealed, §§ 17, 18 ch. 161 SLA 1984.]

Chapter 13. Alaska Permanent Fund and Corporation.

Article

- 1. Alaska Permanent Fund (§§ 37.13.010 — 37.13.205)
- 2. Management of Other Assets
- 3. General Provisions (§ 37.13.900)

Article 1. Alaska Permanent Fund.

Section

- 10. Alaska permanent fund
- 20. Findings
- 30. Purpose
- 40. Alaska Permanent Fund Corporation
- 50. Composition and qualifications of board of trustees
- 60. Term of office
- 70. Removal and vacancies
- 80. Quorum and voting
- 90. Compensation of board members
- 100. Corporation staff

Section

- 110. Conflicts of interest
- 120. Investment responsibilities of the board
- 140. Income
- 145. Disposition of income
- 150. Corporation budget
- 160. Audits
- 170. Reports and publications
- 180. Tax exemption
- 190. Political activities
- 200. Public access to information
- 205. Regulations

Sec. 37.13.010. Alaska permanent fund. (a) Under art. IX, § 15 of the state constitution, there is established as a separate fund the Alaska permanent fund. The Alaska permanent fund consists of

(1) 25 percent of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares under AS 38.05.180(f) and (g), and federal mineral revenue sharing payments received by the state from mineral leases issued on or before December 1, 1979, and 25 percent of all bonuses received by the state from mineral leases issued on or before February 15, 1980;

(2) 50 percent of all mineral lease rentals, royalties, royalty sale proceeds, net profit shares under AS 38.05.180(f) and (g), and federal mineral revenue sharing payments received by the state from mineral leases issued after December 1, 1979, and 50 percent of all bonuses received by the state from mineral leases issued after February 15, 1980;

(3) any other money appropriated to or otherwise allocated by law to the Alaska permanent fund.

(b) Payments due the Alaska permanent fund under (a) of this section shall be made to the fund within three banking days after the day the amount due to the fund reaches at least \$3,000,000 and at least once each month.

(c) The Alaska permanent fund shall be managed by the Alaska Permanent Fund Corporation established in this chapter. (§ 5 ch 18 SLA 1980; am § 2 ch 134 SLA 1992)

Effect of amendments. — The 1992 amendment, effective July 1, 1992, inserted "within three banking days after the day the amount due to the fund reaches at least \$3,000,000 and at least" in subsection (b).

Legislative history reports. — For the Free Conference Committee Report on ch. 18, SLA 1980 (FCCSSB 161), see 1980 House Journal, Joint Supplement No. 7, April 2, 1980.

Sec. 37.13.020. Findings. The people of the state, by constitutional amendment, have required the placement of at least 25 percent of all mineral lease rentals, royalties, royalty sale proceeds, and federal mineral revenue sharing payments and bonuses received by the state into a permanent fund. The legislature finds with respect to the fund that

(1) the fund should provide a means of conserving a portion of the state's revenue from mineral resources to benefit all generations of Alaskans;

(2) the fund's goal should be to maintain safety of principal while maximizing total return;

(3) the fund should be used as a savings device managed to allow the maximum use of disposable income from the fund for purposes designated by law. (§ 5 ch 18 SLA 1980; am § 3 ch 134 SLA 1992)

Effect of amendments. — The 1992 amendment, effective July 1, 1992, substituted references to the fund for references

to the Alaska permanent fund corporation throughout the section.

NOTES TO DECISIONS

Cited in State, Dep't of Revenue v. Gazaway, 793 P.2d 1025 (Alaska 1990).

Sec. 37.13.030. Purpose. It is the purpose of this chapter to provide a mechanism for the management and investment of those fund assets by the Alaska Permanent Fund Corporation in a manner consistent with the findings in AS 37.13.020. (§ 5 ch 18 SLA 1980; am § 4 ch 134 SLA 1992)

Delayed amendment of section. — Under §§ 7 and 5b, ch. 66, SLA 1991, this section is amended by substituting "AS 37.13.010 — 37.13.190" for "this chapter"; the amendment takes effect upon entry of a final order dismissing Weiss v. State of

Alaska, 4FA-82-2208 Civ. and the expiration of any time for appeal.

Effect of amendments. — The 1992 amendment, effective July 1, 1992, substituted "those fund assets by" for "those permanent fund assets allocated to."

Sec. 37.13.040. Established is a public corporation of Rev and other f (§ 5 ch 18

Delayed Under §§ 8 ar section is am 37.13.010 — in the last ser effect upon et

Sec. 37.13.040. trustees. Corporatio the memb ment, one bers shall hold any elective either th (b) The competen business (c) The bers. (§

Sec. 37.13.040. shall be pointed. more th: SLA 19

Sec. 37.13.040. remove must b membe: busines rum af govern (b) A by the balanc was ap

Alaska Constitution

Finance and Taxation

Article IX

Section 12 - Budget.

The governor shall submit to the legislature, at a time fixed by law, a budget for the next fiscal year setting forth all proposed expenditures and anticipated income of all departments, offices, and agencies of the State. The governor, at the same time, shall submit a general appropriation bill to authorize the proposed expenditures, and a bill or bills covering recommendations in the budget for new or additional revenues.

Section 13 - Expenditures.

No money shall be withdrawn from the treasury except in accordance with appropriations made by law. No obligation for the payment of money shall be incurred except as authorized by law. Unobligated appropriations outstanding at the end of the period of time specified by law shall be void.

Section 14 - Legislative Post-Audit.

The legislature shall appoint an auditor to serve at its pleasure. He shall be a certified public accountant. The auditor shall conduct post-audits as prescribed by law and shall report to the legislature and to the governor.

Section 15 - Alaska Permanent Fund.

At least twenty-five per cent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the State shall be placed in a permanent fund, the principal of which shall be used only for those income-producing investments specifically designated by law as eligible for permanent fund investments. All income from the permanent fund shall be deposited in the general fund unless otherwise provided by law. (Amendment approved November 2, 1976 - Effective February 21, 1977)

Section 16 - Appropriation Limit.

Except for appropriations for Alaska permanent fund dividends, appropriations of revenue bond proceeds, appropriations required to pay the principal and interest on general obligation bonds, and appropriations of money received from a non-State source in trust for a specific purpose, including revenues of a public enterprise or public corporation of the State that issues revenue bonds, appropriations from the treasury made for a fiscal year shall not exceed \$2,500,000,000 by more than the cumulative change, derived from federal indices as prescribed by law, in population and inflation since July 1, 1951. Within this limit, at least one-



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

April 3, 1995

Senator Drue Pearce
State Capitol Building
Juneau, Alaska 99801

Dear Senator Pearce:

On behalf of the Alaska Municipal League, I want to thank you for introducing SJR 21, which would amend the Alaska Constitution to create a special fund for aid to municipalities with monies from development of the Arctic National Wildlife Refuge. SJR 21 has been distributed and discussed with a number of member communities. The League supports this resolution and will assist you in any way possible to ensure its passage this session.

Your recognition of the serious affects of the cuts in Municipal Assistance and State Revenue Sharing on Alaska's municipalities is most appreciated. Municipalities have been cut over 55% in the last ten years while at the same time they have taken on more responsibilities passed through by the state. The cuts in these programs have been so severe that they have significantly increased property taxes, caused serious life and safety service cutbacks, and contributed to several municipal dissolutions.

While this resolution affects future funding if and when ANWR development occurs, it is the first step in recognizing the importance of stabilizing state revenue sharing with municipalities. Passage of SJR 21 will show that the Legislature is planning for the future and understands that stabilization of funding for cities and boroughs is a critical issue.

Again, our deepest appreciation for your leadership on this issue and if the League can be of assistance, please call me anytime.

Sincerely,


Kevin C. Ritchie
Executive Director

CC: AML Board of Directors

4/3/95

Alaska State Legislature



During Interim:
716 West 4th Avenue, Suite 500
Anchorage, Alaska 99501-2133
(907) 258-8185
Fax (907) 258-0226

During Session:
State Capitol
Juneau, Alaska 99801-1182
(907) 465-4993
Fax (907) 465-3872

Drue Pearce
President of the Senate

March 24, 1995

Mr. Kevin Ritchie
Executive Director
Alaska Municipal League
217 Second St., Suite 200
Juneau, Alaska 99801

Dear Mr. Ritchie: *Kevin*

Local governments have been asked to bear an ever-larger financial burden as the state struggles to cope with declining revenues. Municipal assistance and revenue sharing have been slashed, and additional money from traditional sources is unlikely to be available in the foreseeable future.

This week I introduced legislation, Senate Joint Resolution 21, which would provide a future source of funds for local governments. I'm enclosing a copy of the resolution, and I'd appreciate your active support to help make this idea a reality.

Under my plan, all state share royalties from any future development on the coastal plain of the Arctic National Wildlife Refuge, except for the share that by law goes into the Alaska Permanent Fund, would be placed in a special municipal revenue sharing fund.

This fund would be used to pay for local projects chosen by local leaders, who are best able to determine community needs. The money would be distributed on a per capita formula and could be to pay for either capital projects or to operate existing programs, depending on how local communities choose to spend it.

The fund is patterned after a successful program enacted by the legislature in 1981, when some \$400 million was distributed to local governments. That pass-through program was a tremendous boon to local governments, allowing communities to complete many important projects that they otherwise could not have afforded.

RECEIVED

MAR 28 1995

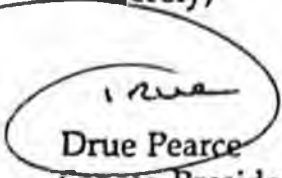
ALASKA MUNICIPAL LEAGUE

My resolution proposes amendments to the Alaska Constitution to allow creation of a dedicated fund. I believe it's essential that we put this mechanism in place now, before ANWR development is a reality. When development actually is on the horizon, the pressure to use the royalties for other purposes will be overwhelming.

I hope you'll join me in supporting this plan. The fund will be an important resource to help local governments meet their obligations in the years to come.

Please let me know if you'd like more information on this issue.

Sincerely,



Drue Pearce
Senate President

cc: Anchorage Assembly Members
North Slope Borough Mayor and Assembly
Alaska Municipal League

Testimony on SJR 21

*Particularly as
a bargaining chip in
congress. Interesting
concept*

No official Governor's position on this amendment to the constitution
Asked to come and discuss some overall policy considerations and concerns on this
legislation

bring up some issues

Law has brought up some legal issues, but they can speak to them

First: Governor is squarely behind the development of ANWR and has repeatedly expressed his strong support for full funding of education as well as working in an equitable partnership with municipalities

Linking these three concepts via a constitutional amendment is where the concerns arise

Basic concern with dedicated funds – this would be the 3rd after the Permanent Fund and Constitutional Budget Reserve Fund

- Framers of the constitution justifiably abhorred dedicated funds having seen what happened in other states – basic problem is that the particular interests of the education community and municipalities are elevated over other public service responsibilities – they saw it as undemocratic and not conducive to good government
- Reminiscent of Governor Cowper's Education Endowment
- Recall that this involved a full court press by the Gov's office with public forums, focus groups and the propaganda machine running full bore
- There were political problems associated with being a lame duck Governor but as a participant in that initiative, I believe it came up short fundamentally because it ~~wasn't a good idea~~
- ~~Eventually the idea failed because it rotted from within~~

People generally support education and see it as key to the future of our economy and society but when they think about it being raised above other public services such as police, prosecution, jails, snowplowing, public health, etc they begin to scrutinize our present education system more closely and question whether education ought to occupy an exalted position in the competition for funding

- They see a system with 55 school districts, all with their own superintendents and administrative costs in a state with a population the size of Tacoma
- Rabid teachers unions that have negotiated agreements over every minute of the workday. Teachers working for nine months and getting

paid a full year's salary. An out of control tenure system that guarantees lifetime employment after performing adequately for two years

- In sum, as much as the public values education, they question whether it is really in the state's interest to perpetuate the system with all of its problems at the expense of everything else that government does – at least in terms of the opportunity cost of extra money spent on education that could be spent providing other services..

This legislation is directed at school facilities funding and municipal aid so it's a little different. It also is based on speculative revenues and doesn't affect anyone's PFD.

- However, I believe you'll run into the same kind of opposition that Governor Cowper's endowment did when people begin to seriously examine the implications
- Do we really want to give school construction and maintenance a higher priority for funding than prisons or road maintenance or village sanitation facilities?
- Same kind of thing with municipal aid – people will ask what about municipalities using their own tax bases – why should they get a special deal? If local residents want more government then maybe they should get the opportunity to pay for it.

I don't mean to sound too negative, but for what it's worth, those are my observations about the pitfalls of constitutional amendments dedicating funds to special purposes. Ultimately we all want the same things – responsible development of ANWR, adequate funding for education and financially sound municipal governments but there are varying ways of meeting these goals.

I wish you better luck than Governor Cowper had with this legislation

We want to see construction

Same caution. Don't give to any policy matter

F A X T R A N S M I S S I O N
to follow

From: Senator John Torgerson, Alaska State Legislature
Phone: (907) 465-2828 Fax: (907) 465-4779

To: LEG LEGAL FAX#: 2029

Attn: _____

Date: 4-3-95 Pages, including this cover sheet: 2

Memoranda: Re. SJR 21 Ulock Order 9-LS0929 \ A

SENATOR WOULD HAVE PREFERRED TO AMEND LANGUAGE IN
PROPOSED SEC 18 AMENDMENT TO CONSTITUTION BUT
I THOUGHT REFERENCE TO STATUTE IN A PROPOSED
CONSTITUTIONAL AMENDMENT WOULD BE INAPPROPRIATE.

WOULD YOU DRAFT A LETTER OF INTENT SIMILAR
TO WHAT I'M FAXING OVER? SENATOR IS MAINLY
CONCERNED WITH THE STATE REFERENCE FOR
MUNICIPAL ASSISTANCE & REVENUE SHARING
AND SCHOOL CONSTRUCTION ACCOUNT

ANY QUESTIONS, PLEASE CALL

Telephone Contact: 4984 SANDR

HB

80

SENATE COMMITTEE REPORT

DATE: 3/28/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 4/30/95

CRA Committee considered CS FOR HOUSE BILL NO. 80(CRA)

"An Act establishing the Department of Natural Resources as the platting authority in certain areas of the state; relating to subdivisions and dedications; and providing for an effective date."

and recommends:

- be replaced with S CS HB 80 (CRA)
- adopt previous CS ()
- attached amendment(s)
- adopt Letter of Intent by Committee
- further referral to the Committee

- Senate Bill: same title
- new title
- House Bill: same title
- technical change
- new: SCR#

SIGNING <u>DO</u> PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>Tom Kelly</i>	—		
		<i>John Hoff</i>	✓		
CHAIR: <i>John Ingram</i>	✓				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
<i>Natural Resources</i>	<i>3/14/95</i>		✓
<i>Community & Regional Affairs</i>	<i>1/27/95</i>		✓

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

HOUSE BILL 80

CS HOUSE BILL 80(CRA)
(JAMES)

DNR APPROVAL OF PLATS IN UNORGANIZED BOROUGHS
IN: 3/28/95 OUT:
FURTHER REFERRALS: FINANCE
REQUEST FOR HEARING: 3/28/95
HEARING DATE: 4/19/95

REMARKS: PASSED HOUSE 30Y - 5N (BUNDE, DAVIES, FINKELSTEIN, KUBINA,
NAVARRE)

SIMILAR LEGISLATION INTRODUCED LAST SESSION (HB 352 JAMES)
HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE SUBSTITUTE
PASSED OUT OF COMMITTEE WITH 4DP AND 2 NR
HOUSE RESOURCES COMMITTEE SUBSTITUTE PASSED OUT OF COMMITTEE
WITH 2DP AND 5NR
BILL DIED IN HOUSE FINANCE

*AMENDMENT TO BE OFFERED
PER REQUEST OF DEPT OF NATURAL
RESOURCES AND WITH
CONCURRENCE OF SPONSOR*

PROPOSED AMENDMENT TO CSHB 80(CRA)
(DNR APPROVAL OF PLATS IN UNORG BOR)

BY: SENATOR TORGERSON

PAGE 7, LINE 9:

AFTER "OR," DELETE "EXCEPT FOR LAND OWNED BY CORPORATIONS ORGANIZED UNDER P.L.92-203"

PAGE 7, LINE 10:

AFTER "PUBLIC" DELETE "OR COMMON CARRIER"

PAGE 7, LINE 11:

AFTER "ACCESS" DELETE ";" AND ADD ", EXCLUDING COMMON CARRIER AND PUBLIC UTILITY ACCESS;"

PAGE 7, LINE 13:

AFTER "STATE" DELETE ", "

PAGE 7, LINE 14:

DELETE "CORPORATIONS ORGANIZED UNDER P.L. 92-203" AND INSERT:
"PLATS CREATED BY OR ON BEHALF OF THE BUREAU OF LAND MANAGEMENT,"

PAGE 7, LINE 15:

AFTER "DEDICATIONS" DELETE REMAINDER OF LANGUAGE IN SUB SECTION
(B)

HOUSE BILL 80 (DNR APPROVAL OF PLATS IN UNORGANIZED BOROUGHS)

DIFFERENCES BETWEEN ORIGINAL BILL AND SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE SUBSTITUTE.....

ALL THE CHANGES THAT WERE MADE BY THE SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE SUBSTITUTE WERE TECHNICAL AMENDMENTS PROPOSED BY THE DEPARTMENT OF NATURAL RESOURCES.....

ALL THE CHANGES ARE CONTAINED IN THE DEFINITION SECTION ON PAGE 7.....

I WOULD BE HAPPY TO EXPLAIN EACH OF THESE CHANGES IN DETAIL IF THE MEMBER SO DESIRES.....

THE FIRST CHANGE WAS MADE IN SUB-SECTION 5.....PARAGRAH "A"..... UNDER THE DEFINITION OF "SUBDIVISION".....IT SIMPLY CLARIFIES THAT COMMON CARRIER AND PUBLIC UTILITY RIGHTS-OF-WAYS (UNDER THE JURISDICTION OF THE A-P-U-C) DO NOT CREATE A SUBDIVISION FOR ALL LAND OWNERSHIPS.....NOT JUST FOR ANCSA CORPORATIONS.....

THE SECOND AND THIRD CHANGES ARE ALSO IN SUB-SECTION 5.....UNDER PARAGRAPH "B".....

ONE CHANGE CLARIFIES THAT THE DEPARTMENT OF NATURAL RESOURCES WOULD ONLY REVIEW PLATS AND TITLE AFTER THE ORIGINAL CONVEYANCE FROM THE FEDERAL GOVERNMENT.....IN OTHER WORDS.....THEY WOULD NOT CONSIDER CONVEYANCES FROM THE BUREAU OF LAND MANAGEMENT TO THE STATE..... ANCSA CORPORATIONS.....FOR NATIVE ALLOTMENTS OR HOMESTEADS TO BE SUBDIVISIONS.....EVEN THOUGH THEY MAY HAVE PUBLIC ACCESS RESERVATIONS IN THEM.....SUCH AS ANCSA.....17 (B).....EASEMENTS.....

THE LAST CHANGE WAS NEEDED BECAUSE THE CURRENT EXCEPTIONS IN THE DEFINITION WERE PREVIOUSLY DEALT WITH IN THE SAME BILL UNDER SECTIONS 40.(POINT) 15.(POINT) 360 AND 380 LOCATED ON PAGE 5



Alaska Section
AMERICAN CONGRESS ON SURVEYING AND MAPPING

Patrick H. Kalen, PLS
1041 Chena Ridge Rd.
Fairbanks, AK 99709

April 18, 1995

Ref: HB NO. 80
Hon. John Torgerson
State Capitol
Juneau, Alaska

Dear Senator Torgerson:

We are in general support of the concept of this legislation, as it is a subject on which the American Congress on Surveying and Mapping worked long and hard with other professional societies and affected state agencies over several years, 1988 to 1992.

We have come down to a problem over the definition of the word "subdivision" in the past. A bill in the 17th Legislature (SB 81, 4/5/81) was sponsored by a working group called the State Surveying and Mapping Advisory Board. The bill was held in 1992 at our request due to uncertainty over the meaning and application of this word. We have sought separate legislation to address the problem. (SB 211 in the 18th legislature.)

So it with some dismay, if not surprise, that we see attempts to make special new definitions for the word "subdivision" for the unorganized borough. Exemptions have crept into the definition. They apply to entities that do not enjoy exemptions in any platting jurisdiction in the rest of the state where the vast majority of platting activity takes place.

We do not believe that any exemptions are in order. Suggestions made by Ron Swanson in a letter to you dated April 7 go a long way toward alleviating our concern. It does contain an exemption for common carriers. Although we would like to see a uniform definition, we understand that the common carriers are things like the Tesoro pipeline and the Alyeska pipeline. They do not fall under the intent of subdivision ordinances, and have not been subject to platting jurisdictions they pass through. We endorse the bill strongly if the changes suggested by Mr. Swanson can be incorporated.

Sincerely,

A handwritten signature in dark ink, appearing to read "Patrick Kalen", is written over a horizontal line.

Patrick Kalen, Chairman of Legislative Affairs for ACSM

Alaska State Legislature

REPRESENTATIVE
JEANNETTE JAMES

P.O. Box 56622
North Pole, Alaska 99705
(907) 488-1546
FAX (907) 488-9006

While in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-3743
FAX (907) 465-2381

House of Representatives

House District 34

RECEIVED

MAR 28 1995

Ans'd.....

3-28-95

To: Senator Torgerson, Chairman CRA Committee

From: Rep. Jeannette James 

Re: HB 80, Senate CRA hearing request

Please schedule this excellent Bill for your CRA Committee as soon as possible, it was read across the floor today.

Alaska State Legislature
REPRESENTATIVE JEANNETTE JAMES

Walter Wilcox M.Ed., M.P.A.
STATE AFFAIRS COMMITTEE AIDE

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Home: (907) 463-5153

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the out you.

authority to review plats in the currently there is no statutory defines the word subdivision so all the same definition.

utral, program receipts cover costs in \$100,000.00 one time appropriation for year one is included. There is no known opposition, DNR helped write the Bill and supports HB 80.

Thank you.

CORRECTION

THE FOLLOWING DOCUMENT(S)
HAVE BEEN REFILMED TO
ASSURE LEGIBILITY OR PAGINATION



Rev. 6/98

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REPRESENTATIVE JEANNETTE JAMES

Walter Wilcox M.Ed., M.P.A.

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House of Representatives
House District 34

RECEIVED
MAR 28 1995
Ans'd.....

3-28-95

To: Senator Torgerson, Chairman CRA Committee

From: Rep. Jeannette James 

Re: HB 80, Senate CRA hearing request

Please schedule this excellent Bill for your CRA Committee as soon as possible, it was read across the Senate floor today.

HB 80 gives DNR the authority to review plats in the unorganized borough, currently there is no statutory review. The Bill also defines the word subdivision so all State Departments have the same definition.

HB 80 is revenue neutral, program receipts cover costs in the "out" years. A \$10,000.00 one time appropriation for year one is included. There is no known opposition, DNR helped write the Bill and supports HB 80.

Thank you.

A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: CSHB 80(CRA)

1 Page 7, lines 17 - 18:

2 Delete ", except for land owned by corporations organized under P.L. 92 - 203,"

3 Page 7, lines 18 - 19:

4 Delete "or common carrier access"

5 Insert "access, excluding common carrier and public utility access"

6 Page 7, line 22:

7 Delete "corporations organized under P.L. 92 - 203"

8 Insert "plats created by or on behalf of the United States Department of the Interior,

9 Bureau of Land Management,"

10 Page 7, line 23, following "dedications" through line 27:

11 Delete all material except the semicolon.

Approved 4/19/95

FISCAL NOTE

Revision Date:
Title:

Department Affected: DOT&PF
BRU: D & C

Sponsor: James
Requestor:

Component: E & O
Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE 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
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	0	0	0	0	0	0

POSITIONS

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

Estimate of current year (FY95) impact: \$ none

ANALYSIS: (Attach a separate page if necessary)

There will be some additional costs associated with the add monumentation requirements which translates into less roadways being built and also, there maybe some delays associated with obtaining platting approvals.

Prepared by: Loren Rasmussen, P.E.

Phone: 465-2960

Division: Engineering and Operations Standards

Date: March 14, 1995

Approved by Commissioner: Joseph L. Perkins, P.E.

Phone: 465-3901

Agency: Department of Transportation and Public Facilities

Date: March 14, 1995

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. CSHB 80(fin)

Revision Date: 14-Mar-95 Dept Affected: Natural Resources
 Title: DNR Approval of Plats in Unorganized Boroughs BRU: Resource Development
 Component: Land Development
 Sponsor: Representative James
 Requestor: _____ Component Serial No. 431

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	47.5	47.5	47.5	47.5	47.5	47.5
TRAVEL						
CONTRACTUAL	11.5	1.5	1.5	1.5	1.5	1.5
SUPPLIES	5.0	1.0	1.0	1.0	1.0	1.0
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	64.0	50.0	50.0	50.0	50.0	50.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGE IN REVENUES (1005)	50.0	50.0	50.0	50.0	50.0	50.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	64.0	50.0	50.0	50.0	50.0	50.0
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	64.0	50.0	50.0	50.0	50.0	50.0

Estimate of any current year (FY95) cost: \$ None anticipated

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	1	1	1	1	1	1
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

The Finance Committee requested to make this a revenue neutral fiscal note. In order to do this the department will make this a PPT 8.5 months position. If the position does not keep up with the work the Finance Committee suggested increasing the fee to allow the position to process the workload.

The attached information shows the detail cost breakdown. In FY96 there is a one-time setup cost of \$14.0, which the Finance Committee agreed to.

Prepared by: Ron Swanson *[Signature]* Phone: 782-2692
 Division: Land Date: 14-Mar-95
 Approved by Commissioner: *[Signature]* Date: 14-Mar-95
 Agency: Natural Resources

BACK UP FOR FISCAL NOTE HB80

Estimate of Expenditures for HB80:

Personal Services:

Anticipate 250 subdivision plats submitted for review per year.
Reviews will be performed by a Land Surveyor I (R19).
Estimated review time is 7.5 hours per plat. Based on 250 plats per year,
this will require one new full-time position.

TOTAL PERSONAL SERVICES	
For a full-year \$64.5	
Prorated for revenue -neutral	\$47.5 (FY97 and out)

Contractual:

The state must purchase existing land records, survey plats and field survey notes from BLM and make copies of plats held by the recording offices to carry out the functions required by this bill. The one time purchase cost for microfiche copies of survey plats and field notes to cover the state is \$10,000. Document copying costs from the recording office will be covered through the supply budget. An additional \$1,500 in contractual costs will be incurred annually, for items such as phone/fax bills, space rent and other miscellaneous contractual costs.

TOTAL CONTRACTUAL (FY96)	\$11,500.00
TOTAL CONTRACTUAL (FY97-FY01)	\$1,500.00

Supply:

The supply budget will cover the one time cost of copying survey plats held in the Recorder's Office. An additional \$1,000 in supplies costs will be incurred annually, for items such as office supplies and document copying costs.

TOTAL SUPPLY (FY96)	\$5,000.00
TOTAL SUPPLY (FY97-FY01)	\$1,000.00

Estimate of increased revenue for HB80:

Anticipated revenue from plat review fees will be 250 plat reviews x \$200.00/review = \$50,000.00

Comments:

In the last three years, the Division of Land has seen a reduction of six professional land surveyors due to budget reductions. We will attempt to process the additional workload associated with this legislation with an additional permanent part-time professional land surveyor. If this fails we'll increase fees and make the position full-time.

Alaska State Legislature

REPRESENTATIVE
JEANNETTE JAMES

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House of Representatives

House District 34

HB 80 DNR APPROVAL OF PLATS

January 31, 1995

SPONSOR STATEMENT

Currently no legal authority reviews plats in the unorganized boroughs for compliance with State law. This means that there is no agency review of access to each lot, the outcome is that there are landlocked lots created.

Currently "paper plats" are allowed to be recorded without being surveyed, HB 80 corrects this oversight. This legislation requires the Department of Natural Resources to review plats for compliance with State law.

There are several definitions of Street and Subdivision in various Statutes, this legislation defines them as requested by the Department of Natural Resources.

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

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


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

MEMORANDUM

February 13, 1995

SUBJECT: Comparison of HB 80 and CSSB 81(FIN)(18th Legislature)
(Work Order No. 9-LS0200A)

TO: Representative Jeannette James
Attn: Walt Wilcox

FROM: Gerald P. Luckhaupt 
Legislative Counsel

You have asked for a comparison of HB 80 and CSSB 81(FIN)(18th Legislature). Several other later versions of SB 81 exist. I have enclosed those for your review.

CSSB 81(FIN)

Section 1. Provides that DNR is the platting authority in all areas of the state except within a municipality that has the power of land use planning and has adopted ordinances implementing AS 29.40. This section would conceivably encourage municipalities with the power of land use planning to exercise those powers and implement AS 29.40 so as to avoid having DNR as the platting authority. **HB 80** only provides in bill secs. 3 and 4 that DNR is the platting authority in the unorganized borough outside cities (regardless of whether those cities have implemented AS 29.40) and in the third class borough. Second class cities outside boroughs are not required under state law to provide for planning, platting, and land use regulation as are other cities and boroughs. See AS 29.35.180 and 29.35.260.

Section 2. Amends AS 40.15.010 presumably to clarify the approval requirement contained therein. There is no comparable provision in **HB 80**.

Section 3. Amends AS 40.15.070 to specify that municipalities are the platting authorities for their own areas if they have adopted ordinances implementing AS 29.40. **HB 80** also amends this section but only by eliminating language that limits DNR's current authority as the platting authority in the unorganized borough and the third class borough.

Section 4. Amends AS 40.15.070 by adding a new subsection that provides that DNR is the platting authority in all other areas of the state. The current language of AS 40.15.070 that provides similar (but not identical) authority to DNR is retained in sec. 3 of **HB 80**.

Representative Jeannette James

February 13, 1995

Page 2

Section 5. Amends AS 40.15.200 to provide that all subdivisions of land made by the state, and its subdivisions, are subject to AS 40.15.010 - 40.15.200 but not the rest of AS 40.15. **HB 80** doesn't change current AS 40.15.200.

Section 6. Adds new sections with platting requirements for the areas of the state where DNR is the platting authority. New definitions are also provided. For the most part there are no comparable provisions to these additions in **HB 80**. In sec. 4 of **HB 80**, DNR may only disapprove a plat as provided in other applicable state law and for failure to specify access DNR may charge fees for the approval of plats. In **CSSB 81(FIN)** DNR is not provided authority to charge fees. **HB 80** only provides definitions of street and subdivision. The definitions of street are consistent with **CSSB 81(FIN)** -- the definitions of subdivision are not.

The changes to the definitions of subdivision in other parts of Alaska Statutes that are contained in bill secs. 1 - 2, and 6 of **HB 80** are not contained in **CSSB 81(FIN)**.

JBC:lmb

95-120.lmb

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES

DIVISION OF LAND

3601 G STREET, SUITE 1122
ANCHORAGE, ALASKA 99503-5947
PHONE: (907) 762-2692

April 7, 1995

The Honorable John Torgerson
Alaska State Senate
State Capitol
Juneau, Alaska 99801-1182

Re: CSHB 80 (CRA)

Dear Senator Torgerson:

After the House passed HB 80, which establishes DNR as the platting authority in certain areas of the state, it was pointed out to me that the definition of "subdivision" needs to be amended. This bill is next scheduled for hearing before the Community and Regional Affairs Committee.

The first change (paragraph A) clarifies that common carrier and public utility rights-of-ways (under the jurisdiction of the Alaska Public Utilities Commission) do not create a subdivision for all land ownerships, not just for ANCSA corporations.

The second change (paragraph B) clarifies that DNR would only review plats and title after the original conveyance from the federal government. In other words we would not consider conveyances from the Bureau of Land Management to the state, ANCSA corporations, for Native allotments or homesteads to be subdivisions even though they may have public access reservations in them, such as ANCSA 17(b) easements.

The third change (paragraph B) is needed because the current exceptions in the definition are previously dealt with in the same bill under Section 40.15.360 and .380.

The recommended changes are:

Sec. 40.15.900 DEFINITIONS. In this chapter,

(5) "subdivision"

(A) means the division of a tract or parcel of land into two or more lots by the landowner or [EXCEPT FOR LAND OWNED BY CORPORATIONS ORGANIZED UNDER P.L.92-203,] by the creation of public [OR COMMON CARRIER] access, excluding common carrier and public utility access;

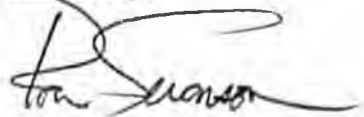
Senator Torgerson
CSHB 80 (CRA)
April 7, 1995
Page 2

(B) Does not include cadastral plats, cadastral control plats, open-to-entry plats, remote parcel plats created by or on behalf of the state [,] or [CORPORATIONS ORGANIZED UNDER P.L. 92-203] plats created by or on behalf of the Bureau of Land Management, regardless of whether these plats include easements or other public dedications [,PLATS PREPARED BY THE DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES FOR THE PURPOSE OF TRANSFERRING LEASEHOLD INTERESTS AT STATE-OWNED AIRPORTS, OR PLATS PREPARED BY THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS FOR THE LEASING OF MUNICIPAL TRUST LAND UNDER AS 44.47.150];

I have contacted all the agency personnel and organization representatives listed on the copy list below. None opposed these proposed amendments.

Please feel free to contact me if you have any questions or would like to discuss this further.

Sincerely,



Ron Swanson
Director

cc: Representative James
Pat Kalan, ASPLS
Lee Sharp
Rick Harris, Sealaska
Rick Elliott, DCRA
Clyde Stolfus, DOT/PF
Nico Bus, DNR

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF LAND

3601 C STREET, SUITE 1122
ANCHORAGE, ALASKA 99503-5947
PHONE: (907) 762-2692

February 1, 1995

The Honorable Jeannette James
House of Representatives
State Capitol
Juneau, Alaska 99801-1182

Re: HB 80

Dear Representative James:

The testimony on January 31 before the House, Community and Regional Affairs Committee was interesting. I will be glad to help you in any way I can to help you get a bill that is agreeable to all parties.

Pat Kalan's testimony on former SB 81, 17 Legislature, was well taken. That bill was a true compromise as he stated, which was agreed to by all the state agencies, the surveying community and the Alaska Federation of Natives. The only reason it did not pass was that all parties could not agree at the last minute on the definition of "street" and "subdivision." Your bill, with a couple of minor changes, accomplishes the definition objective.

I am concerned, however, that if HB 80 travels through the legislative process that more and more exceptions to the definitions will be added. This would essentially defeat the entire purpose of your legislation and may leave us in the same predicament that we are in today.

One option is to use the old SB 81 but insert the definitions from your bill along with the changes suggested below. With the "guidelines" spelled out in SB 81 most of the concerns expressed by DOT/PF, DCRA and DEC will go away.

The only exception to this may be the desire of DOT/PF to exclude right-of-ways. I agree that common carrier right-of-ways should be excepted because they do not necessarily create a "subdivision." I must agree with the testimony of Malcom Menzies that roads create a "subdivision" and DOT/PF should not be the sole exception to the rule. I do agree that the exclusion of airport leases and leases issued by DCRA under the Municipal Land Trust program are justified and do not harm the integrity of your legislation.

Representative Jeannette James
House Bill 80
February 1, 1995
Page 2

The concerns expressed by Sealaska last year can also be protected with the changes below without jeopardizing the needed plat review when Native owned land is later subdivided after title has been conveyed by the federal government. Like DOT/PF, I do not believe that land conveyed to Native corporations should be treated any differently than any other land conveyed by the federal government into private ownership.

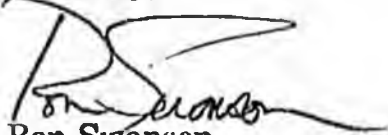
The definition for "subdivision" I recommend that addresses these concerns is:

(A) means the division of a tract or parcel of land into two or more lots by the landowner or by the creation of public, excluding common carrier, access;

(B) does not include cadastral plats, cadastral control plats, open-to-entry plats, remote parcel plats created by or on behalf of the state regardless of whether these plats include easements or other public dedications, or plats prepared by the Department of Transportation and Public Facilities, for the purpose of transferring leasehold interest at state-owned airports, or plats prepared by the Department of Community and Regional Affairs for the leasing of municipal trust land under Sec. 44.47.150.

Please feel free to contact me if I can be of further help or to answer any questions.

Sincerely,



Ron Swanson
Director

cc: Pat Kalan
DCRA
DOT/PF
Nico Bus

9-LS0200C ✓
Luckhaupt
2/15/95

CS FOR HOUSE BILL NO. 80()
IN THE LEGISLATURE OF THE STATE OF ALASKA
NINETEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE JAMES

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing the Department of Natural Resources as the platting authority
2 in certain areas of the state; relating to subdivisions and dedications; and providing
3 for an effective date."

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

5 * Section 1. AS 29.03.030 is amended to read:

6 Sec. 29.03.030. PLATTING AUTHORITY. The [SUBJECT TO AS 40.15.075,
7 THE] Department of Natural Resources is the platting authority for the state except
8 within a municipality that has the power of land use regulation and that is exercising
9 platting authority [IN THE UNORGANIZED BOROUGH IN THE AREA OUTSIDE
10 ALL CITIES].

11 * Sec. 2. AS 40.15.010 is amended to read:

12 Sec. 40.15.010. APPROVAL, FILING, AND RECORDING OF
13 SUBDIVISIONS. Before the lots or tracts of any subdivision or dedication may be sold

1 or offered for sale, the subdivision or dedication shall be approved by [SUBMITTED
2 FOR APPROVAL TO] the authority having jurisdiction, as prescribed in this chapter and
3 [. THE REGULAR APPROVAL OF THE AUTHORITY SHALL BE SHOWN ON IT
4 OR ATTACHED TO IT AND THE SUBDIVISION OR DEDICATION] shall be filed
5 and recorded in the office of the recorder. The recorder may not accept a subdivision or
6 dedication for filing and recording unless it shows this approval. [IF NO PLATTING
7 AUTHORITY EXISTS AS PROVIDED IN AS 40.15.070 AND 40.15.075, LAND MAY
8 BE SOLD WITHOUT APPROVAL.]

9 * Sec. 3. AS 40.15.070 is amended to read:

10 Sec. 40.15.070. PLATTING AUTHORITY. If land proposed to be subdivided
11 or dedicated is situated within a municipality that has the power of land use regulation
12 and that is exercising platting authority [FIRST OR SECOND CLASS BOROUGH],
13 the proposed subdivision or dedication shall be submitted to the municipal platting
14 authority [BOROUGH PLANNING COMMISSION] for approval. [IF THE LAND IS
15 SITUATED WITHIN A CITY IN THE UNORGANIZED BOROUGH OR THE THIRD
16 CLASS BOROUGH, THE PROPOSED SUBDIVISION OR DEDICATION SHALL BE
17 SUBMITTED TO THE CITY PLANNING COMMISSION FOR APPROVAL. THE
18 BOROUGH PLANNING COMMISSION IS THE PLATTING AUTHORITY FOR THE
19 FIRST OR SECOND CLASS BOROUGH, THE CITY PLANNING COMMISSION IS
20 THE PLATTING AUTHORITY FOR THE CITY, AND THE DEPARTMENT OF
21 NATURAL RESOURCES IS THE PLATTING AUTHORITY IN THE REMAINING
22 AREAS OF THE STATE AND THIRD CLASS BOROUGH FOR THE CHANGE OR
23 VACATION OF EXISTING PLATS OR A PORTION OF SUCH PLATS,
24 AS PROVIDED IN AS 40.15.075. IF THE BOROUGH OR THE CITY DOES NOT
25 HAVE A PLANNING COMMISSION, THE BOROUGH ASSEMBLY OR THE CITY
26 GOVERNING BODY, RESPECTIVELY, IS THE PLATTING AUTHORITY AND
27 THE PROPOSED SUBDIVISION OR DEDICATION SHALL BE SUBMITTED TO
28 IT.] A subdivision may not be filed and recorded until it is approved by the platting
29 authority.

30 * Sec. 4. AS 40.15.070 is amended by adding a new subsection to read:

31 (b) The Department of Natural Resources is the platting authority in the areas of

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the state not described in (a) of this section.

* Sec. 5. AS 40.15.200 is amended to read:

Sec. 40.15.200. APPLICATION TO STATE AND POLITICAL SUBDIVISIONS. All subdivisions of land made by the state, its agencies, instrumentalities and political subdivisions are subject to the provisions of AS 40.15.010 - 40.15.200 [THIS CHAPTER] and AS 29.40.070 - 29.40.160, or home rule ordinances or regulations governing subdivisions, and shall comply with ordinances and other local regulations adopted under AS 40.15.010 - 40.15.200 [THIS CHAPTER] and AS 29.40.070 - 29.40.160 or former AS 29.33.150 - 29.33.240, or under home rule authority, in the same manner and to the same extent as subdivisions made by other landowners.

* Sec. 6. AS 40.15 is amended by adding new sections to read:

ARTICLE 4. PLATTING IN AREAS OUTSIDE CERTAIN MUNICIPALITIES.

Sec. 40.15.300. EXAMINATION OF PLATS BEFORE RECORDING. (a) The commissioner shall exercise the platting authority for the state except within a municipality that has the power of land use regulation and that is exercising platting authority.

(b) The commissioner shall review and approve each plat under AS 40.15.300 - 40.15.380 before the plat is recorded under AS 40.17. The approval by the commissioner shall be affixed to the plat in the form of the following statement:

PLAT APPROVAL

This plat is approved by the commissioner of natural resources, or the commissioner's designee, in accordance with AS 40.15.

Commissioner Date

(c) The recorder may not accept for filing and recording a plat for which the commissioner's approval is required under this section without the approval of the commissioner endorsed on the plat.

(d) Within 45 days after a plat is filed, the commissioner shall approve the plat or return it to the applicant for modification or correction. Unless the applicant for plat approval consents to an extension of time, the plat is approved and a certificate of approval shall be issued by the commissioner if the commissioner fails to act within that

1 period. The commissioner shall state in writing reasons for disapproval of a plat.

2 (e) A recorded plat may not be altered or replatted except on petition of the state,
3 a municipality, a public utility, or the owner of a majority of the land affected by the
4 proposed alteration or replat. The petition shall be filed with the commissioner and shall
5 be accompanied by a copy of the existing plat showing the proposed alteration or replat.
6 The provisions of AS 29.40.130 and 29.40.140(a) apply to an alteration or replat
7 submitted under this subsection. The provisions of (d) of this section do not apply to an
8 alteration or replat petition, but the commissioner shall state in writing reasons for
9 disapproval of the petition.

10 (f) In the case of a vacation of a street, right-of-way, or other public area, the
11 provisions of AS 29.40.140(b) and 29.40.160(a) and (b) apply. When applying these
12 provisions to land outside a municipality, the word "municipality" should be read as "state"
13 when the context requires.

14 Sec. 40.15.310. REQUIREMENTS FOR PLAT APPROVAL. (a) Each plat
15 must show on its face a certificate of ownership, with the names and addresses of each
16 owner listed. Each owner of record shall sign the certificate and the signatures shall be
17 acknowledged.

18 (b) The surveyor preparing the plat shall sign and affix the seal of the surveyor.

19 (c) The commissioner shall require that a plat submitted for approval bear the
20 certificate of approval of any other state agency having subdivision plat approval authority.

21 Sec. 40.15.320. MONUMENTS. (a) In a subdivision with five or fewer lots, the
22 existence of each monument at a controlling exterior corner of the subdivision shall be
23 established by the surveyor.

24 (b) In a subdivision of more than five lots, each lot corner shall be monumented.

25 (c) If a monument of record does not lie on the parcel or tract boundary, the plat
26 shall reflect a boundary survey and tie to a monument of record.

27 Sec. 40.15.330. PLAT STANDARDS. The commissioner shall establish plat
28 standards by regulation.

29 Sec. 40.15.340. ENGINEERING STANDARDS. Except for subdivisions of state
30 land, the commissioner may not establish engineering standards for subdivisions.

31 Sec. 40.15.350. CERTIFIED COPY OF PLAT AS EVIDENCE. A copy of a plat

1 certified by the recorder of the recording district in which it is filed or recorded as a true
2 and complete copy of the original filed or recorded in the recording office for the district
3 is admissible in evidence in all courts in the state with the same effect as the original.

4 Sec. 40.15.360. APPLICABILITY. The provisions of AS 40.15.300 - 40.15.380
5 do not apply to maps, site plans, or other graphic representations prepared for

6 (1) the purpose of transferring a leasehold interest; the extraction of
7 natural resources; or solely for the issuance of licenses or permits; or

8 (2) disposing of land by aliquot part descriptions of 40 acres or more
9 within surveyed sections provided that the least aliquot part unit shall be not less than a
10 1/4 1/4 section.

11 Sec. 40.15.370. REGULATIONS. The commissioner may adopt regulations to
12 implement, clarify, or make specific the provisions of AS 40.15.300 - 40.15.380.

13 Sec. 40.15.380. APPLICABILITY TO GOVERNMENTAL BODIES; RIGHT-
14 OF-WAY ACQUISITION PLATS. (a) Except as provided in this section, AS 40.15.300
15 - 40.15.380 apply to the state, its agencies, instrumentalities, and political subdivisions in
16 the same manner and to the same extent that they apply to other landowners.

17 (b) A plat for a subdivision created by the acquisition by the state, its agencies,
18 instrumentalities, or political subdivisions, of a right-of-way, airport parcel, or land for a
19 similar public purpose in an area outside a municipality that has the power of land use
20 regulation and that is exercising platting authority, is subject only to the approval
21 provisions of this section and any provision of AS 40.15.300 - 40.15.380 not in conflict
22 with this section.

23 (c) A right-of-way acquisition plat must contain the

24 (1) location and name of the acquisition project;

25 (2) approximate timetable for the acquisition and construction;

26 (3) dimensions and area of the proposed tract, parcel, or parcels to be
27 acquired and the remainder of the parcel or parcels;

28 (4) name of the record owner or owners of the subject parcels;

29 (5) signature and seal of the surveyor preparing the plat.

30 (d) The commissioner shall review each right-of-way acquisition plat for
31 compliance with this section. If the plat does not meet the requirements of this section,

1 it shall be returned to the submitting agency with an explanation of the deficiencies. A plat
2 for which the commissioner's approval is required under AS 40.15.300 may not be
3 recorded under AS 40.17 without the commissioner's approval endorsed on the plat.

4 (e) After approval by the commissioner, the original plat shall be filed with the
5 appropriate district recorder within 30 days by the submitting agency.

6 (f) The minimum monumentation requirements for

7 (1) right-of-way acquisition subdivisions are a 5/8" x 24" reinforcement
8 bar with appropriate identification cap set on the margin of the right-of-way at all points
9 marking the beginning and end of each curve and on tangents so that the distance between
10 monumented points does not exceed 1,320 feet; an alternate method may be utilized that
11 consists of placing primary type monuments at centerline points marking the beginning and
12 end of each curve and on tangents so that no distance exceeds 1,320 feet; all recovered
13 monumented property corners of records, the lines of which are intersected by a right-of-
14 way acquisition, shall be monumented as part of the right-of-way plat, either on the right-
15 of-way line or at the original monument position;

16 (2) an airport parcel and land for a similar public purpose subdivision not
17 defined by centerline shall be as provided in AS 40.15.320.

18 (g) If construction of improvements is scheduled to follow the right-of-way
19 acquisition, the placement of the centerline monuments may be delayed until the
20 improvements have been completed, in which case a statement designating the schedule
21 for placing the monuments must be included on the plat.

22 (h) The state, its agencies, instrumentalities, or political subdivisions may acquire
23 or obtain conveyances, including dedication of lots or tracts of a right-of-way acquisition
24 plat, before submittal of a right-of-way acquisition plat for approval by the commissioner.
25 A right-of-way acquisition conveyance may be recorded before approval and recording of
26 the right-of-way acquisition plat.

27 ARTICLE 5. GENERAL PROVISIONS.

28 Sec. 40.15.900. DEFINITIONS. In this chapter,

29 (1) "commissioner" means the commissioner of natural resources;

30 (2) "monument" means a fixed physical object marking a point on the
31 surface of the earth used to commence or control a survey or to establish a lot corner;

1 (3) "plat" means a map or delineated representation of a tract or parcel of
2 land showing the subdivision of land into lots, blocks, streets, or other divisions;

3 (4) "street" means an access way in common use including all of the land
4 lying within a dedicated right-of-way as delineated on a plat showing streets, whether
5 improved or unimproved;

6 (5) "subdivision"

7 (A) means the division of a tract or parcel of land into two or
8 more lots by the landowner or, except for land owned by corporations organized
9 under P.L. 92 - 203, by the creation of public or common carrier access;

10 (B) does not include cadastral plats, cadastral control plats,
11 open-to-entry plats, remote parcel plats created by or on behalf of the state, or
12 corporations organized under P.L. 92 - 203, regardless of whether these plats
13 include easements or other public dedications, plats prepared by the Department
14 of Transportation and Public Facilities for the purpose of transferring leasehold
15 interests at state-owned airports or creating or adjusting right-of-way boundaries,
16 or plats prepared by the Department of Community and Regional Affairs for the
17 leasing of municipal trust land under AS 44.47.150;

18 (6) "surveyor" means an individual licensed to practice land surveying in
19 the state under AS 08.48.

20 * Sec. 7. AS 40.15.075 and 40.15.290 are repealed.

21 * Sec. 8. AS 40.15.330 and 40.15.370, added in sec. 6 of this Act, take effect immediately
22 under AS 01.10.070(c).

HB

86

SENATE COMMITTEE REPORT

DATE: 3/16/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 4/12/95

CRA Committee considered CS FOR HOUSE BILL NO. 86(CRA)(title am)

"An Act relating to municipal flat taxes on personal property and permitting municipalities to classify and exempt or partially exempt some or all types of personal property from ad valorem taxes."

and recommend:

- be replaced with _____ CS _____ (_____)
- adopt previous _____ CS _____ (_____)
- attached amendment(s)
- adopt Letter of Intent by _____ Committee
- further referral to the _____ Committee

- Senate Bill:**
- same title
 - new title
- House Bill:**
- same title
 - technical change
 - new: SCR# _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Roll E. Steel</i>	✓	<i>By Huff to keep</i>	✓		
			✓		
CHAIR: <i>John Ferguson</i>	X				

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

Department	Date	Zero	Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

Department	Date	Zero	Fiscal
<i>Community & Regional Affairs</i>	<i>1/19/95</i>	✓	

APPROPRIATION -- no fiscal note

*Include fiscal notes accompanying Governor's bill

HOUSE BILL 86
CS (CRA) (TITLE AM)
(HANLEY)

MUNICIPAL PERSONAL PROPERTY TAXATION
IN: 3/16/95 OUT:
FURTHER REFERRAL: FINANCE
REQUEST FOR HEARING: 3/17/96
HEARING DATE: 4/12/95

REMARKS: HOUSE ADOPTED TITLE AMENDMENT AND PASSED 37 - 0

LAST SESSION, SIMILAR LEGISLATION WAS INTRODUCED
(HB 263 - HANLEY) ALLOWING A TAX EXEMPTION FOR
CERTAIN PERSONAL PROPERTY (CH 7/SLA 94) DID NOT
ALLOW FOR A FLAT RATE TAX TO BE LEVIED AS WAS
INTENDED BY THE SPONSOR

PASSED SENATE 16Y - 1N (DUNCAN) 1E (LINCOLN)
2A (ADAMS, MILLER)

Revision Date: _____ Dept. Affected: Community & Regional Affairs
 Title: "An Act relating to municipal property taxes." BRU: _____
 Component: _____
 Sponsor: Representative Hanley, Bunde
 Requestor: _____ COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
State Impact Aid Fund						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

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

Estimate of current (FY94) Impact \$ none

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Administrative Services Date: *1/19/95*
 Approved by Commissioner: Mike Irwin *Mike Irwin* Date: *1/19/95*
 Agency: Community & Regional Affairs

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For further distribution information call the Governor's Legislative Office



Representative Mark Hanley
Alaska State Legislature

MEMORANDUM

RECEIVED

MAR 17 1995

Ans'd.....

DATE: March 17, 1995

TO: Senator John Tor...
Chair, Community Affairs

FROM: Representative Mark Hanley

RE: CS for House Bill No. 86 (CRA) (title am): "An Act relating to municipal flat taxes on personal property"

This memo is to respectfully request that you schedule CSHB 86 for hearing in at your earliest convenience. CSHB 86 passed the House March 15th with a vote of 37 Yeas and no Nays.

CSHB 86 amends AS 29.45.050 to allow municipalities to classify as to type and exempt or partially exempt some or all types of personal property from ad valorem taxes. It also creates a new section, 29.45.055, to allow municipalities to levy a flat tax on personal property that has been exempted.

CSHB 86 was introduced to give municipalities flexibility in taxing private property. It does not mandate change in any municipalities' tax structure; it simply allows them by ordinance to exempt items from ad valorem taxing, and to set a flat rate. CSHB 86 has *no fiscal impact* on the State of Alaska.

The 18th Alaska State Legislature passed SSHB 263, which allowed the exemption of certain types of personal property from taxation. It did not allow for a flat rate tax to be levied, as was intended. CSHB 86 is "clean-up" legislation. In addition to allowing flat rate taxing, wording has been changed to allow exemption of any type of personal property, as defined in AS 29.71.800 (16), rather than listing each item.



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

To: Representative Mark Hanley

From: *Kevin Kitchie*, Executive Director

Date: January 27, 1995

Re: HB 86 - An Act relating to municipal property taxes

The AML supports the passage of HB 86 which allows municipalities the option of implementing a categorical "flat" tax on a new, broader definition of personal property. For example, this bill would clearly allow municipalities to tax airplanes based on wing span, snowmobiles based on number of seats, motor vehicles based on age, etc. instead of traditional value methods. This bill offers municipalities an alternative that may reduce the administrative costs of property valuation and provide municipalities with a revenue policy tool that may work better for their community.

As a local option, this bill simply provides a tool that each municipality may or may not choose to use. In general, the AML strongly supports legislation that appropriately broadens local discretion in local policy issues.

cc. AML Board and Legislative Committee



Matanuska-Susitna Borough

BOROUGH MANAGER

January 23, 1995

JAN 26 1995

The Honorable Mark Hanley
Alaska State Legislature
State Capitol, Rm. 507
Juneau, Alaska 99801-1182

Dear Representative Hanley:

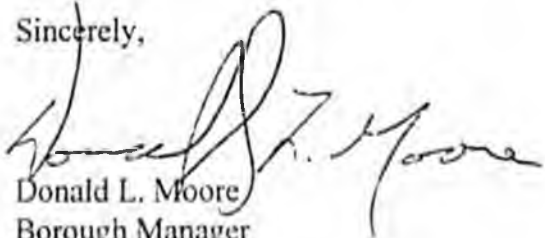
Thank you for sponsoring House Bill 86, "An Act Relating to Municipal Property Taxes."

The Matanuska-Susitna Borough feels this legislation would assist local governments to better control their taxation programs in a way that best meets the needs of the people that live in a region. The existing state law often constrains local options in ways that lead to great inequities in taxation levels. The most pronounced example of this is, of course, the large inequity between airplane taxation and motor vehicles. The legislature, through your efforts last year, has addressed this one. We feel HB86 completes the job, and we thank you for introducing it.

I would like to recommend one change. In my opinion, the language of AS 29.45.050(b)(3) should reflect the same language as in AS 29.45.055(a).

(3) classify as to type based upon any characteristic and exempt or partially exempt any or all types of personal property from ad valorem taxes [taxation];

Sincerely,


Donald L. Moore
Borough Manager

er

CLERK'S OFFICE

APPROVED

Date: 2-23-93

Chairman of the Assembly
at the Request of the

Submitted by: Mayor

Prepared by: Department of Law

For Reading: February 23, 1993 *frk*

ANCHORAGE, ALASKA
RESOLUTION NO. AR 93-46(S)

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE ENDORSING OPTIONAL
EXEMPTION OF DESIGNATED ITEMS FROM PERSONAL PROPERTY TAX

THE ANCHORAGE ASSEMBLY FINDS:

WHEREAS, Alaska Statutes 29.45.050 permits municipalities to exempt certain items from property taxation; and

WHEREAS, AS 29.45.050 does not permit a partial or total exemption for aircraft and some other personal property items but does allow such exemptions for boats, vessels or motor vehicles; and

WHEREAS, the Municipality of Anchorage wishes to adopt a partial exemption for certain personal property.

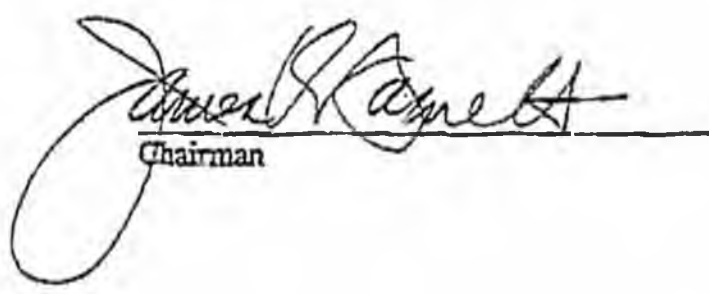
NOW, THEREFORE, the Anchorage Assembly resolves that:

Section 1. The Municipality endorse an amendment to AS 29.45.050 to allow partial or total exemption of aircraft, pick-up campers, shells and canopies, all-terrain vehicles, snow vehicles, undocumented boats and motors, and unlicensed trail bikes from property taxation as part of its legislative program.

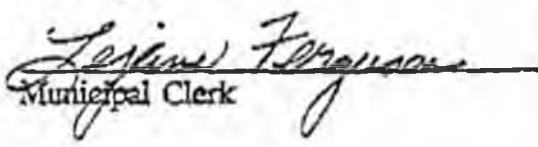
Section 2. An ordinance providing a partial exemption (i.e. flat fee tax) for exempt items taxation will be introduced within 30 days of passage of an amendment to AS 29.45.050 which authorizes use of such an approach.

Section 3. Passage of this resolution indicates a firm statement of intent of those Assembly members voting for this resolution to vote in favor of the ordinance referenced in Section 2.

PASSED AND APPROVED this 23rd day of February, 1993.


Chairman

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM
NO. AM 127-93

Meeting Date: February 2, 1993

From: Assemblymember Campbell

Subject: AN ORDINANCE PROPOSING AN AMENDMENT TO CHAPTER 12, SECTION 12.10.020 OF THE ANCHORAGE MUNICIPAL CODE PERTAINING TO EXEMPTIONS FOR CERTAIN AIRCRAFT NOT SUBJECT TO THE TAX PROVISIONS OF SECTION 12.10.060, FROM THE "FULL AND TRUE VALUE" PROVISIONS OF 12.10.60.

There is a lack of equity and consistency in the municipal tax code in the taxation applied to various classes of personal property. For example, motor homes, some of considerable value, are not subject to a municipal personal property tax; but instead pay a relatively flat fee to the State of Alaska, with a tax renumeration from the State being transferred to the municipality. The maximum fee received by the municipality from the State is \$60 for a brand new vehicle or motor home, regardless of book value.

However, privately owned, non-commercial aircraft are taxed by the municipality based upon their full book value. Thus while Anchorage resident owning a \$50,000 book value motor home is paying a fee of \$60 to the municipality, a private aircraft assessed at \$50,000 owned by an Anchorage resident is costing that resident about \$1,000 in personal property taxes.

Unfortunately the Assembly cannot change the State statute regarding the taxes on motor vehicles. However the Assembly can address inequities the statute creates in the municipal personal property tax system by modifying the method of property taxation to come more closely in line with the State's approach. This ordinance represents a first step toward addressing the inequity issues in the personal property tax system. It proposes changing the method of taxing private aircraft from an ad valorem system to a flat fee, based on the number of engines the aircraft possesses. Single engine aircraft would pay a fee of \$75, and multi-engine aircraft would pay a fee of \$125.

The municipality obtains roughly \$800,000 annually from the taxes on about 2,100 private airplanes, for an average tax of \$381/aircraft. Between 100-200 of the 2,100 fees are appealed annually; however most protests are resolved at staff level, with only 3 or 4 proceeding to the Board of Equalization for a more formal review.

The new tax structure would generate about \$160,000 in annual revenue, and would likely eliminate the need for about 1-1.5 municipal positions, for an approximate personnel savings of \$60,000 to \$90,000. Net loss of municipal tax revenue would thus be about \$520,000-\$550,000 annually. However, the change would place more equity in the personal property tax system.



CITY OF PETERSBURG

P.O. BOX 329 • PETERSBURG, ALASKA 99833

TELEPHONE (907) 772-4511

TELECOPIER (907) 772-3759

March 7, 1995

Representative Ivan Ivan
Room 503
State Capitol
Juneau, Alaska 99801-1182

Re: House Bill 185
Municipal Property Tax Exemptions

Dear Representative Ivan:

The City of Petersburg has received a copy of HB 185 relating to an exemption from municipal property taxes for certain primary residences.

The city has consistently supported legislation in the past to require the state to fully reimburse municipalities for revenues lost because of exemptions or allow municipal governments to, by local option, grant property tax relief to senior citizens and disabled veterans. Since 1985, the city has lost \$762,373 in property tax revenue because the state has failed to fully fund its mandated exemption.

The City Council of the City of Petersburg, at their regular meeting of March 6, 1995, voted in support of House Bill 185 and encourages the legislature to act affirmatively on this important piece of legislation this session.

Sincerely,

Dave Carlson, Mayor
City of Petersburg

cc: Alaska State House of Representatives
Alaska State Senate

Sandy

RECEIVED
APR 12 1995
Ans'd.....

Don Long President of AML, Testimony on HB 86 - An Act relating to municipal property taxes

The AML supports the passage of HB 86 which allows municipalities the option of implementing a categorical "flat" tax on personal property. For example, this bill would clearly allow municipalities to tax airplanes based on wing span, or create a flat tax on snowmobiles.

This bill offers municipalities an alternative that may significantly reduce the administrative costs of property valuation. It also allows communities the flexibility to design a tax on personal property that meets the needs of that community.

Over the past eight years the state has asked its municipalities to take over and pay for more and more state programs and services. It is essential that the state also provide municipalities with more flexible methods of designing taxes so the cost (of new mandates) can be fairly distributed to all residents

As a local option, this bill simply provides a tool that each municipality may or may not choose to use. The AML supports this legislation because it appropriately broadens local discretion in local policy issues.

~~_____~~
cc. AML Board and Legislative Committee



FAX COVER LETTER

**Department of Community & Regional Affairs
Municipal & Regional Assistance Division
Office of the State Assessor**

Office: (907) 269-4605

Fax: (907) 269-4539

**333 W. 4th Avenue, Suite 220
Anchorage, Alaska 99501-2341**

**Steve Van Sant
State Assessor**

**DELIVER TO : Senator John Torgerson
PHONE NO: (907) 465-2828
COMPANY: Alaska Legislature**

FAX NO: 465-4779

**FROM: Steve Van Sant, State Assessor
PHONE NO: 269-4605 NO. PAGES (incl. cover)**

DATE: March 30, 1995

MESSAGE: Here is a copy of the information I think you want. This document compares the exemption values of the seniors and DAVs to the Full Value Determination made by my office. I included values under the current \$150,000 assessed value cap and one for a \$75,000 assessed value cap with corresponding ratios. Please let me know if I can provide any other information for you.

Steve

**Comparison of 1994 Senior Citizens/Disabled Veterans Property Tax Exemption With the Full Value Determination
At \$150,000 and \$75,000 Assessed Value Cap**

BOROUGH	1994 F.V.D.	Total 1994	Percent	Senior Citizen	Percent	Disabled Veteran	Percent	Senior Citizen	Percent	Disabled Veteran	Percent
	Real Property Only	SC/DAV Exemption	Of Value	Only @ \$150K	Of Value	Only @ \$150K	Of Value	Only @ \$75K	Of Value	Only @ \$75K	Of Value
Municipality of Anchorage	\$10,099,486,100	\$494,611,531	4.897%	\$428,693,655	4.245%	\$65,917,876	0.653%	\$303,247,641	3.003%	\$42,459,907	0.420%
Bristol Bay Borough	\$95,297,400	\$871,800	0.916%	\$871,800	0.916%	\$0	0.000%	\$636,414	0.668%	\$0	0.000%
Fairbanks North Star Borough	\$2,543,484,900	\$118,304,477	4.651%	\$106,464,927	4.184%	\$11,839,550	0.465%	\$82,724,917	3.252%	\$8,921,097	0.351%
Haines Borough	\$97,779,400	\$9,230,575	9.440%	\$9,030,575	9.236%	\$200,000	0.205%	\$6,592,320	6.742%	\$200,000	0.205%
City & Borough of Juneau	\$1,425,530,400	\$87,365,200	6.129%	\$84,073,600	5.898%	\$3,291,600	0.231%	\$49,471,061	3.470%	\$1,875,000	0.132%
Kenai Peninsula Borough	\$2,414,835,700	\$99,542,947	4.072%	\$95,726,027	3.915%	\$3,814,970	0.156%	\$79,858,843	3.266%	\$2,479,731	0.101%
Ketchikan Gateway Borough	\$792,545,300	\$15,675,800	5.763%	\$45,284,200	5.714%	\$391,600	0.049%	\$32,478,500	4.098%	\$225,000	0.028%
Kodiak Island Borough	\$539,799,400	\$18,275,450	3.386%	\$17,556,050	3.253%	\$717,400	0.133%	\$11,921,650	2.209%	\$421,500	0.078%
Matanuska-Susitna Borough	\$1,783,468,900	\$116,567,787	6.536%	\$104,825,237	5.870%	\$11,742,500	0.658%	\$83,810,000	4.699%	\$7,532,625	0.428%
North Slope Borough	\$120,870,900	\$1,463,340	1.211%	\$1,463,340	1.211%	\$0	0.000%	\$1,065,238	0.884%	\$0	0.000%
City & Borough of Sitka	\$405,198,400	\$26,041,570	6.427%	\$25,591,570	6.320%	\$150,000	0.037%	\$18,900,245	4.665%	\$150,000	0.037%
City & Borough of Yakutat	\$19,745,800	\$990,750	5.017%	\$990,750	5.017%	\$0	0.000%	\$723,248	3.663%	\$0	0.000%
BOROUGH TOTALS	\$20,367,923,600	1,018,941,277	5.003%	926,375,781	4.521%	\$8,065,496	0.481%	\$671,433,748	3.297%	\$64,364,360	0.316%
CITIES											
Candle	\$41,502,200	\$5,976,143	13.429%	\$5,976,143	13.429%	\$0	0.000%	\$4,362,584	9.803%	\$0	0.000%
Craig	\$112,864,200	\$1,664,842	1.475%	\$1,562,830	1.385%	\$102,012	0.090%	\$1,140,866	1.011%	\$102,012	0.090%
Dillingham	\$78,315,800	\$2,431,800	3.105%	\$2,431,800	3.105%	\$0	0.000%	\$1,775,214	2.267%	\$0	0.000%
Eagle	\$8,064,900	\$326,650	4.050%	\$326,650	4.050%	\$0	0.000%	\$238,455	2.957%	\$0	0.000%
Kenai	\$9,715,900	\$800,309	8.237%	\$773,761	7.964%	\$26,548	0.273%	\$561,816	5.814%	\$26,548	0.273%
Nome	\$107,053,400	\$4,611,905	4.308%	\$4,507,035	4.210%	\$104,800	0.098%	\$3,290,114	3.073%	\$75,000	0.070%
Pelican	\$7,846,100	\$286,750	3.655%	\$286,750	3.655%	\$0	0.000%	\$209,328	2.668%	\$0	0.000%
Petersburg	\$136,243,800	\$14,731,997	10.813%	\$14,355,747	10.537%	\$376,250	0.276%	\$10,479,695	7.692%	\$225,000	0.165%
Skagway	\$79,758,900	\$3,178,570	3.985%	\$3,051,270	3.823%	\$127,300	0.160%	\$2,227,427	2.793%	\$75,000	0.094%
Unalaska	\$223,305,200	\$240,640	0.108%	\$240,640	0.108%	\$0	0.000%	\$175,667	0.079%	\$0	0.000%
Valdez	\$188,020,400	\$3,164,043	1.683%	\$2,929,433	1.558%	\$234,550	0.125%	\$2,138,530	1.137%	\$157,000	0.084%
Whittier	\$8,667,200	\$105,314	1.215%	\$105,314	1.215%	\$0	0.000%	\$76,879	0.887%	\$0	0.000%
Wrangell	\$104,459,200	\$8,096,250	7.751%	\$8,051,950	7.703%	\$44,300	0.042%	\$5,877,924	5.627%	\$44,300	0.042%
CITY TOTALS	\$1,108,817,200	45,615,213	4.114%	44,599,353	4.022%	1,015,860	0.092%	\$32,557,528	2.916%	\$704,360	0.064%
STATEWIDE TOTALS	\$21,476,740,800	\$1,064,556,490	4.957%	\$965,475,134	4.495%	\$9,081,356	0.461%	\$703,991,275	3.278%	\$65,069,720	0.303%

NOTE: Each column labeled "Percent of Value" represents the percent that exemption column is to the FVD



FAX COVER LETTER

**Department of Community & Regional Affairs
Municipal & Regional Assistance Division
Office of the State Assessor**

**Office: (907) 269-4105
Fax: (907) 269-4539
333 W. 4th Avenue, Suite 220
Anchorage, Alaska 99501-2341**

**Steve Van Sant
State Assessor**

**DELIVER TO : Sandy Neusbaum
PHONE NO: 465-4989
COMPANY: Senator Torgerson's Office**

FAX NO: 465-4779

**FROM: Steve Van Sant, State Assessor
PHONE NO: 269-4605 NO. PAGES (incl. cover) 2 DATE: March 29, 1995**

MESSAGE: Sandy, here is a breakdown of the 1994 Senior/Disabled Veteran Property Tax Exemption program: by jurisdiction. I hope this is what the Senator needed. If he needs any other assistance on this issue, let me know and I will get it to you as soon as I can.

Steve

1999-0 Senior Citizen/Disabled Veteran Property Tax Exemption Program Summary

Municipality	Senior Citizens # Applicants	DAV # Applicants	SC/DAV Total App.	Senior Citizens Exempt Value	Disabled Veterans Exempt Value	SC/DAV Total Value	Senior Citizens Taxes Exempt	Disabled Veterans Taxes Exempt	SC/DAV Total Taxes	Percent of DAV's by Jurisdiction
Municipality of Anchorage	4,852	602	5,454	\$428,693,655	\$65,917,876	\$494,611,531	\$7,338,333	\$1,127,434	\$8,465,767.25	13.318%
Bristol Bay Borough	13	0	13	\$671,800	\$0	\$671,800	\$6,103	\$0	\$6,102.60	0.000%
Fairbanks North Star Borough	1,458	144	1,600	\$106,464,927	\$11,839,550	\$118,304,477	\$1,954,982	\$215,897	\$2,170,878.53	9.945%
Haines Borough	113	3	116	\$9,030,575	\$200,000	\$9,230,575	\$82,227	\$1,650	\$83,876.87	1.961%
City & Borough of Juneau	740	25	773	\$84,073,600	\$3,291,600	\$87,365,200	\$1,182,897	\$46,348	\$1,229,242.94	3.770%
Kenai Peninsula Borough	1,201	54	1,255	\$95,728,027	\$3,814,970	\$99,542,997	\$1,218,610	\$48,057	\$1,266,666.38	3.794%
Ketchikan Gateway Borough	486	3	489	\$45,284,200	\$391,600	\$45,675,800	\$603,617	\$4,389	\$608,006.11	0.722%
Kodiak Island Borough	180	6	186	\$17,558,050	\$717,400	\$18,275,450	\$146,692	\$5,100	\$151,794.55	3.362%
Matanuska-Susitna Borough	1,325	143	1,468	\$104,825,287	\$11,742,500	\$116,567,787	\$2,019,512	\$226,823	\$2,246,434.71	10.101%
North Slope Borough	28	0	28	\$1,463,340	\$0	\$1,463,340	\$26,525	\$0	\$26,525.16	0.000%
City & Borough of Sitka	240	2	242	\$25,891,570	\$150,000	\$26,041,570	\$155,699	\$1,000	\$156,699.42	0.638%
City & Borough of Yakutat	17	0	17	\$990,750	\$0	\$990,750	\$8,917	\$0	\$8,916.75	0.000%
Corroona	56	0	56	\$5,976,143	\$0	\$5,976,143	\$72,616	\$0	\$72,616.08	0.000%
Craig	20	2	22	\$1,562,830	\$102,012	\$1,664,842	\$9,377	\$612	\$9,989.06	6.123%
Dillingham	21	0	21	\$2,431,800	\$0	\$2,431,800	\$14,591	\$0	\$14,590.80	0.000%
Eagle	6	0	6	\$325,650	\$0	\$325,650	\$327	\$0	\$326.65	0.000%
Heenana	21	1	22	\$773,761	\$25,548	\$800,309	\$9,517	\$327	\$9,844.03	3.317%
Nome	73	1	74	\$4,507,005	\$104,900	\$4,611,905	\$48,450	\$1,128	\$49,578.17	2.275%
Pelican	5	0	5	\$286,750	\$0	\$286,750	\$1,721	\$0	\$1,720.50	0.000%
Petersburg	134	3	137	\$14,355,747	\$376,250	\$14,731,997	\$143,557	\$3,763	\$147,319.97	2.554%
Skagway	39	1	40	\$3,051,270	\$127,300	\$3,178,570	\$23,358	\$1,113	\$24,470.38	4.547%
Unalaska	3	0	3	\$240,640	\$0	\$240,640	\$2,835	\$0	\$2,834.73	0.000%
Valdez	41	4	45	\$2,929,493	\$234,550	\$3,164,043	\$59,590	\$4,691	\$63,281.00	7.413%
Whittier	6	0	6	\$105,314	\$0	\$105,314	\$527	\$0	\$526.59	0.000%
Wrangell	110	1	111	\$8,051,950	\$44,300	\$8,096,250	\$75,844	\$443	\$76,287.20	0.581%
Totals	11,204	995	12,199	965,475,134	99,081,356	\$1,064,556,490	15,205,423	1,688,874	\$16,894,296.40	
Percentages by Totals	91.844%	8.156%	100.00%	90.693%	9.307%	100.00%	90.003%	9.997%	100.00%	

HB

180

SENATE COMMITTEE REPORT

DATE: 3/21/95

FURTHER: Labor and Commerce

DATE TURNED INTO OFFICE: 4/12/95

CRA Committee considered HOUSE BILL NO. 180

Liquor licenses issued to a hotel, motel, resort, or similar establishment; etc.

and recommends:

- be replaced with 5 CS (CRA)
- adopt previous CS ()
- attached amendment(s)
- adopt Letter of Intent by Committee
- further referral to the Committee

- Senate Bill: same title
- new title
- House Bill:**
- same title
- technical change
- new: SCR*

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
		<i>T. Kelly</i>	✓		
		<i>Tom Huff</i>	✓		
CHAIR: <i>John Ferguson</i>	X				

NEW FISCAL NOTE(S):

Department	Date	Zero	Fiscal
<i>Law</i>	<i>7/16</i>		

PREVIOUS FISCAL NOTE(S):*

Department	Date	Zero	Fiscal
<i>Revenue</i>	<i>7/16/95</i>	✓	

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HB 180

Revision Date: _____ Dept. Affected: Revenue
 Title: An Act Relating to Liquor License Issuance BRU: ABC
 Component: ABC
 Sponsor: Representative James
 Requester: (H)ITT COMPONENT SERIAL NO. 100

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY95) cost: \$ _____

POSITIONS

FULL-TIME						
PART-TIME						
TEMPORARY						

No additional costs or significant revenue is anticipated with the implementation of HB 180. No significant demand for increased licensure is anticipated.

Prepared by: Pat Sharrock, Director Phone: (907)277-8638
 Division: ABC Division Date: 2/16/95
 Approved by: Deborah Vogt Date: 2/16/95
 Commissioner: Revenue
 Agency: Revenue

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FISCAL NOTE

STATE OF ALASKA
1995 LEGISLATIVE SESSION

BILL NO. HB 180

Revision Date: _____ Dept. Affected: Department of Law
 Title: "An Act relating to liquor licenses issued to a hotel, motel, resort, or similar establishment..." BRU: Legal Services
 Sponsor: Representative James Component: Operations
 Requester: Representative James COMPONENT SERIAL NO. 0093

Expenditures/Revenues (Thousands of Dollars)

OPERATING EXPENDITURES	FY 98	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

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

FUND SOURCE (Thousands of Dollars)

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

Estimate of any current year (FY95) cost: \$ 0.0

POSITIONS

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

No fiscal impact.

Prepared by: Richard I. Peques, Director Phone: 465-3872
 Division: Administrative Services Division Date: 2/16/95
 Approved by Commissioner: Bruce M. Botelho, Attorney General Date: 2/18/95
 Agency: Department of Law

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Sec. 28.40.100

DEFINITIONS FOR TITLE.

(a) Unless otherwise specifically defined or unless the context otherwise requires, in this title and in regulations adopted under this title

(1) "cancel" means to annul or terminate, by formal action of the department, a certification, registration, license, permit or privilege issued or allowed under this title or regulations adopted under this title, because of an error or defect in the document issued or the application for issuance or because the person holding the document is no longer entitled to it;

(2) "commercial motor vehicle" means a motor vehicle or a combination of a motor vehicle and one or more other vehicles

(A) used to transport passengers or property;

(B) used upon a land highway or vehicular way connected to

(i) the land connected state highway system; or

(ii) a land highway or vehicular way with an average

daily traffic volume greater than 499; and

(C) that

(i) has a gross vehicle weight rating or gross combination weight rating greater than 26,000 pounds;

(ii) is designed to transport more than 15 passengers, including the driver; or

(iii) is used in the transportation of materials found by the United States Secretary of Transportation to be hazardous for purposes of 49 U.S.C. 1801 - 1813 (Hazardous Materials Transportation Act);

(D) except that the following vehicles meeting the criteria in (A) - (C) of this paragraph are not commercial vehicles:

(i) emergency or fire equipment that is necessary to the preservation of life or property;

(ii) farm vehicles that are controlled and operated by a farmer; used to transport agricultural products, farm machinery, or farm supplies to or from that farmer's farm; not used in the operations of a common or contract motor carrier; and used within 150 miles of the farmer's farm; and

(iii) recreational vehicles used exclusively for purposes other than commercial purposes;

(3) "commercial purposes" means activities for which a person receives direct monetary compensation or activities for which a person receives no direct monetary compensation but that are incidental to and done in furtherance of the person's primary business;

(4) "commissioner" means the commissioner of public safety;

(5) "custom collector vehicle" means a vehicle whose body and

frame were manufactured before 1949 or a replica of a vehicle whose body and frame were manufactured before 1949 and that has been modified for safe road use; in this paragraph, "modified" includes a material alteration of the drive-train, suspension, brake system, or dimensions of the body;

(6) "department" means the Department of Public Safety;

(7) "driver" means a person who drives or is in actual physical control of a vehicle;

(8) "driver's license" or "license," when used in relation to driver licensing, means a license or permit to drive a motor vehicle, or the privilege to drive or to obtain a license to drive a motor vehicle, under the laws of this state, whether or not a person holds a valid license issued in this or another jurisdiction;

(9) "gross combination weight rating" means the value specified by the manufacturer as the loaded weight of a combination vehicle, except that if a value has not been specified by the manufacturer, the gross combination weight rating is determined by adding the gross vehicle weight rating of the power unit and the total weight of the towed unit and the load on the towed unit;

(10) "gross vehicle weight rating" means the value specified by the manufacturer as the loaded weight of a single vehicle;

(11) "highway" means the entire width between the boundary lines of every way that is publicly maintained when a part of it is open to the public for purposes of vehicular travel, including but not limited to every street and the Alaska state marine highway system but not vehicular ways or areas;

(12) "motor vehicle" means a vehicle which is self-propelled except a vehicle moved by human or animal power;

(13) "motorcycle" means a vehicle having a seat or saddle for the use of the rider and designed to travel on not more than three wheels in contact with the ground; the term does not include a tractor;

(14) "motor-driven cycle" means a motorcycle, motor scooter, motorized bicycle, or similar conveyance with a motor attached and having an engine with 50 or less cubic centimeters of displacement;

(15) "official traffic-control device" means a sign, signal, marking, or other device not inconsistent with this title, placed or erected by authority of a state or municipal agency or official having jurisdiction, for the purpose of traffic regulating, warning, and guiding;

(16) "owner" means a person, other than a lienholder, having the property in or title to a vehicle, including but not limited to a person entitled to the use and possession of a vehicle subject to a security interest in another person, but exclusive of a lessee under a lease not intended as security;

(17) "revoke" means the termination by formal action of the department or a court of a certification, registration, license, permit, or privilege issued or allowed under this title or regulations adopted under this title; the certification, registration, license, permit, or privilege may not be reissued, renewed, or restored during the time for which revoked; however, after that time, an application for a new certificate, registration, license, permit, or privilege may be made;

(18) "roadway" means that portion of a highway designed or ordinarily used for vehicular travel, exclusive of the sidewalk, berm, or shoulder, even though the sidewalk, berm, or shoulder is used by persons riding bicycles or other human powered vehicles; and in the event that a highway includes two or more separate roadways, the term refers to each roadway separately but not to all such roadways collectively;

(19) "serious physical injury" has the meaning given in AS 11.81.900(b);

(20) "suspend" means the temporary withdrawal by formal action of the department or a court of a certificate, registration, license, permit, or privilege issued or allowed under this title or regulations adopted under this title, effective for a period of time which must be specifically designated by the department or court;

(21) "traffic" means pedestrians, ridden or herded animals, vehicles, and other conveyances either singly or together while using a highway or vehicular way or area that is open to public use for purposes of travel;

(22) "underinsured motor vehicle" means a motor vehicle licensed for highway use with respect to ownership, operation, maintenance, or use for which there is a bodily injury or property damage insurance policy or a bond applicable at the time of an accident and the amount of insurance or bond

(A) is less than the limit for uninsured and underinsured coverage of the insured's policy; or

(B) has been reduced by payments to persons other than an insured, injured in an accident, to less than the limit for uninsured and underinsured coverage of the insured's policy;

(23) "vehicle" means a device in, upon, or by which a person or property may be transported or drawn upon or immediately over a highway or vehicular way or area; "vehicle" does not include

(A) devices used exclusively upon stationary rails or tracks;

(B) mobile homes;

(24) "vehicular way or area" means a way, path, or area, other than a highway or private property, that is designated by official traffic control devices or customary usage and that is open to the public for

purposes of pedestrian or vehicular travel, and which way or area may be restricted in use to pedestrians, bicycles, or other specific types of vehicles as determined by the department or other agency having jurisdiction over the way, path, or area.

(b) The commissioner shall adopt regulations to define other terms that are used in this title and in regulations adopted under this title.

History -

(Sec. 50-1-1 ACLA 1949; am Sec. 3 ch 81 SLA 1973; am Sec. 13, 14 ch 241 SLA 1976; am Sec. 1 ch 135 SLA 1977; am Sec. 14 ch 70 SLA 1984; am Sec. 1 ch 13 SLA 1985; am Sec. 88 ch 74 SLA 1985; am Sec. 2 ch 130 SLA 1988; am Sec. 4 ch 53 SLA 1990; am Sec. 33 ch 119 SLA 1990; am Sec. 9 ch 168 SLA 1990; am Sec. 5 ch 8 SLA 1993; am Sec. 63 ch 63 SLA 1993; am Sec. 16 ch 55 SLA 1994)

Revisors Notes -

Formerly AS 28.35.260. Renumbered in 1984. Subsection (a) was reorganized in 1984, 1989, 1990, 1993, and 1994 to alphabetize the terms defined and to maintain alphabetical order.

Cross References -

For definitions adopted by regulation, see 13 Alaska Admin. Code 40.010.

Amendment Notes -

The first 1990 amendment effective January 1, 1991, added paragraphs (a)(2), (a)(3), (a)(8) (now (a)(9)), and (a)(9) (now (a)(10)).

The second 1990 amendment, effective January 1, 1991, rewrote paragraph (a)(7) (now (a)(8)).

The third 1990 amendment, effective June 22, 1990, substituted "to annul or terminate" for "the annulment or termination" and made a related grammatical change in paragraph (a)(1).

The first 1993 amendment, effective January 1, 1994, added present paragraph (a)(5).

The second 1993 amendment, effective January 1, 1993, in paragraph (a)(22) (now (a)(23)), added "; 'vehicle' does not include," added the subparagraph (A) designation, deleting "except" from the beginning, and added subparagraph (B).

The 1994 amendment, effective August 22, 1994, added present paragraph (a)(19).

Editors Notes -

Section 87, ch. 63, SLA 1993 provides "if any section of this bill is found to violate the single subject rule it is severed from the rest of the bill."

Decisions -

An all terrain three-wheeler - is a motor vehicle for which a driver's license is required. *State v. Benolken*, 838 P.2d 280 (Alaska Ct. App. 1992).

Applied in *Conner v. State*, 696 P.2d 680 (Alaska Ct. App. 1985);
Caulkins v. State, Dep't of Pub. Safety, 743 P.2d 360 (Alaska 1987).

Quoted in *Burton v. State Farm Fire & Cas. Co.*, 796 P.2d 1361
(Alaska 1990); *Fielding v. State*, 842 P.2d 614 (Alaska Ct. App. 1992).

Cited in *Francis v. Municipality of Anchorage*, 641 P.2d 226 (Alaska Ct.
App. 1982); *Uhde v. State*, 654 P.2d 1323 (Alaska Ct. App. 1982); *State v.*
Robertson, 749 P.2d 902 (Alaska Ct. App. 1988); *State v. Straetz*, 758
P.2d 133 (Alaska Ct. App. 1988).

PROPOSED AMENDMENT TO HOUSE BILL 180 (LIQUOR LICENSES FOR RESORT/LODGES)

BY: SENATOR TORGERSON

PAGE 2, LINES 8 THRU 13: DELETE LANGUAGE IN SUB-SECTION (3) AND
REPLACE WITH THE FOLLOWING:

(3) A HOTEL, MOTEL, RESORT, OR SIMILAR BUSINESS THAT IS
INSIDE A UNIFIED MUNICIPALITY OR ORGANIZED BOROUGH AND

(A) HAS AT LEAST 10 ROOMS AVAILABLE FOR THE PUBLIC TO
RENT;

(B) CANNOT BE REACHED BY HIGHWAY FROM THE NEAREST FIRST
OR SECOND CLASS CITY OR ESTABLISHED VILLAGE; OR

(C) COULD BE REACHED BY HIGHWAY DURING NO MORE THAN
10 MONTHS IN A CALENDAR YEAR PRECEDING THE YEAR IN WHICH THE
ISSUANCE OR TRANSFER IS REQUESTED.

ADD NEW SUB-SECTION (4) TO READ:

(4) "HIGHWAY" FOR PURPOSES OF THIS SECTION IS A ROAD MAINTAINED
BY THE STATE FOR PUBLIC TRANSPORTATION.

Forquison

STATE OF ALASKA

Tony Knowles, Governor

**ADVISORY BOARD
ON
ALCOHOLISM AND DRUG ABUSE**

P.O. Box 110608
Juneau, Alaska 99811-0608
Phone: (907) 465-8920
Fax: (907) 465-4410

December 12, 1995

Honorable Pete Kott
House of Representatives
State of Alaska
Room 432
State Capitol
Juneau, Alaska 99801-1182

*File
Senate
CRA*

Dear Representative Kott:

The Citizen's Advisory Board on Alcoholism and Drug Abuse strongly opposes Senate CS for House Bill No. 180, "An Act relating to liquor licenses issued to hotel, motel, resort or similar establishment; and providing for an effective date."

The State of Alaska has one of the highest per capita alcohol consumption rates among all states. Alcohol abuse is the number one health problem in the state. Fetal Alcohol syndrome births are the highest in the United States. Dwindling resources have left treatment and prevention programs with service gaps and unmet needs. While all of these issues confront our political leaders, legislation that promotes further consumption of alcohol cannot be considered.

Please consider defeat of this measure.

Sincerely,

Roseanne Turner

Roseanne Turner
Chair

cc: Senate Community and Regional Affairs Committee

Alaska State Legislature

REPRESENTATIVE
JEANNETTE JAMES
P.O. Box 56622
North Pole, Alaska 99705
(907) 488-0862



White in Juneau
State Capitol
Juneau, Alaska
90801-1182
(907) 465-3745

House District 34

House Of Representatives


RECEIVED

MAR 23 1995

Ans'd.....

DATE: March 23, 1995

TO: Senator John Torgerson, Chair
Senate Community and Regional Affairs
ATTN: SANDY

FROM: Representative Jeannette James 

Please schedule House Bill 180, "Liquor Licenses for Remote Lodges," for hearing in your committee as soon as possible. Back-up material is attached.

We request that Mr. Patrick Sharrock, Director of the Alcohol Beverage Control Board, be available to answer questions via teleconference or conference call when HB180 is heard. His number in Anchorage is 277-8638.

Thank you for your help.

Alaska State Legislature

REPRESENTATIVE
JEANNETTE JAMES

P.O. Box 50822
North Pole, Alaska 99705
(907) 488-1548
FAX (907) 488-9008



While in Juneau
State Capitol
Juneau, Alaska
99801-1182
(907) 465-3743
FAX (907) 465-2381

House of Representatives

House District 34

SPONSOR STATEMENT

HOUSE BILL 180

LIQUOR LICENSES FOR REMOTE LODGES

HB180 is a cooperative effort between remote lodge owners and the Alcohol Beverage Control Board to correct an inequity.

Under current law, some small lodges which happen to be located in a remote corner of large unified population areas cannot get a liquor license. These small remote lodges exemplify the very heart of Alaska and provide a vital service to Alaskan residents as well as visitors from outside our state.

For example, as the law now reads, if a person wants to develop a small lodge or tourist facility in a remote or inaccessible area of the Mat-Su or Kenai Borough, the lodge would be required to have 40 rental rooms to obtain a full-service liquor license. All of us who have enjoyed visiting small remote lodges in Alaska know that this requirement is excessive and unfair.

This is not a "liquor issue." This is an effort to remove a roadblock created by an inequity in our laws. If Alaska is to survive economically, we must allow hard-working Alaskans to develop small businesses in the spirit of Alaskan enterprise.

HOUSE BILL 180
(JAMES)

LIQUOR LICENSES FOR RESORT/LODGES
IN: 3/21/95 OUT:
FURTHER REFERRAL: LABOR & COMMERCE
REQUEST FOR HEARING: 3/23/95
HEARING DATE: 4/12/95

REMARKS: HOUSE PASSED 31Y - 8N (ELTON, GREEN, KOHRING, MACLEAN,
MARTIN, NAVARRE, OGAN, THERRIALT) ON 3/20/95

STATE OF ALASKA

DEPARTMENT OF REVENUE

ALCOHOLIC BEVERAGE CONTROL BOARD

Rep. Jeannette James
Rep. Jeannette James
TONY KNOWLES, GOVERNOR

FEB 20 1995

RECEIVED BY
ANCHORAGE, ALASKA 99501-6690

February 16, 1995

The Honorable Jeannette James
Alaska State House of Representatives
Room 102, State Capitol
Juneau, Alaska 99801-1182

RE: HB 180

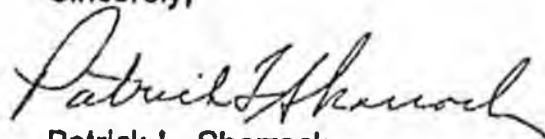
Dear Representative James:

Your HB 180 has specific potential to correct an inequity in current law. For example, a person who would like to develop a tourist facility in a rural or inaccessible area in the Matanuska-Susitna or Kenai Borough has to construct a 40-room facility to obtain a full-service liquor license (or acquire an existing license from another person). In reality, this requirement is excessive.

The Alcoholic Beverage Control Board fully supports the legislation and believes that your amendment will possibly stimulate development of small tourist facilities in certain remote areas.

If I can provide you any additional information or clarification, please do not hesitate to call.

Sincerely,



Patrick L. Sharrock
Director

95-013

Maclaren River Lodge

42 Mi. Denali Hwy.
P.O. Box 3018
Paxson, AK 99737

(907) 822-7105 (at Lodge)
(907) 263-8899 (RECEIVED BY SERVICE)

All Honorable members,
Alaska State Legislature
Juneau, Alaska

JAN 25 1995
January 3, 1995
Rep. Jeannette James

Ladies and Gentlemen of the Legislature:

By way of introduction, my name is Mike Tittle and until her untimely death last November my wife Lynn and I were the only year round residents of the Denali Highway.

Lynn and I (I can't yet believe she is dead nor can I refer to her in the past tense) are 35 year residents of Alaska and prior to buying the Maclaren River Lodge and moving to the Denali Highway we owned a real estate company in Fairbanks.

We had Paxson Lodge and Tangle River Inn listed for sale with our company and in the process of servicing the listings we fell in love with the area and saw a way we could make our dream come true and promote winter tourism as well. Not to mention the Alaskans that can't find a place to ride a snowmachine. We had over 2,000 people come out here by snowmachine our first winter of operation.

We took an old lodge and completely rebuilt it to make it winter ready and comfortable. In order to do this we sold our company and everything we owned to be able to make the lodge something the State of Alaska could be proud of.

However, since we're located a mere 1.5 miles inside the Mat-Su borough we can't get a liquor license and are in very real danger of losing everything we've worked so hard for because of it.

There has been a license at this lodge since Statehood and it's gone only because the prior owner didn't renew it in a timely manner.

The regulation in question is Sec 04.11.400 of Title 4 which says that I must have 40 rooms for rent before I can get a license.

Ladies and Gentlemen, this is the most unfair situation I am aware of in the entire State of Alaska. I pay taxes to the Mat-Su borough and have to haul my trash to Fairbanks. We provide a service to the public that no one else is doing yet we get penalized for it. We promote winter tourism as much or more than anyone in the State yet because the Mat-Su borough decided to annex the earth I can't get the license that would allow me to compete on an even keel with other lodges. We have provided an oasis in the arctic and have given it our lives.

I have talked to hundreds of tourists and the overwhelming consensus is that they would rather spend much more of their time in small rustic lodges where the pace is a little slower and they can experience the "real Alaska" They say they feel they're missing something if they don't experience the bush as well as the cities.

I've outlined a few minor changes to the ABC regulations that I hope you will support as it will help our economy as well as promote tourism.

I beg your indulgence and understanding.

Best Regards,

Mike Tittle, owner