

1975-76

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

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TAPE LOG

2/3/1975- 5/21/1975

HOUSE COMMITTEE ON
COMMUNITY & REGIONAL AFFAIRS

Tapes from 1975

*For more detail
See tape
information in
minutes for date concerned*
TAPE #1

- Side 1 - 2/3/75 joint House & Senate on HB 101, 110, 109.
Testimony by Mayor Jordan, Jack Chenoweth, and
Norm Leveque.
Side 2 - continued from side 1.

TAPE #2

- Side 1 - 2/4/75 (0-1277) HB 101, 110. Testimony by Gary Peska
Jack Chenoweth and Richard Smith.
Side 2 - 2/10/75 (0-1056) HB 47. Don Bery
2/14/75 (1060-end) HB 65. Rep. Bowman, Bob Dozier.

TAPE #3

- Side 1 - 2/18/75 (0-1298) Confirmation on Lee McAnerney.
2/19/75 (1298-end) HB 72, informational hearing.
Side 2 - 2/19/75 (0-335) HB 72 continued from side 1
2/21/75 335-1228 HB 72, Gallagher, Yeastings, Wolforth.
2/24/75 (1228-end) HB 140, Kemin Waring, Art Hartenberger

TAPE #4

- Side 1 - (0-855) Revenue Sharing with the Municipal League.
(855-941) 3/4/75 HB 121, Mr. Van Houten.
(941-end) 3/6/75 HB 227, CSSB 127. Dozier, Plotnick
Side 2 - (0-1176) 3/11/75 HB 88, Berry, Wall, Miller.
(1176-end) 3/13/75 HB 136, Harper, Lang, Shively, Orsini.

TAPE #5

- Side 1 - (0-1160) 3/12/75 CSSB 127, Sharp, Dozier, Berry.
(1170-end) 3/14/75 HB 259, HB 136, Duncan, Orsini.
Side 2 - (0-1154) 3/18/75 HCS CSSB 127, Dozier.
(1155-1598) 3/20/75 HB 136, Chenoweth, Orsini.

TAPE #6

- Side 1 - (0-1022) 3/21/75 HB 16, HB 140, SB 111am.
(1023-1600) 3/24/75 SB 120, SB121. Lee, Clark, Petersen.
Side 2 - (0-1130) 3/25/75 HB 140, HB 265, 266. Cocks, HARPER.
(1130-end) 3/26/75 HB 261 (1130-1212), HB 272 (1212-end)

TAPE # 7

- Side 1 - (0-1402) 3/26/75 HB 272, HB 261. Guening, Urion, Dozier.
(1402-end) 3/27/75 HB 272, HB 261, Dozier, Berry.
- Side 2 - (0-494) 3/27 continued from side 1, HB 272
(495-1362) 3/28/75 HB 223, SB 207am, Borough Clerks.
(1362-end) 4/1/75 HB 161, Clark, Lee, Peterson

TAPE #8

- Side 1 - (0-838) 4/2/75 HB 272, Gruening, Dozier
(838-end) 4/3/75 SSHB 65, Bowman, Dozier, Berry, Waring.
- Side 2 - (0-1054) 4/8/75 HB 21, Miller, Chenoweth, Bery.
(1054-end) 4/9/75 HB 350, Coxom.

TAPE #9

- Side 1 - (0-1135) 4/10/75 HB 246, Clocksin, Wall, Itta, Guy
(1135-1334) 4/11/75 SSHB 72
(1334-end) 4/11/75 HB 246
- Side 2 - (0-622) 4/11/75 CSHB 171
(622-1392) 4/15/75 HB 377, Guy, Williams, Shumway
(1392-end) 4/16/75 HB 246 Clocksin, Marsh, Wall
continued on tape 10.

TAPE #10

- Side 1 - (0-280) 4/16/75 HB 246 continued from tape 9.
(355-1140) 4/17/75 HB 246, HB 350.
(1161-1618) 4/18/75 CSHB 246, Clocksin
(1624-end) HB 246, Clocksin.
- Side 2 - (0-683) 4/21/75 HB 172-passed out
HB 228-passed out
HB 290, 291 - tabled
HB 377 - tabled
SB 125 - tabled
HB 293 - needs more discussion
X HB 259 - tabled
HB 218 - tabled
HB 322 - more discussion
HB 359 - more discussion

(685-1484) 4/22/75 HB 322, HB 359, Specking, Chenoweth.
(1484-end) 4/23/75 Mary Froney

TAPE #11

Side 1 - (0-1005) 4/23/75 HB 136, Waring, Pegues.
(1010-end) 4/24/75 HB 88, Miller, Wall, Robertson.
Side 2 - (0-435) 4/25/75 CSHB 88 - passed out.
(434-1063) pipeline impact, Robertson.
(1063-1409) 4/28/75 HB 136, SB 358 - passed out.
SB 125 passed.
(1409-end) 4/29/75 SB 227am Kerttula. Continued tape 12.

TAPE #12

Side 1 - (0-333) 4/29/75 SB 227 contined from tape 11.
(335-1037) 4/30/75 HCSSB 127
(1040-1504) 5/1/75 HB 466, Impact.
(1545-end) 5/1/75 HB 445, 352, 205.
Side 2 - (0-570) 5/1/75 HB 445, 205, Swanson, Anderegg, Rienlon.
(572-1403) 5/2/75 CSSB 90, Prince, Pritchard.
(1405-end) 5/5/75 HB 15, CSSB 43am, continued tape 13.
Berry, Chenoweth, Brunton, Judson.

TAPE #13

Side 1 - (0-412) 5/5/75 HB 15, CSSB43am continued from tape 12.
(415-1099) 5/6/75 SB 138, SB259am, Rodey, Smith, Croft, Jones
(1100-end) 5/7/75 HB 478, Froney, Beirne.
x Side 2 - (0-768) 5/8/75 SB 259am, Orsini, Smith, Rodey.
(772-1418) 5/13/75 HB 322, Chenoweth, Berry, Pavit.
(1418-end) 5/19/75 HB 3 reconsidered, contined ontape 14.

TAPE #14

Side 1 - (0-386) 5/19/75 HB 3 continued from tape 13.
(388-822) 5/21/75 SB 259am, SB 138, CSSB 90, all bills
reported out.

House Committee on
COMMUNITY AND REGIONAL AFFAIRS

Meeting Minutes
January 22, 1975 9:00 am

Present

Representative Sam Cotten, Chairman
" Kathryn Ostrosky
" Oral Freeman
" Larry Davis
" Mike Hershberger
" Glenn Hackney
" Al Ose

Boundary Commission Recommendations

Representative Hackney stated that the Legislature has 45 days to disapprove the Commission's recommendations. If no action is taken by that time, they will become law.

The Boundary Commission will be in town Friday and a meeting will be arranged for the Committee with them and the new Commissioner of Community and Regional Affairs, Lee McAnerney.

Budget Process

There was some discussion of a new approach to the budget this year, whereby committees would act as subcommittees to the Budget Committee for their particular Budget Review Unit (BRU). It was decided that the committee had to find out soon what are ground rules outlining the powers of the committee in the budget process.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
January 28, 1975

Present

- Representative Sam Cotten, Chairman
- " Al Ose
- " Larry Davis
- " Kathryn Ostrodky
- " Oral Freeman
- " Glenn Hackney
- " Mike Hershberger

Barbara Englert Thomas, Staff Assistant
 Jack Chenoweth, Director, Local Government Assistance Division
 Representative Mike Miller
 Marilyn Miller, representing Municipal League
 Commissioner Lee McAnerney, Dept. of Community & Regional Affairs

HB 23

Tape 0-707 approximately

Mike Miller offers testimony.

HB 16

Tape 709-1200 approx.

Director Jack Chenoweth offers testimony

~~Mike Miller - 7
 Freeman - 144
 Mike 163
 Sam 201
 Mike
 Ose 242
 Hackney 332
 Ostrosky 410
 Freeman 421
 Ose 517
 Cotten 569
 Hackney 588
 Ose 645
 Ostrosky 665~~

~~Freeman 686
 End discussion on HB 23 - 707
 Hackney 709
 Freeman 712
 Ostrosky 720
 Jack Chenoweth 740
 Freeman 838
 Sam 888
 Jack C. 904
 Ostrosky 911
 Hackney 930
 Hershberger 970
 Freeman 998~~

~~Chenoweth 1000
 Hackney 1030
 Hershberger 1032
 Freeman 1053
 Ostrosky
 Freeman 1095~~

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
January 29, 1975

Present

Representative Sam Cotten, Chairman
" Al Ose
Glenn Hackney
Larry Davis
Oral Freeman
Mike Hershberger

Barbara Englert Thomas, Staff Assistant
Mr. Pat Poland, Local Government Specialist, Division of Local Government Assistance
Mr. Don Berry, Municipal League
Andrea Guernsey, Committee Secretary

The meeting was called to order by Chairman Cotten at 9:00 am. Representative Ostrosky was ill.

SB 29^a

The first order of business was discussion of SB 29^a. Pat Poland stated that the Department of Community and Regional Affairs had no objections to the bill.

There was discussion of the meaning of the word "otherwise" in line 12. Representatives were uncertain as to the exact meaning of the word. Chairman Cotten will talk to Senator Ziegler who sponsored the bill to find out the intention of the word. He will report his findings to the other members of the Committee.

Revenue Sharing

Chairman Cotten plans to appoint himself, Representatives Freeman and Davis to a sub-committee on Revenue Sharing. There was some contention from Mr. Hackney who felt that all members should benefit from a study of revenue sharing.

Meeting was adjourned at 9:15.

House Committee on
COMMUNITY AND REGIONAL AFFAIRS

Meeting Minutes
January 30, 1975

Present

Representative Sam Cotten, Chairman
" Larry Davis
Kathryn Ostrosky
Al Ose
Glenn Hackney
Oral Freeman
Barbara Thomas, Staff Assistant
Andrea Guernsey, Committee Secretary
Allen Judson, Alaska State Firefighters Assoc.
Don Berry, Municipal League
Richard Lauber, Fish packers lobbyist
Jack Chenoweth, Director, Local Government Assistance
Representative Jim Duncan
Virginia Kline

HB 16

Allen Judson offered testimony on behalf of the Alaska Firefighters. Need more money due to the increase in the cost of equipment.

1110-1412

Local Boundary Commission Recommendations

1412 to end of side 1, tape 1.

1230 - Freeman	1376 - Freeman
1236 - Jack Chenoweth	1399 - Ose
1249 - Freeman	1412 - end HB 16
1258 - Judson	
1273 - Freeman	1448 - Freeman
1288 - Chenoweth	1477 - Cotten
1300 - Cotten	1538 - Ose
1316 - end Judson	1554 - Lauber
1319 - Ose	1615 - Freeman
1330 - Freeman	end side 1
1367 - Ose	

8:40-9:50
3:00-4:30

CRA JOINT COMMITTEE MEETING

Feb. 3

Tape #1

Cotton raised issue of HB 109 re: Eagle River-Chugiak

- (65) Jack Chenawick Boundary Commission had hearings. Still remains for Boundary Commission to allocate boundaries. Several bills would help the B.C. to do that.
- (330) Supreme Court challenging complaint issue.
- (365) HB 109 effect. Also the need for appropriations.
- (426) Orsini-summarized the report.
- (430) Chenowick advised that report took 6-8 weeks.
- (552) Orsini additional comments
- (558) Chenowick short discussion on the appropriations and need.
- (595) Rodey comments
- (610) Chenowick comments re: HB 100. Reference to amending the date.
- (730) Mayor Lee Jordon-must assume powers by July 1, 1975. Don't have enough money. Can't do anything because of litigation.
- (1040) Cotton discussed need and legal expenses
- (1054) Jordon-commented on constitutionality
- (1075) Rodey-conflict in Attorney General's Office. State of Alaska should pay
- (1143) Kelley-inquired about costs involved
- (1150) Jordon-gave break down of various expenses. Can borrow or levy taxes.

- (1260) Osi-commented on issue and legislation
- (1286) Jordon-need funds for administering
- (1354) Osi-Inquired about receiving funds from Anchorage Borough
- (1360) Jordon-responded to funding from Anchorage Borough
- (1410) Freeman-legal to operate
- (1420) Jordon-the cost of the operation
- (1450) Freeman-Borough would come into effect Sept 4, 1974
- (1490) Jo-don-discussed borrowing the money
- (1493) Freeman-discussed legislative decision
- (1530) Kelley-commented on the bills incurred
- (1558) Orsini-commented on the cost of the law suit
- (1570) Jordon-cost about \$9000 per appeal
- (1585) Rodey-Legislation did approve it.
- (1626) Jordon-additional comments on the cost involved
- (1650) Orsini-taxes provided by the Anchorage Borough
- (1665) Jordon-they are still providing basic services. They have no budget for the coming year.

SIDE #2

- (0001) Osi-commented regarding the \$50,000 requested.
- (0028) Jordon-additional comments regarding expenses involved.
- (0043) Cotton-discussed expenses of Eagle River-need more than \$50,000.
- (0115) Osi-inquired if \$50,000 would help that much.
- (0125) Jordon-wouldn't be enough to have them meet necessary standards by July
- (0140) Bradley-Legislature should act promptly-need more money for Eagle River.
- (0230) Freeman-Legal problems should be handled by state. Dept. of Law
- (0289) Rodey- Conflict in Attorney General's office. Comments on who should pay.
- (0320) Bradley additional comments on urgency involved and sympathetic view.
- (0365) Cotton asked for statement from Chenowick
- (0371) Chenowick-discussed assistance and program
- (0398) Orsini-comments regarding alleviation of problems
- (0415) Cotton moved to adjourn the meeting till 3:00.

Side #2 Continued 3:05

- (0418) Cotton called meeting to order
- (0430) Jordon-discussed Finances, legal fees, revenue budgeting, insurance and payroll, assessing and other services required.
- (0580) Orsini-Has Greater Anchorage Borough advised you of financial matters?
- (0585) Jordon-yes (to some degree)
- (0615) Bradley arrived late for meeting. Apologized.
- (0620) Cotton-asked for breakdown of various expenses
- (0640) Jordon-gave individual estimated breakdown of expenses. Feels that \$60,000 is directly related to the Legislature decision in 74.
- (0690) Kelley-made copy of breakdown for members
- (0692) Tillion-couldn't they get something through loan. What about Revenue?
- (0719) Jordon-they can cut some of the expenses temporarily in order to continue service.

(0750) Tillion-Taxpayers should not pay for it.
(0775) Jordon-they need some assistance as they have no source.
(0815) Rodey-try state guaranteed loan. State pledge money.
(0858) Freeman-he was unaware of lawsuit. State should reimburse. Maybe award grant.
(0926) Bradley-constituents can't be solely responsible for legislative action voted last year. They are defending constitutionality.
(0985) Willis-request comments re: Anchorage Borough from Jordon and Labeck
(1025) Cotton requested Labeck comments
(1040) Labeck-discussed comments on House Bill. \$100,000 not equitable.
(1107) Willis-Inquired about estimate. \$100,000 minimum--\$350,000 maximum.
(1125) Chenowick-commented on method of distribution
(1148) Labeck-commented on setting aside of funds.
(1175) Labeck-should come up with some formula
(1190) Cotton-Borough can't decide on divisions
(1217) Jordon-not certain of most equitable formula for Division of assets and liabilities.
(1235) Cotton-CRA should come up with some equitable division
(1235) Rodey-Anchorage Borough has submitted briefs
(1266) Labeck-need to work with CRA for assistance
(1275) Bradley-must identify assets and liabilities and have it evaluated by CRA. Asked Chenowick to comment.
(1300) Chenowick-need consultant. Action should be taken by July 1
(1315) Bradley-asked Jordon to comment
(1320) Jordon-need to levy amount on debts due. 8 weeks could be acceptable
(1335) Bradley-asked Rodey regarding the borrowing of money
(1345) Rodey-Supreme Court would make decision
(1350) Bradley-need for priority in Supreme Court
(1355) Rodey-could get guaranteed loan through state.
(1380) Jordon inquired about when they could get the money.
(1392) Freeman-state could pledge
(1396) Orsini-commented on increase in the funding of Eagle River-Chugiak
The people wanted it and Anchorage didn't support it.
(1420) Ostrosky-inquired about North Slope Borough
(1430) Chenowick-commented on funding of North Slope Borough
(1454) Cotton-commented on legal costs issue
(1475) Jordon-cost \$9000 for each appeal.
(1480) Cotton-commented on education
(1515) Cotton-inquired about pointing out the differences
(1583) Orsini-this differs from a borough that is not incorporated.
Law was passed in August.
(1600) Ostrosky-Regarding North Slope loan. Obtained it from special legislation.
(1610) Chenowick-commented on the North Slope Borough
(1625) Bradley-discussed present proposal-they need money soon.
(1638) Rodey-suggested adjournment. Went directly to Senate CRA meeting for further discussion and enactment of bills.

Joint House and Senate Committee

COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 3, 1975
8:30 am

PRESENT

Representative Sam Cotten, Chairman	Senator Pat Rodey, Chairman
" Al Ose	" Ed Willis
Oral Freeman	Brad Bradley
Kathryn Ostrosky	Clem Tillion (afternoon)
Glen Hackney	
Larry Davis	Pat Corbett, Staff
Mike Hershberger (afternoon)	Katy

Representatives Kelly, Senator Orsini, Representative Osterback
Andrea Guernsey, Staff
Barbara Thomas, Staff
Dave Jensen, Division Local Government Assistance (morning)
Jack Chenoweth, Director, Local government Assistance
Norm Levec, Anchorage Borough, Director of Finance
Cheryl Probst, Anchorage Times
Richard Smith, Department of Administration (morning)
Gary Peska, Legislative Audit (morning)
Don Berry, Municipal League (morning)
Bill Overstreet, Association of Alaska School Boards
Lee Jordan, Mayor, Chugiak-Eagle River Borough
Bob Van Hout, lobbyist, for teachers (afternoon)
Commissioner Lee McAnerney (afternoon)
Ellen Wolfe, AP Reporter
Mike Ford, AA, Senate committee, Labor & management
Alfie Newman, Secretary, Senate Committee, Labor and Management (morning)

Meeting was called to order at 8:30 by Chairman Cotten, for discussion of HB's 100, 101, 109, 110.

Jack Chenoweth gave a summary of the history of the bills.

Mayor Jordan then testified that \$25,000 was not enough for a transition of the new Chugiak-Eagle River Borough.. They are unable to borrow money because of a cloud over the legality of the new borough and they can't levy taxes. They have no place to turn except the Legislature. Will probably need approximately 200,00 dollars, for transition costs for six months.

Senator Rodey stated that the Legislature should be responsible for defending its actions instead of the new borough having to defend the actions of the State of Alaska.

Meeting adjourned at 10:00 until 3:00.

Joint House & Senate
C&RA
February 3, 1975

The meeting reconvened at 3:00 pm. Mayor Jordan again gave testimony on the state of the transition of the new borough. Presented a breakdown of services and the money required.

Mr. Norm Levec, Director of Finance for the Anchorage Borough, gave comments on assets and liabilities.

The possibility of giving the borough a loan was discussed

At 4:30 the meeting was adjourned for discussion by separate committees.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

February 3, 1975
4:30 pm

Meeting was called to order following adjournment of joint committee meeting.

Present were:

Representative Sam Cotten, Chairman
" Ose
Hackney
Hershberger
Ostrosky
Freeman
Davis

Barbara Englert-Thomas, Staff
Andrea Guernsey, Staff

Representatives Kelley, Osterback

Chairman Cotten thought HB 109 should be moved out of committee. Freeman asked unanimous consent to report 109 out and the majority voted it due pass.

HB 110, 101

Representative Hackney wonders how C&RA would do the study described in the bill.

Meeting adjourned at 5:00 pm.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 4, 1975
8:30 am

The meeting was called to order by Chairman Cotten at 8:30. Present were:

Representative Sam Cotten, Chairman
" Al Ose
Glenn Hackney
Oral Freeman
Kathryn Ostrosky
Larry Davis
Mike Hershberger

Gary Peska, Legislative Audit
Richard Smith, Dept. of Administration
Jack Chenoweth, Director, Local Government Assistance Division
Cheryl Probst, Anchorage Times
Senator Pat Rodey
Barbara Englert-Thomas, Staff
Andrea Guernsey, Staff

Gary Peska was the first to offer testimony on HB 101, 110. He said that the Dept. of Community and Regional Affairs should be directed to obtain several quotes from CPA firms. He also said that \$25,000 was a reasonable figure to conduct an audit, but one must have a definite formula before a CPA could give a proposal.

Representative Freeman wanted to know what was so complicated about the division. Peska replied that it was a simple matter after you decide what is to be transferred and what formula is to be used.

17- Peska	813- Freeman	1191-Ostrosky
210- Smith	824-cotten	1222-Peska
256-Chenoweth	835-Hershberger	1241-Ose
410-Peska	862-Cotten	1246-Chenoweth
450-Chenoweth	867-Hackney	
482-Freeman	900-Hershberger	end tape <u>1277</u>
519-Peska	920-Ose	
537-Smith	939-Rodey	
614-Freeman	979-Hackney	
660-Smith	1042-Chenoweth	
690-Freeman	1064-Cotten	
725-Ose	1071-Freeman	
736-Hackney	1108-Hershberger	
775-Hackney	1136-Cotten	
784-Freeman	1160-Ostrosky	
792-Chenoweth	1179-Hershberger	

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 5, 1975
9:00 am

Present

Representative Sam Cotten, Chairman
" Al Ose
Oral Freeman
Larry Davis
Kathryn Ostrosky

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff

Committee decided to hold confirmation hearings on Commissioner Lee McAnerney, Department of Community and Regional Affairs, on Thursday, February 13.

Wanted to meet with Division heads of the same Department also next week. Rural Development Assistance and State Economic Opportunity on Wednesday, February 12 and Community Planning and Administrative Services on Tuesday, February 11..

Will ask Jack Chenoweth to give a run down on Revenue Sharing tomorrow.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 6, 1975
9:00 am

Present

Representative Sam Cotten, Chairman
" Al Ose
Oral Freeman
Kathryn Ostrosky
Glenn Hackney

Barbara Englert thomas, Staff
Andrea Guernsey, Staff
Cheryl Probst, Anchorage Times

Discussion of CS for HB 100.

Committee Substitue allows the Department of Community and Regional Affairs to appropriate money that would be appropriated to them in HB 109.

Chairman Cotten talked to Commissioner of Revenue about a fiscal note. Discussed the possibility of a loan at 5.5 interest for 5 years.

Motion to report the bill out of Committee. Four due pass but Hackney recommended no pass. He does not want to set a precedent for giving money but would rather see the Chugiak-Eagle river Borough receive a loan .

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 10, 1975
9:00 am

Present

Representative Sam Cotten, Chairman
" Al Ose
Oral Freeman
Kathryn Ostrosky
Glenn Hackney
Larry Davis
Mike Hershberger

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff

Don Berry, Municipal League

Don Berry testifies on HB 47.

Municipal League thinks that the present revenue sharing formula is inequitable. Need a new revenue sharing formula. Will probably cost \$30 million for funding. Bill is based on local effort, the community will decide how to allocate the money. Money given in block grant instead of by services. Encourages local effort. Whatever communities do for themselves the State will help by %50.

Mr. Berry thinks that the pipeline impact money now distributed along the pipeline corridor should be equally divided among all communities in Alaska. Everyone feels the effect of the pipeline - from losing population to pipeline or skilled workers.

Sam wants someone from the Dept. of Community and Regional Affairs to tell how the pipeline impact monies are tied up.

Meeting ended at 9:50.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 11, 1975
9:00 am

Present

Representative Sam Cotten, Chairman
" Al Ose
" Glenn Hackney Larry Davis-absent
Kathryn Ostrosky
Mike Hershberger
Oral Freeman

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Randy Philips, AA House Minority
Mike Harper, Deputy Commissioner, Community and Regional Affairs
Lee McAnerney, Commissioner, C&RA
Jack Chenoweth, Director, Local Government Assistance Division, C&RA
Kevin Waring, Director, Community Planning Division, C&RA
Clark Boston, Director, Rural Development Assistance, C&RA
Eric Lee, Director, State Economic Opportunity Division, C&RA
Lynn Wegener, Director, Administrative Services Division, C&RA

Meeting was called to have the Division Directors give a run down on each of their programs.

COMMUNITY PLANNING

Kevin Waring, Director, outlined his division as follows:

Community Planning has basically 3 functions:

1. Provides planning services to cities, small communities, boroughs, state agencies in such areas as planning ordinances, sub-division ordinances and land use planning. They have recently helped the Kodiak Borough set up planning center, and they helped in the Nondalton fire and Yakutat flood damage.
2. Community Planning administers grants. They have \$250,000 from the federal government in HUD 701 planning monies, which they receive on equal basis with other states according to population. These funds are matched by the grantee, who contributes 1/3 of the money and Community Planning contributes the other 2/3.
3. They are involved in policy making in community and regional development, covering such a thing as pipeline construction.

There is a great deal of travel involved since the planners have to do a lot of on the site work. The Division sends all eligible municipalities an application manual describing available assistance.

RURAL DEVELOPMENT ASSISTANCE

RDA covers the following areas:

1. Grants for community needs, services or buildings that they can't afford with their own tax base. Community must have 2,000 people or less.
2. They have \$200,000 for pipeline impact for those communities physically on the so called pipeline corridor. As yet they have made no grants.
3. All the money for the Bristol Bay disaster has been allocated, although there is still a \$42,000 contingency fund left.
4. The Neighborhood Youth Corps program helps disadvantaged youth aged 14-21, by providing jobs. There is an income criteria based on family income. They help 1,000 to 5,000 kids a year depending on the time of year.
5. Operation Mainstream is similar to NYC only for adults 22 and above with preference given to those 55 or older.
6. The Basic Emergency Employment Program (BEEP) provides employment for people who have been out of work for 15 days. Although there is no income criteria the age limit is 22 and above. There are presently 59 people under this program.
7. The Older Americans program is for persons 55 or older with preference given to those 60 or above. Those employed by this program receive the same benefits as State employees, including workmans comp. The wage is set at \$3 an hour for 30 hours a week. Presently there are 10 people employed, doing any jobs which the community determines.

NYC, Operation Mainstream, BEEP and Older Americans program are 100% federal funding. RDA grants is 100% State money. The majority of the \$20,000-50,000 travel budget is taken out of federal funds. RDA has a budget of 2.5-3 million/yr. The federal program is administered any where but the city & borough of Anchorage. Representative Hackney asked for a break down of federal monies from Mr. Boston.

STATE ECONOMIC OPPORTUNITY DIVISION

SEOO, now the Community Services Office after the Community Services Act of 1974, is an advocate for low-income people, providing planning and technical assistance to various groups, individuals and agencies. They operate under a federal grant from OEO and receive matching funds by the State.

The Juneau office, called the Center for Responsive Government, is an information source for people. One of the functions of the office is the Citizen Participation Conference. This year it was held in Wasilla where 30 low-income people were brought together with members of the Legislature to discuss low-income and rural needs. The budget for this was \$6,000.

Presently they are sponsoring Politalk, a thirty minute once a week broadcast on the ATS-6 satellite providing information about the Legislature--basic education, what is currently going on and summary of what has passed and its implications. There is service to 19 communities, each capable of two way communication with the Juneau station.

SEOO cont'd

The Anchorage office or the Center for Community Development deals mainly with field work. Consultants are hired with the money from the contractuel fund to provide expertise in certain problem areas. One such consultatn handles the PEP program (Public Employment Program), concerned with providing people with public service jobs throughout alaska. There are 16 people in these positions.

SEOO has also been involved with studies regarding poverty. They have recently completed a state-wide poverty study which is currently at the press. Other studies include fuel shortage problem and allocation.

The total travel budget for SEOO is \$70,000 which includes the CPC funds.

LOCAL GOVERNMENT ASSISTANCE

This division headed by Director Jack Chenoweth has very little federal monies. It deals mainly with institutes of local government, providing technical assistance and expertise. The State Assesor is also in this division. The Senior Citizens property tax exemption and the farm lands property tax exemption is administered by them.

They have \$10,000,000 for pipeline discretionary funds to assist boroughs (that aren't necessarily on the pipeline corridor). They also dispense \$13,000,000 is revenue sharing, \$80,000 to Boundary commissionand \$775,000 to Senior citizens tax exemption.

They also provide staff support for the Local Boundary Commission. Sixteen out of 56 people in the C&RA Department ~~and~~ make up this division.

ADMINISTRATIVE SERVICES

This division provides support and assistance to the other divisions within the Department. They take care of personnel, including recruitment and hiring and advisement of employees.

Accounting and fiscal control-HUD 701 monies and PEP program.

Property control, records management, supplies, Dept. annual budget, liason between dept. and Budget and Management, administers forest receipt program and Native Land Claims Program.

Forest receipt -- 25% of stumpage fees returned back to State treasury. State got \$660,000 this year. Communities receive money from percent of land that is in boundary and not by actual timber cut.

SEOO may face defunding in March in President Ford gets what he wants. There may also be a 50% defferral of HUD 701 monies in Community Planning.

Meeting adjourned at 9:55.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 12, 1975
9:00 am

Present

Representative Sam Cotten, Chairman

"

Al Ose

Kathryn Ostrosky

Mike Hershberger-absent

Glenn Hackney

Oral Freeman

Larry Davis

Barbara Englert Thomas, Staff

Andrea Guernsey, Staff

Don Berry, Municipal League

Representative Ted Smith, sponsor of HB 3 & 85

Meeting was called to order by Chairman Cotten at 9:05 to discuss HB's 3 & 85.

Representative Smith stated that HB 3 was supported by the League of women Voters and the Anchorage Borough. He then passed out a suggested Committee substitute for HB 3 written by Larry Kimball of the Planning Division of the Department of Community & Regional Affairs. This substitute does not change the concept but the language is different and there are more standards. Item c is new and says that the community must have a park plan and the area to be dedicated must conform to that plan. Although, this substitute doesn't specify that the fees paid in lieu of land will be used for development of land elsewhere, the committee felt that HB 3 was better in this respect because it called for the money to be used solely for that purpose and not just to a general fund.

Chairman Cotten asked about the formula mentioned in lines 17-20. The municipality may require the sub-divider to pay a fee instead of dedicating open space. The fee would be based on the market value of the land that would have been dedicated.

Representative Freeman thought that the bill was good because it was permissive legislation and left the option to the municipalities.

Don Berry said that this bill was not on the list of legislative priorities of the Municipal League.

Rep. Hackney didn't understand why the municipalities couldn't already do this.

Rep. Ose had some doubts and wanted to talk to the Mat-Su Borough before the bill was passed out of Committee.

Meeting was adjourned at 9:55.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 13, 1975
9:00 am

Meeting called to order at 9:05 to discuss HB 3. Present were:

REpresentative	Sam Cotten, Chairman	
"	Kathryn Ostrosky	Al Ose-absent
	Glenn Hackney	Mike Hershberger-absent
	Oral Freeman	
	Larry Davis	

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Kevin Waring, Director, Planning Division, Dept. of C&RA
Bob Dosier, State Assesor

Mr. Waring testified on the bill. He said that it was enabling legislation and was not unusual as many states and communities already do it. He thought that section C in the redraft was an improvemtn.

Representative Ostrosky moved to report the bill out of committee with due pass, but there was first a discussion on whether to use the original bill or the redraft or incorporate the two. The committe decided to use the original with amendments. Hackney brought up the point that all municipalities don't have the power of parks and recreation so if they received fees in lieu of land they couldn't spend the money for that purpose. The committee decided to classify the sentence by adding an amendment. They also added section c of the redraft to the original and section e.

The meeting was adjourned until 10:30.

meeting was called back to order at 10:30 for discussion of HB 3 and 85.

Representatives Ose and Hershberger were present at this meeting.

Mr. Ose said that he talked from someone the Anchorage Borough who said that the Borough opposed the bill. Mr. Ose will recommend no pass.

The bill was reported out due pass except for mr. Ose.

HB 85

mr. Dosier the State Assessor wanted to testify on this bill. He thinks that there shouldn't be a tax break because the market value of the land will go down with an easement and the taxes would then be less anyway. Why should they get another tax break?

There was a great deal of discussion on the meaning of the word 'easement'. The Committee thought that the word easement in the bill should be classified with the word 'right of way'. They will then ask the sponsor, Representative Smith what he had in mind by the word 'easement'

Meeting adjourned at 11:40.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 14, 1975
9:00 am

Meeting called to order by Vice-Chairman Ostrosky in Chairman Cotten's absence.
Present were:

Representative Hackney
Freeman
Davis
" Hershberger Al Ose-absent

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Bob Dozier, State Assessor
Willard Bowman, Sponsor of HB 65
Ted Smith, Sponsor of HB 85
Don Berry, Municipal League

- 1070 - Bob Dozier offered testimony on HB 65. Passed out a memo to the committee members which include a resolution from last year about HB 305 which is identical to this years HB 65. Stated that in the opinion of the Municipal League the bill was not a good one. The bill is not specific enough. It doesn't say that the land has to be occupied by the owner; what is meant by improvemtn; there is no talk of residency. It is contrary to state law because an assessor should assess at the full and true value of the land. Discriminates against people with vacant lots.
- 1294 - Ostrosky asks what he meant by vacant lands.
- 1300 - Dozier replied that someone has to live on the land but that it doesn't specify the owner; could be a renter.
- 1332 - Hackney suggested that the bill be amended to state that the owner must live on the land.
- 1335 - (Dozier) there should be more controls.
- 1335 - Hackney told of an example of a person in Eagle River who's land went up tremendously. Sympathizes with him.
- 1394 - Ostrosky asked Mr. Hackney more about his example.
- 1396 - Mr. Don Berry answered Representative Ostrosky's question by saying that it was the first time that the individuals land had been assessed.
- 1408 - Kathryn Ostrosky
1409 - Berry
1411 - Dozier
1437 - Ostrosky

February 14, 1975

HB 65

- 1439 - Representative Bowman, sponsor of the bill, told why he authored it. Said he was trying to help the regular person who has a lot and just wants to build his house on it. Then someone comes in next door and subdivides and the other mans taxes go up. So much so that some times they can't afford to pay their taxes. Perhaps the tax structure has to be rewritten. This problem is happening all over.
- 1498 - Representative Hackney concurs with Mr. Bowman and favors the bill.
- 1516 - Freeman doesn't think that a man that lives there 10 years should get any more of a tax break than a man that doesn't. He is against the bill.
- 1567 - Bowman agrees with Mr. Freeman in principle but thinks there should be some protection for these people.
- 1614 - Madame Chairman Ostrosky asked Mr. Dozier about the theory of assessment.
- 1619 - reply from Mr. Dozier.

end tape

from the A.G.'s office.

- 430 - Chairman Cotten inquired about the impact funds.
- 440 - Lee would like to see "growth" impact funds which would be added to revenue sharing so there would be a more equitable distribution of money throughout the State and not just on the "pipeline corridor". She stated the example of her home town Seward which she had to turn down for impact moneys because of the physical location but felt that they had been impacted because they had lost several of their policemen to employment on the pipeline. There was also a housing shortage due to new families moving into the area related to pipeline work.
- The dept. has 4 million in discretionary funds left through June 30.
- 586 - Cotten asked if she felt there should be a change in the revenue sharing program. The Commissioner really didn't think so.
- 631 - Representative Hackney wondered what she thought of the proposed bill to change revenue sharing.
- 646 - Lee had reservations about the bill. Why should revenue sharing depend on tax rate?
- 666 - Mr. Hackney wanted her opinion on another bill which would make it financially feasible for communities to form boroughs.
- 678 - Lee doesn't like the borough concept especially in the Kenai peninsula. Seward is too far away from the borough seat and they're always getting the shaft. She's not %100 sold on borough government.
- 703 - Mr. Hackney gave the comparison of the Eagle River Borough splitting off from the Anchorage Borough for similar complaints. Would she be in favor of cutting down boroughs?
- 718 - Lee said the borough works to the disadvantage of the community far from the borough seat.
- 779 - Sam Cotten questioned her on the bill to provide for a local government commission.. Lee felt that it would play a good part by keeping people on their toes.
- 818 - Mr. Freeman wanted to know how much impact she actually had in writing the budget. The Commissioner answered that it was already set up when she got there but after reviewing it with her directors she made recommendations, one of which was to transfer the Native Claims Indian money to the dept. of Natural Resources. Mr. Freeman wanted to know what the \$688,000 for Community Planning was going to be used for.' Lee replied that it was for the impact which will be created by the Outer Continental Shelf leases. The impact on the coastal communities will be great.
- 862 - Mr. Hackney wanted to know if the money would be spent by the planners in the dept. or if the money would be given to the communities to plan. Money spent by the dept. or they would contract to a planner under the supervision of the dept.
- 898 - Representative Cotten asked what the dept. was planning to do about the Eagle River situation. the Commissioner replied that so far the dept. has spent many hours working on it. They hope to get a planner for six months to work entirely with the borough in Anchorage.
- 927 - Sam wanted to know what she thought will happen if the borough can't borrow the money. Lee envisions quite a few problems.
- 987 - Mrs. Ostrosky asked if the dept. was satisfied with the revenue sharing concepts. Yes, easy to handle, Lee said.
- 1018 - The possibility of a revolving loan fund in the dept. was mentioned. Lee thought that perhaps the dept. should have something like it on a loan basis although she thought it might be a duplication of commerce.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 18, 1975
9:00 am

The meeting was called to order at 9:15 to confirm Lee McAnerney as the Commissioner of the Department of Community & Regional Affairs.

Present were:

- REpresentative Sam Cotten, Chairman
- " Kathryn Ostrosky
- " Glenn Hackney
- " Oral Freeman

- Barbara Englert Thomas, Staff
- Andrea Guernsey, Staff
- Cheryl Probst, Anchorage Times
- Mrs. Lee McAnerney, Commissioner

- 0-125 - Commissioner McAnerney opened by saying that the Department was challenging and interesting. She thought that there should be more planners and local government specialists. She wants to develop a pilot program in concurrence with Attorney General Ave Gross involving a circuit riding city manager going to various villages to help them become more self-sufficient. She sees the major function of the dept. as local government assistance.
- 125 - Representative Hackney thinks the idea would be revolutionary.
- 174 - Representative Freeman stated that he didn't think the dept. had a very good reputation and wanted to know if the commissioner was aware of this and whether she agreed with it.
- 222 - The Commissioner was aware of it but felt it was due to publicity and was not a true reflection of the depts. merits.
- 248 - Mr. Freeman wondered what the dept. had done for Anchorage. Mrs. McAnerney's answer was: revenue sharing; pipeline impact funds; grant for study.
- 288 - Mr. Freeman again reiterated that the city managers, mayors and borough managers that appeared before the finance committee didn't have a very high opinion of the dept.
- 317 - The dept. has really done a lot the Commissioner said but there is very little publicity. She feels a need for more visibility.
- 339 - Mr. Freeman hopes they work the problem out.
- 390 - Kathryn Ostrosky wanted to hear more about the plan of circuit riding city manager.
- 392 - Commissioner McAnerney replied that there would be a local government specialist with a city manager background who would go to various villages and meet with the city councils. He would be accompanied by an attorney

Chairman Cotten asked about the Day Care bill.

The Commissioner at first was apprehensive about placing it in the dept. of Community and Regional affairs, but now is in fav or because it would take away the stigma of a welfare program that would normally be attached to it if it were placed under the dpt. of Health and Social Services. It's a bill that would benefit the community.

- 1063 - What is the fiscal note attached to this bill? 1.2 million.
- 1079 - Representative Bradley who came in late in the meeting questioned her about executive order 37. The Commissioner couldn't really say since she was not involved.
- 1108 - Ostrosky asked what the effect of it was on C&RA. The dept. received a planner and a clerical person, Lee said.
- 1128 - Bradley questioned the appointment of Eric Lee as the Director of State Economic Opportunity. Wondered if his being past president of the Committee to Reelect the President would have an effect on the way he ran things. Lee said it was true that he was a active republican but that he was a good organizer and would do his best for the Division.
- 1165 - Bradley asked if she planned to retain the present director of RDA. Mrs. McAnerney answered yes.
- 1172 - Discussion with Sam on whether it should be mandatory for boroughs to organize.
- 1195 - Lee's role on the Anchorage Urban Observatory Policy Board was discussed. It is a federally funded government grant which is in the pilot program stage. Anchorage was one of the few cities named for the project. There will be monthly meetings to work on projects such as revenue sharing distribution formula, economic development study and manpower study. The Commissioner feels that her role on this board will be good exposure for the dept.
- 1283 - Mr. Hackney asked if anymore could be cut from the budget. Lee replied that they were down to the bare minimum, less than they had 2 years ago.

Meeting was adjourned at 10:15.

Mr. Freeman removed his objection.

The bill was passed from committee with one amendment, 4 due pass, with Freeman no rec.

Meeting adjourned at 9:45

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 19, 1975
9:00 am

Meeting was called to order by Chairman Cotten at 9:10 for discussion of HB85.
Present were:

REpresentative Sam Cotten, Chairman
" Glenn Hackney Kathryn Ostrosky---absent
" Oral Freeman Al Ose---absent
" Larry Davis
" Mike Hershberger
Representative Ted Smith, Sponsor of HB 85
Bob Dozier, State Assessor
Don Berry, Municipal League
Barbara Englert Thomas, Staff
Andrea Guernsey, Staff

Mr. Smith began the meeting by stating that the idea of the bill was to provide another way to gain recreational lands with less cost to the governmental body; to provide the recreational administrators with another tool.

Chairman Cotten questioned what he meant by the term "scenic easement". The wording is a little broad and may lead to misuse. Representative Freeman also had a little trouble with the wording. He gave the hypothetical example of a person who owned quite a bit of undeveloped land with, say, a lodge or an expensive house on it. Not wanting to develop the land anyway, he might then donate the land for scenic easement in exchange for a tax break. As Mr. Smith stated that scenic easement didn't necessarily include public use, the person in Mr. Freeman's example would be getting a tax break for letting people look at his land that he wasn't planning to develop anyway. If such a case were to arise, Mr. Smith said, it would be up to the municipality involved whether or not to accept the easement and hopefully they would make a responsible decision.

Representative Hackney was unsure about the wording "non-profit private" body. He didn't think the language was necessary and felt it might also lead to abuse. The sponsor said he wouldn't mind removing the term from the bill.

The State Assessor, Mr. Dozier, cited an example of Vermont's law on a similar situation. The municipality may purchase development rights, or the land or lease it and then could later sell those rights. He felt that if the words "private non-profit" were deleted it would take care of the possibility of misuse. There was a motion to delete the words "private non-profit" in line 14. Motion was objected to by Mr. Freeman who is still worried about scenic easement and the person in his example who would get a tax break for doing something he was doing all along. It was brought up that it was up to the municipality to make a responsible decision and

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1298- end

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 19, 1975
4:00 pm

Meeting was called to order at 4:15 by Chairman Cotten for discussion of HB72.

Present were:

- Representative Cotten, Chairman
- " Ose
- Hershberger Ostrosky--absent
- Hackney
- Freeman
- " Davis
- Commissioner Gallagher, Revenue
- Mark Erteschek, Dept. of Law
- Jack Chenoweth, Director, Local Government Assistance
- Representative Bradley
- Senator Rodey
- Senator Willis
- Barbara Englert Thomas, Staff
- Andrea Guernsey, Staff
- Pat Corbett, Senate Staff

Commissioner Gallagher started by giving a run down of the bill. "Municipal bond bank is a state agency type financing that can help the communities to finance their debt in the open market. A lot of the communities are shut out, even though they're credit worthy, by being that the issue size is too small; situation like the new Eagle River Borough who don't have bonded indebtedness history, people don't know how they're going to perform in market, so initially when they go into the market they have a problem selling their debt. Quite often a New York house will not rate a bond until it's 2 years in the existence. Eagle River-Chugiak will probably have bonded indebtedness needs within the first 2 years of it's existence. Also because of the size of the credit it costs just as much to underwrite a large credit as it does to a small credit so we have whole series of smaller communities who find high borrowing costs just because their borrowing costs are not that large. They have a hard time selling. The answer to that problem of course is the Municipal Bond Bank and its an agency financing and we purposely put it funded reserve behind this agency to make it sell better on the market. Hopefully designed the bill to sell at one credit rating below the State credit. State credit is a A1 rating and we think this credit will sell like an A bond. Anchorage and Fairbanks are A rated communities, so are Ketchikan and the North Slope. All the rest are BAA rated bonds. These communities have a stable economic base. Other communities, for example the Matanuska-Susitna Borough, who although they have a stable economic base, as a bedroom community for Anchorage, they're very leverage credit. The bill wouldn't help Fairbanks because its average debt is \$250 per person. Anchorage is \$1100 per person and Mat-Su is \$1,000.

With the funded reserve behind this authority, it will raise the bond from a BAA, the weakest link in the series of bonds, to a level of one stop underneath the State. You've put some commitment behind those credits. It will save the State

money by doing this. We set out criteria under which what projects should be considered in this bill. The #1 project are schools--it helps the community and also helps the State because we have 50% funding requirement under the foundation program for school construction. So any money you save the school district the State also saves. Other criteria are water waste treatment.

The bond bank has 5 members on the board: Commissioner of Revenue; Commissioner of Community and Regional Affairs and 3 others. Under the dept. of Revenue we have a man called a debt manager for the State. We sell \$300 million bonds every year. There should be a man charged with the responsibility of debt management. The man will also get the applications for the Municipal Bond Bank, as the executive secretary. The dept. of Community and Regional Affairs will have a lot of input about which credits we accept.

Powers of the bond bank are to make loans or to purchase bonds of a community to sell into the market at a reasonable rate of interest with the proper safe guards built into it, making sure the monies are paid properly into the reserve fund.

We limited the Bond Bank from getting into other sorts of investments. We only want them in investments of communities. Not in the bill to buy revenue bonds of cities--maybe at some later date if the program is successful. We need a successful program with general obligation bonds first."

1465- Freeman: Will these be tax exempt bonds? Gallagher replied yes.

1468- Cotten: When you talk about savings between an A1 and A rating what are you talking about? Gallagher said that most communities are a BAA rating;

A rating-50-70 basis points (basis points 7%-7.01). 70 basis pointson \$10,000,000 is worth \$1,000,000 on 20 year issue. 70 points=7 tenths of 1 percent. 20 difference between A and A1.

1486-Willis: Will Fairbanks and Anchorage still be allowed to go independently to market? yes, they don't have to use the state agency. Will the Bond Bank cover individual service areas in municipality? yes, it could.

1527-Freeman: What backing? Mark Esteshek answered: Bill will create independent corporation which will be under control and be in an administrative sense under the dept. of Revenue but will have separate legal existence. This organization will pledge its own credit to the bonds. Its credit will be based on: 1) reserve fund which will contain sufficient money to give bonds the rating that we want to market them at and will be funded out of appropriation from the Legislature; 2) actual funds of authority itself. Authority will generate revenue from its own purchase of municipal bonds. Authority will sell its bonds and take money and buy municipal bonds. Municipal bonds will be paid off by municipality and the funds coming into the bond bank authority from the municipalities will be used to pay off its own bonds which it sold in the larger money markets and behind it all sits the reserve fund to make payments in the event of a possible default. This device will not give municipality a source of money that they won't have to pay back. It will save them administrative expenses of making sale on their own. We will give them better bond rating when they actually do make a sale.

1560-Freeman: If you don't put full faith and credit of State behind it what gives the bond authority better credit rating than Ketchikan has right now? Mark replied: Reserve fund gives better bond rating. What if reserve fund used up? The State will have obligation to replenish reserve fund. When we refuse credit of State it means bond holder will not be able to sue state of Alaska on that bond if its defaulted but State is pledging moral obligation but not in a legal sense.

- 1614-Freeman: The less guarantee there is the higher the interest rates.
Gallagher: That's why there's a reserve. Aimed at communities who have some economic problems and that's why there's a funded reserve behind it.
- 1622-Hackney: What is the amount of funded reserve or would reserve be general fund of State? Gallagher: no. Funded reserve in HB 73 is one years annual debt service. We don't want to finance everybody, only those who are truly in need. In order to finance those: 1) annual appropriation of money we think can finance us next year; 2) lid on financing that can be done by Authority. There are 2 lids-amount appropriated and total lid of \$150,000,000.
- 1639-Freeman: What is the ratio of percentage of reserve? Gallagher: Minimum of annual debt service.
- 1662-Bradley: Why not pledge the full faith and credit of State. Gallagher: Can't without having everyone in State vote on each particular issue provided by constitutional provision.
Bradley: Are there any instances of municipal bonds going into default?
Gallagher: 30 issues since 1932. Alaska has had 1 (Dillingham).
- 1713-Cotten: Are many other states in same need? Gallagher: 20 or 30 have municipal bond banks. Vermont and Maine have been successful, probably because of small towns.
- 1727-Cotten: question about base rates figures charged by bonding house to assess whether or not bonds are saleable. Gallagher: Expensive because they have to bring in consultants etc.
- 1754-Hackney: Asked about expansion of hospital in Fairbanks. Gallagher: The focus of the bill is on urgent needs. Public health would be one of them.

Tape #3 side 2

- 51-Hackney: But you would still have to have voters approval?
- 127-Freeman: Larger communities wouldn't probably ever use it? Gallagher: no, except for small projects.
- 148-Ose: Would any municipality be refused? Mark: Bill geared towards credit worthy municipalities. They have not excluded 2nd class cities with limited debt but they still have to be credit worthy.

end 335. Meeting adjourned at 5:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 21, 1975

Meeting was called to order at 9:05 by Chairman Cotten. Present were:

Representative Sam Cotten, Chairman
" Oral Freeman
" Al Ose
" Kathryn Ostrosky
Pat Poland, Local Government Specialist
Barbara Englert Thomas, Staff
Andrea Guernsey, Staff

Pat Poland gave a short disertation on the Annexation to the City of North Pole. The City submitted four annexation petitions and after 2 hearings and a decisional meeting it was decided to annex everything on the City side of the Richardson Hiway. All parties were in favor of it, including the refinery. The lOcal Boundary Commission didn't recognize the other proposals of the City which dealt with taxation at a certain rate for five years.

After no further discussion the meeting was adjourned at 9:20.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 21, 1975
2:30 am

Meeting was called to order by Chairman Cotten for discussion of HB 72. Present were:

Representative Sam Cotten, chairman

" Al Ose
" Mike Hershberger
" Kathryn Ostrosky
" Larry Davis

Representative Mike Miller

Fran Ulmer

Stirling Gallagher, Commissioner of Revenue

Eric Wolforth, Ex commissioner of Revenue, designer of bill

Robert Yeastings, bond consultant from Seattle

Jack Chenoweth, Director of Local Government Assistance

Barbara Englert Thomas, Staff

Andrea Guernsey, Staff

335- Chairman Cotten makes a short introduction.

375- Yeastings makes some opening comments. "Alaska has different situation than most of the other states. Much greater need for this kind of vehicle. The Bond Bank provides substantial improvement in borrowing credit that would be available to municipalities. This is particularly true here because you've got a lot of small geographically and economically isolated communities where it's difficult to borrow at all or on a reasonable basis. The credit of the State is becoming better recognized--upgraded in eyes of lenders. He thinks the gap between what its going to cost the smaller communities to borrow and what the State can borrow at is widening and going to stay wide. Bond Bank provides means of the State going out on the market with a relatively high quality bond that will command a good interest rate and be widely accepted nationally by all types of investment institutions. Permits you to borrow at a quality bond rate. The funding of the reserve fund is important--provides backup for losses or temporary slow downs in income into the bank. With all things put together, this is a high quality bond instrument. Substantial savings to communities and means of financing to smaller communities that may not be able to borrow at all.

492-Eric stated that the same bill passed the House in 1971 and went through the first Committee referral in the Senate but got lost. There has been testimony over the years on this kind of legislation and its merits. The difference between this legislation and ones on books in other states is the contemplation that there would be an appropriation into a debt service fund of enough dollars to provide a fund to secure a certain amount of bonds. This is called for in Alaska because many of the communities which aren't credit worthy have a lot of existing potential resources, have such a small population basis that the major rating services don't give them the kind of credit they should get. This is one financing vehicle that would package local government bond issues. BANK which loans money to municipalities on a package basis, when enough bonds have been purchased sells its own bonds enabling those municipalities to achieve the benefits of a lower rate. Appropriate vehicle for State action.

Two technical points have come up since the first drafting. He has a redraft for The committee.

- 1) page 21, subsec g and h--language currently says that the Legislature shall appropriate annually any amount the reserve fund may be in deficit. Should take out shall and add may. A Legislature shouldn't attempt to direct what a future Legislature does.
- 2) HB 73--The suggestion is to provide for an appropriation of enough to the reserve fund for 50 million in bonds. \$4,445,000 appropriation to debt reserve fund--1 years debt service on 50 million bonds of the Authority. Earnings on that amount go to the general fund. The Legislature has the opportunity to see if the Bond Bank is functioning in the proper way. Can increase or not appropriate further monies.
- 640--Chairman Cotten asked if the 2.6 wasn't enough to support 50 million in bonds? Eric said it would support 30 million. Commissioner Gallagher said that there are already 56 million authorized but unissued and 34 million anticipated for a total of 90 million.
- 656--Representative Miller said the amendment has his full concurrence.
- 711--Hershberger asked if the Authority will pick and choose among the applicants. Gallagher replied yes, they have set up criteria. Schools are #1, waterways treatment #2.
- 722--Mr. Cotten remarked that priorities would naturally be set up with 90 million requested. He asked what was the 10% figure that Gallagher mentioned earlier. The reserve fund is approximately 10% of total bonds outstanding. (its actually closer to 8%). With reserve fund of around 8% the leverage we get off of that, half returned to treasury. The earnings come back to treasury.
- 752--Gallagher remarked that the appropriation method was a good way for the Legislature to control the quality.
- 762--Sam wanted to know what would happen if the Legislature didn't appropriate enough. Would that affect the bond rating? The Bond consultant, Mr. Yeastings, said it would if it dropped below an amount equal to average annual debt service on the obligation of the bank. It depends on a lot of things but would probably adversely affect it. Under ideal circumstances the reserve fund would never change anything, Sam thought.
- 786--Representative Miller said that people usually think of spending money when the word appropriation is mentioned but actually this money will probably never be spent. We're really setting up a separate savings account of which we won't draw on the principal, only on the interest.
- 808--(Cotten) 4 1/2 million would actually be an investment by the State and we would be making money on it.
- 814--(Gallagher) All we're doing is freezing the principal. The earnings still come back to the treasury every year.
- 817--Mr. Yeastings said that normally when a community gets into trouble and can't make their payments its only temporary. They will eventually pay it back.
- 836--(Cotten) Would you be able to count that as accounts receivable for a certain amount of time? Not really, but you could consider it that way. (Cotten) There would have to be an appropriation to fill the gap if there was a default. Bob said that when the money eventually came back the reserve would rise above the requiremnt.
- 850--(Eric) If you had a half million in deficit it would be unlikely that you would issue any more bonds.
- 862--(Cotten) Would you expect 50 million to be taken care of right away? Gallagher said that they would go through 30 million the first year but don't anticipate more than 50 million.
- 882--Hershberger said that there would be issues popping out of the woodwork since the money is there. Mr. Gallagher said thats why they set up criteria (pg 14). We don't want to finance everything.
- 912--Representative miller said that the criteria weren't iron clad. Up to the discretion of the Commissioner of Revneue. Gallagher said that the other criteria was they be in an economically depressed area.

- 958-(Miller) What bond rating do you expect this to give to these communities?
Hopefully an A rating, Yeastings said.
- 972-(Cotten) If the full faith and credit of the State were behind it it would be an A-1 rating.
- 984-(Yeastings) An A rating is probably as good as you could hope for. Many issues would be non-rated mostly because of small population or isolated economy.
- 1000- Chairman Cotten asked Mr. Chenoweth if he had any comments. Jack said he didn't.
- 1007-REpresentative Ostrosky asked about the staffing. Mr. Gallagher said there was an investment officer in the Dept. of REvenue called a debt manager. The Bond Bank would be one of his duties.
- 1031-Cotten asked what difficulties the bill had in the past so they could avoid the pitfalls.
- 1037-Eric said the House Finance Committe in 1971 thought the earnings on funds should go back to the general fund. We've changed that this year to provide for that. The bill never was a high legislative priority.
- 1065-REpresentative Miller pointed out that it was never enough of a project. This bill has everything to gain and nothing to lose.
- 1083-(Eric) You're not likely to receive any support from the Anchorage Borough or the Fairbanks borough because they probably wouldn't use it.
- 1095-Cotten wondered about the similar bill in the Senate. Eric said they tried to coordinate and hopes the Senate will use the same bill that comes out of this committee.
- 1117-Mr. Hershberger likes the idea.
- 1129-Mrs. Ostrosky had a question about sec 9 on page 6.(grants).This was just an excess of caution. Have to plan for everything just in case, Eric said.
- 1170-Chairman Cotten askeed for recommended reading. Eric said he would supply the Committee with materials.
- 1190-Kathryn asked if this would eliminate the need for communities to hire a financial consultant. Bob said it would as far as assistance in issuing actual issuance of bonds. Theree might be a consultant bringing the community up to the point of issuance of bonds.

Meeting adjourned.(end 1228)

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 24, 1975
9:00 am

Meeting was called to order at 9:25 by Chairman Cotten. Present were:

Representative Sam Cotten

" Al Ose

" Oral Freeman

" Mike Hershberger

" Kathryn Ostrosky

Barbara Englert Thomas, Staff

Andrea Guernsey, Staff

Kevin Waring, Director, Planning Division, C&RA

Art Hartenberger, Director of planning, Juneau borough

Meeting was for discussion of HB 140-Official maps. Mr. Waring began.

1300-Waring-This bill is identical with the one introduced last year. The Municipal League does not necessarily support this particular bill but supports the concept of official maps. Also endorsed by the Planning Association of Alaska. This bill defines what an official map is. Title 29 already authorized for official maps. Map lays out the future development plans of city and provides notice to property owner of what the municipality will eventually want. Bill is beneficial to both parties--municipality reserves the right and has the time to acquire and the owner knows where and when he can build. The bill is a sound concept and provides fair provision for informing property owners.

1350-Cotten-Does a municipality already have the power to condemn?

Waring-Yes, they have the power of eminent domain. As condition of plat approval they can usually require dedication of streets, etc.

1370-Cotten-Say a person constructs a warehouse on their property. That would probably influence the decision of the planning commission, wouldn't it?

1390-Waring-Yes or else it would cost municipality money to reroute whatever they planned on putting there, or having to condemn and acquire a fairly new structure. (Gave example of 5 years ago in Anchorage when they didn't have an official map someone built a hotel on the land they wanted to put a highway and the city had to reroute the bypass. Situation could have been avoided with official map.)

1423-Freeman-Is there anything in the law which prevents people from adopting an official map? Mr. Waring replied no. The bill clarifies existing legislation.

1435-Freeman-He is suspicious of mandatory legislation. Doesn't like the word "shall". Local people don't have much of a choice.

1449-Waring- The statutes already require an official map along with a comprehensive plan.

- 1458-Art said the official map in Juneau is basically the comprehensive plan in map form. There are lots of communities with comprehensive plans which have not been adopted by ordinance.
- 1479-Chairman Cotten observed there seems to be a lack of requirements.
- 1482-Mr. Freeman said the reason for that was because many of the comprehensive plans were ridiculous and the municipalities didn't want to adopt them by ordinance.
- 1510-Art said it was in the best interest to have an official map, otherwise the State would come in and tell the municipality what to do.
- 1537-Representative Cotten that in Section D the State could already do that.
- 1544-Mr. Waring thought that the language didn't mean the Borough had to but that they would have the same consistent policy. Keeps the property owners from being surprised by the municipalities. Main purpose of map is right of ways.
- 1570-Mr. Freeman asked if the map could be amended. Kevin said yes it could and was quite common to update it. Oral thought that was not really protecting the public then if the map could be so easily changed. Kevin said the map could be modified but the original represented the best plan.
- 1608-Representative Ostrosky remarked that it forces the community to take a long long range look at plan.
- 1616-Mr. Cotten asked what is the process for amending the map. Art said that through a series of public hearings recommendations are made to the planning commission who in turn recommend to the borough assembly and it is adopted by ordinance.

Art also brought up the point that the communities would have to spend lots of money to have all this land surveyed. What kind of price tag does that require?

- 1673-Mr. Hershberger thinks that the communities ought to spend the money. There is too much lack of planning.
- 1686-Mr. Cotten thought sec B contained some confusing language. The 18 month and 5 year figures. Kevin answered that the five years applied to the map itself. The assembly has to review and reapprove the map every five years. The 18 month figure comes from the Greater Anchorage Borough.
- 1720-Mr. Waring offered a suggestion for line 22. After the word building, add the words "or other structure located within the bed of a street" etc. Left out in typographical error probably.
- 1741-Hershberger moved that the language be adopted as an amendment.
- 1750-Chairman Cotten said it could be added without objection.
- 1756-Mr. Freeman wanted to change the shall to may in line 12. Representative Ostrosky the sponsor, thought that might be too permissive and wasn't quite clear on the difference.
- 1767-Mr. Waring reiterated that existing legislation already made planning, platting and zoning mandatory for first and second class boroughs thus making an official map mandatory.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 25, 1975
9:00 am

Meeting was called to order by Chairman Cotten to continue the discussion of the Municipal bond bank authority, HB 72 and 73. Present were:

Rep. Sam Cotten
Rep. Al Ose
Rep. Glenn Hackney
Rep. Oral Freeman
Barbara Englert Thomas, Staff
Don Berry, Municipal League
Ginny Kline, President, Municipal League

The purpose of this meeting was for the Committee to have a work session on the Municipal Bond Bank. Chairman Cotten questioned the provision for surety bonding of the Authority members. Rep. Freeman responded that this is pretty standard—it is like an insurance against dishonesty.

Rep. Hackney asked if we had a fiscal note. Cotten said no, but we could get one if the Committee felt this to be necessary. Rep. Freeman stated that the real problem with the fiscal aspect of this will come up in the Finance Com. Our Committee should be looking at the philosophy behind the bill. He stated that he has been in favor of it for 6 years or ever since the Municipal League began supporting it.

Chairman Cotten questioned sec. 44.58.090 (13). Freeman answered that this allows the Authority to invest extra money they have on hand - all in short-term investments by the nature of the provision. This just gives them a tool for prudent money management. Section 44.58.090 (18) allows them to purchase standard insurance. Section 44.58.170 is included because one government cannot tax another.

Mr. Freeman moved and Hackney seconded to pass the bill out of Committee today. Ose objected and wanted to hold it for the rest of the Committee; he withdrew his objection. Mr. Cotten suggested the Committee consider the amendments proposed by Mr. Wohlforth and Commissioner Gallagher. The Committee voted to vote the bill out of committee as amended (five do pass with attached amendments, one no recommendation).

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 26, 1975
9:00 am

Meeting was called to order at 9:10 by Chairman Cotten for discussion of HB 140. Present were:

REp. Sam cotten, Chairman
Rep. Kathryn Ostrosky, Vice Chairman
Rep. Al Ose
Rep. Oral Freeman
Rep. Larry DAVIS
Rep. Glenn Hackney
Rep. Mike Hershberger
Don Berry, Municipal League
Jack Chenoweth, Director, Local Government Assistance
Kevin Waring, Director, Community Planning
Barbara Englert Thomas, Staff
Andrea Guernsey, Staff

Mr. Freeman started by saying again that he wanted to change the word "shall" to "may" in line 12. He doesn't like mandatory laws for municipalities. He said 99% of the problems with local government seem to occur in Anchorage for some reason and then they impose a law on the rest of the State to correct thier problem. Chairman Cotten asked Mr. Waring if other areas of the State besides Anchorage had problems. Kevin answered that other areas of the State, mostly the large boroughs, support this kind of legislation. This bill serves to clarify because the statutes don't define an official map or give a time limit

Mr. Cotten wondered if they couldn't do it by ordinance.

Mrs. Ostrosky, sponsor of the bill, said it calls attention to the need for advance planning.

Chairman Cotten said if there was no time limit anyway it wouldn't make any difference if we did change shall to may. Kathryn said her cosponsors objected to using may.

Rep. Ose thought the Mat-Su Borough would have a hard time of it, surveying and staking all the undeveloped land. Rep. Hershberger thought the crux of the bill was in line 14--the map shall show existing and future streets etc. They aren't required to map the whole borough only the municipal center.

Mr. Cotten asked Mr. Berry if the Municipal League had any comment on the bill. He replied, no it was not on their policy statement. Mr. Berry then left at 9:30.

Mr. Freeman stated that he had spent some time on the executive board of the Municipal League and that they liked the idea of self government and the individuals in the Legislature weren't necessarily qualified to tell them how to run their business.

Mr. Hackney wanted to know what would happen to the municipalities if they don't comply? The bill doesn't provide for a time limit or any penalties; its more a directive, Cotten said.

Rep. Hershberger asked Rep. Davis what impact this would have on the North Slope Borough. Larry said it would be hard to plan and map out.

Chairman Cotten left at 9:35 and Vice Chairman Ostrosky took over the meeting.

Mr. Ose doesn't favor the bill. It might be good for Anchorage but not the Mat-Su Borough. Glenn thinks if it is directed towards Anchorage they should say for themselves and it should not be put on the whole state.

Mr. Hershberger suggested amending the bill to restrict the areas covered by the map. After the word "ordinance" on line 12, take out the word "an", add an s to the word "map" and then add "of incorporated or non-incorporated cities, villages and townsites". Mr. Waring commented that this would still address the areas with the problem.

Mr. Hackney doesn't see the reason for the bill. Doesn't seem to be any over-riding good. Chairman Ostrosky reiterated that the reason was advance planning, to put emphasis on having a comprehensive plan. Glenn didn't think you could foresee the future adequately enough to plan. Kathryn asked Kevin how other states have dealt with the problem. Kevin said that many states have legislation like this. The map is a document for use in planning. We need further definition because different legal interpretations have arisen. Paragraph A defines what the map should contain; Paragraph B sets down the procedures and paragraph C states that the map doesn't involve taking of property. Rep. Ostrosky says this is a chance for a new state to plan out its communities and avoid ugly cities an urban sprawl.

Mr. Hackney made a motion to table the bill; seconded by Al Ose. Vice-Chairman Ostrosky called for a vote. In favor to table were: Davis; Freeman; Ose; Hackney and Hershberger. Ostrosky was opposed.

Meeting was adjourned at 9:50.

Joint House and Senate

COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
February 28, 1975
9:00 am

Meeting was called to order at 9:10 by Chairman Cotten for a presentation on Revenue Sharing. Present were:

Rep. Sam Cotten, Chairman	Senator Pat Rodey, Chairman
Rep. Oral Freeman	Senator Orsini
Rep. Al Ose	Senator Bradley
Rep. Glenn Hackney	Pat Corbett, Staff
Rep. Kathryn Ostrosky	Katy Straube, Staff
Rep. Larry Davis	Barbara Englert Thomas, Staff
Rep. Mike Hershberger	Andrea Guernsey, Staff
Gary Thurlow, Anchorage Borough Atty.	
John Spencer, Anchorage City Atty	
Annette Viertel, City of Haines	
Donna Sherby, City of Cordova	
Wegley M. Howe, Mat-Su Borough	
Jessie L. Dorkim, GAAB	
Cheryl Probst, Anchorage Daily Times	
Edward A Stahla, city of Ketchikan	
Peg Benkert, City of Anchorage	
Ginny Kline, President, Municipal League	
Randy Phillips, House Minority	

(0-701) Mr. Thurlow started the presentation by passing out a statement on revenue sharing. His talk is going to show how state shared revenue program affects the Anchorage area right now and then how it affects other municipalities. The Anchorage area is broken up into service areas—Anchorage, Glenn Allen, Girdwood. State shared revenues can be distributed according to municipality and according to borough revenues instead of just within a municipality. Tax relief in Anchorage area now— for every dollar Spenard tax payers pay in taxes to local governments, the State puts up 20¢; Sand Lake—15¢; Glen Alps—\$1.45; Girdwood—73¢; City of Anchorage—26¢; Hillside—18¢. (The average is about 22¢). The Alaska Municipal League proposal would change these figures and substitute 50¢ for everybody, so every tax payer gets the same amount of tax relief.

Tax relief to local tax payer is one theory of revenue sharing. Under the existing law the municipality has to send the taxpayer notice indicating what the mill levy equivalent of State shared revenues is. The implication is the State is reducing his tax bill by so much. If it weren't for shared revenue in Spenard, for instance, the mill levy would be 21.68 instead of 19.68.

The other theory is to forget the tax payer and tax relief and look at how much goes out in per capita. (From \$9 in Chugiak [1973 figures] to 253 in Glen Alps per person). Mr. Thurlow said that on any type of revenue sharing program in order to have consistency of fairness, you either have to have the same figures in state shared revenue per capita or consistency in per capita. If you have consistency in

one you'll have it in the other. Most municipalities tax about 20 mills. The Anchorage area mill levy is 19.13 mills arrived at by dividing the total tax base into property tax revenues. Outside the Anchorage area it runs about 16-17 mills, and with a sales tax the amount is 20 or 21. The tax effort in the communities is roughly the same. You get about the same amount of money with per capita distribution as you would with matching of local tax effort. (An exception is North Pole whose tax levy is 2 1/2 mills and no sales tax.)

Revenue sharing ought to work with matching tax dollars or worked out from the stand point of getting money out to each individual. The bill to increase fire protection from \$5 to \$15 is a straight per capita revenue sharing bill because almost any municipality can qualify under it.

There are two myths that he would like to explode. The first is that Anchorage will take all the money, and that its wealthier than other parts of the State. This is not true; the per capita income in Anchorage area (1973) is \$4100 per person. Fairbanks is \$4300 and Kodiak is \$4200. The second myth is that the tax effort in Anchorage is smaller than in other areas. This only seems so because there is no sales tax.

You can't devise a revenue sharing formula based on per capita for the smaller communities. SB 105 allows communities to opt out of the standard revenue sharing formula and go off on block grant basis. The bill gives \$10,000 per community and \$30 per head. The communities with small population wouldn't come out on per capita basis. There is a lot of hit and miss with the present program particularly as it affects the smaller communities. Thurlow thinks that we're going to have to handle the smaller communities different than those in Anchorage area, which have property taxes etc.

The firefighters want the increase in fire protection to be earmarked for that purpose only. This wouldn't affect the Anchorage area because they easily spend \$15 per capita on fire protection, but the smaller communities may have some trouble. How are you going to police them if they spend the money on something else? Revenue sharing should be a tax relief for local tax payer and not categorical assistance—carry out a State program using local governments, or it should be a straight per capita distribution.

The Municipal League bill is a tax relief program. Fire protection bill is a straight per capita distribution, as simple as you can get. If you're going to have consistency in tax effort and per capita distribution you need a simple formula but when you start getting complicated someone will get left out.

The cost of government will go up a lot in the next two years. Mayor Roderick eventually hopes that oil and gas revenues will go to municipalities. Would like to see formula providing for that type of distribution for when the money gets here.

Mr. Thurlow thinks that the present program could be totally revised with the money that would be spent to increase the present one.

(701)Mr. Spencer from Anchorage wanted to make a few comments. He said the municipalities take the brunt of the problems when it comes to delivery of services, which cost more money every year. Do we want to pass on this benefit we have through natural resources to the local governments and let them handle the services to the individuals or do we want to start handling more things on the State level? His thoughts are that the municipalities can do better on the local level than the State could do for everyone. Wants as much money transferred back to the municipalities as possible. How do you transfer funds? The Municipal League formula says that for every \$1 of taxes that you pay on scenic park you get 50¢ back to government which provides those services. There is a built in check and balance--if the taxes were raised to much you'd forget it and if they were lowered too much the State wouldn't contribute shared revenue. There are block grants for smaller communities which must have built in floor.

The bills in the Senate and House are ones that all the municipalities voted on and approved. The people want a new formula. Spencer talked to the Governor, who like the idea of tying a mill rate leveling concept in it so one community didn't pay 25 mills like Seward, and another pay 2 mills and get the same amount of dollars back from the State. Spencer said this was just a minor technical thing to be worked out in the bill.

(893) Chairman Cotten asked Mr. Thurlow what program he had in mind, using the \$3,000,000 that it would cost to increase the present revenue sharing. Thurlow said if you come up with a new formula you're not in a position to cut any municipalities back. With a new program you'd have to put more money into it and he thinks the \$3,000,000 would be enough to start

(917) Mr. Cotten said that the hold harmless clause in the Municipal League bill really means that before any pro ration of the formula took place that community would be allowed at least as much as they had before and if it were to be pro rated they would in effect get less.

(925) Thurlow agreed. The cost of the hold harmless clause in the League bill is minor (\$250,000). Mr. Spencer said they can't pass any new concept that is going to hurt anybody.

(950)Rep. Freeman asked if it wasn't true that many communities get revenue sharing for fire protection that don't get it for police or other things? If you had x dollars for revenue sharing and tripled the amount for fire it comes out of someone else's skin. Yes, it would so you have to change the whole thing because no community can come up with less.

(983)Freeman said that considering the finance of the state, you could give everyone more money with a new formula but no one will get it because the money isn't available. Two years ago it was 8 million, this year it's 14.

(996) Mr. Spencer realizes this, going to cost \$28 or \$29 million to fund this. But this doesn't change the concept of the formula. Formula can be funded on 50%, nobody would get less than before. Cotten asked if this was before or after pro ration. Spencer replied that nobody would get less than before if they opted that way--even after pro ration.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 3, 1975

Meeting was called to order by Chairman Cotten at 9:00. Present were: Representatives Cotten, Davis, Freeman and Ose.

The Committee made the decision not to sponsor the Houses own negative resolution for Boundary restrictions on the annexation to the Haines Borough.

HB 39

Rep. Freeman, Sponsor, wants reactions of others (Community & Regional Affairs) and the effects on other communities. Chairman Cotten agreed to reschedule this bill again when they can meet with Community & Regional Affairs.

Agreed to meet at 3:00 pm the same day.

No further business---meeting adjourned.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 5, 1975

Meeting was called to order at 9:05 by Chairman Cotten for discussion of HB 121. Present were: Representatives Ose, Davis, Freeman, Hershberger and Cotten. Also present were Representative Parr, Sponsor of the bill, Mr. VanHoute, National Education Association, Barbara Englert Thomas, Staff and Andrea Guernsey, Staff.

Mr. Van Houte gave a short testimony on the bill. He said ^{the} of the problems was a person that didn't return immediately to teaching after the military would lose the credit. This was also not a free credit bill. the people would have to pay in ~~the~~ the money that they would have had they been teaching.

Chairman Cotten asked who administered the funds. Rep. Parr said the Dept. of Revenue did the bookkeeping and the Dept. of Administration handled the rest.

Rep. Freeman made a motion to move the bill out of Committee. Ose, Davis, Cotten and Hershberger signed due pass—Freeman no rec.

Meeting adjourned at 9:20.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 5, 1975

Meeting was called to order at 3:20 by Chairman Cotten for discussion of SSHB65.
Present were:

Rep. Sam Cotten	Rep. Ramona Kelley
Rep. Al Ose	Rep. Bowman, Sponsor
Rep. Larry Davis	Bob Dozier, State Assessor
Rep. Oral Freeman	Barbara Englert Thomas, Staff
	ANDrea Guernsey, Staff

Rep. Bowman started by saying that the purpose of the bill was for the person who homesteaded or perhaps built their own home and then either a developer comes in next door or the community expands and the taxes go up so much that this person can no longer afford his home. This is addressed to farmers and small land owners.

Chairman Cotten asked if he intended to take out the provision for State reimbursement, without it the municipalities would suffer. Mr. Bowman didn't see that he had.

Mr. Freeman asked if there was a requirement that the land be used as a home? Bowman said no, but he had no quarel with putting in a requirement. Freeman also commented on the fact that there was a limit of 160 acres in the original bill but no limit in the substitute.

Dozier said that the first section of the sponsor substitute was already covered in the Statutes.

Chairman Cotten appointed a subcommittee of himself and Ose to work with Rep. Bowman on the bill. Cotten favors the bill but doesn't want the municipalities hurt..

Meeting adjourned at 4:30.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 6, 1975

Meeting was called to order by Chairman Cotten at 9:00 for discussion of HB 227 & CSSB127
Present were: Rep. Cotten; Rep. Ose; Rep. Davis; Rep. Freeman; Danny Plotnick, Office on
Aging and Bob Dozier, State Assessor; Barbara Englert Thomas, Staff; Andrea Guernsey, ST

941-Plotnick started by saying that his office was in favor of the bill if it was in
concurrence with Community & Regional Affairs. He read a letter from someone who had
missed the deadline--HB 227 would take care of that problem.

978-Dozier was also in favor of the bill. He thinks it should be flexible but still
should have a deadline to make the administration of it a little easier. He made the
suggestion that late filers should have a penalty of some sort. He gave a run down of
the calender and said the municipalities have the power to accept the application
virtually any time of the year as it now reads in the bill. He would like to see a
deadline.

1075-Rep. Ose asked why we had this every year. Dozier said the assessor had no way of
knowing what the individual has been doing. Just a routine check up.

1101-Mr. Plotnick stated that the Office on Aging would have no objection to adding a
deadline. Suggestion on line 27 after the word "him" add: provided that the application
be received by X date.

1133-Ose, what is the first date that they can file? During any time, Dozier said.

1138-Freeman asked if the state reimburses and if the cut off date was a problem for
the State. Dozier replied that yes the state did and no there was no problem. It wasn't
any great problem and the cut off date was not absolutely necessary.

Cotten favors the bill but doesn't want it amended to provide for filing date. Ose made
a motion to pass the bill out. All signed due pass.

CSSB 127

1271-Dozier said this bill adds to the senior citizens property tax exemption. There is
a problem with the wording in a couple of places; doesn't say to whom amount of money will
be paid, it should be specified- to the local governemtn or to the State?

1359-Freeman wanted to know where the money to reimburse comes from and what guarantee
there is. Dozier said it was in the budget. This program hasn't been submitted. A
separate BRU. Suggested wording: line 19, new sentence: "payment by the owner shall
be made to the State to the extent of its reimbursement for revenue lost under this
section."

1442-Dozier also said there was a conflict in the definition of resident.

1474-Cotten questioned about water and sewer assessment. Aren't required by federal law
to hook up to water. Why distinction between water and sewer, should be for both.
Dozier also suggested there be a limit on the amount of land.

1550-Freeman-What is the fiscal note? \$100,000.

Meeting adjourned end tape

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 11, 1975

Meeting was called to order by Chairman Cotten at 9:00 for discussion of HB 88.

Present were:

Rep. Larry Davis
Rep. Kathryn Ostrosky
Rep. Mike Hershberger
Rep. Oral Freeman
Rep. Glenn Hackney

Phil Wall, Dept. of Revenue
Don Berry, Municipal League
Ginny Kline, " " "
Robertson, public Safety

Rep. Mike Miller, Sponsor
Barbara Englert Thomas, Staff
ANDrea Guernsey, Staff

3-Cotten gives short introduction.

32 - Mr. Miller, Sponsor, made short comments. Said the bill was purely permissive, not mandatory.

111 - Mr. Berry comments.

154 - Rep. Hackney asks why not levy \$25 against each vehicle instead of 5. Sec 2 para C What is the cost of collection? Would be a good rip off for the State, he sees lot of holes.

202 - Cotten comments. Miller says that that sort of standard collection appears in many places in the statutes. Doesn't think the State would rip off.

243 - Rep. Ostrosky asked in what other areas the State does this. Mr. Berry said there was a problem with business licenses.

277 - Rep. Ostrosky commented on what Hackney said about not wanting to pay for someone else's vehicle. Part of community responsibility and pride.

292 - Hackney thinks guy who abandons car should pay. Chairman Cotten said that often the person responsible can't be found. He then asked if department in the bill meant the Dept. of Revenue. Yes it did.

325 - Mr. Wall heard a rumor of possible money for highway beautification coming from the feds but that still wouldn't take care of the State wide problem. He sees administrative problems with the bill--where does the person actually live; which municipality qualifies; and who shares.

418 - Cotten-The fiscal note says \$5 X 275,000. 275,000 is the total number of vehicles registered in the State. Wall said 97% of the vehicles are within municipal boundaries and 67% of those are in Anchorage.

454 - Rep. Hackney asked about travel of the motor vehicle investigator. What does he do Mr. Wall said that the vehicles need to be looked at closely before being recycled. Determination of whether to resale or scrap.

483 - Hackney-What makes determination to resale? Wall-Recognized evaluation or blue book

543 - Cotten-Isn't it already a State responsibility? Wall said that Anchorage had a crusher and then they sell the junk to a place in Seattle. IT pays its own way but not if they go outside borough limits.

595 - Cotten-Anchorage is the only one who could afford to do that.

614 - Berry feels the cities will have the responsibility, not the State.

632 - Rep. Freeman asked if the cities didn't already have the authority to levy the \$5.

- Yes, what we're really talking about is collecting the money. He doesn't want to see the State involved.
- 648 - Miller comments. Freeman thinks it's too complicated.
- 688 - Cotten wonders about the address problem. Mr. Wall said they would have to write the person or talk to him.
- 706 - Rep. Ostrosky thinks it would take care of the problem to get the persons address when they apply for their license or plates. Wall said that 50% of the renewals are by mail. That's where the problem lies.
- 741 - Cotten asked if they included the cost of determination in the fiscal note. Yes.
- 767 - Cotten asked what is being done about the problem now. Private industry mostly, Wall said. Cotten wanted to know about the \$47,000 spent in the first year. Why, was it half the second year. First year will have extra expenses, Wall said. Mail costs and computer costs. Cotten said there would be no real loss of State money because the money was recoverable.
- 826 - Hackney-How will the cost incurred by the Department be determined? Separate coding and accounting system. They will also be audited by another state agency.
- 853- Hackney-The State never gets backs the true cost. There is no way to determine the true cost.
- 859- Wall agrees with Hackney. No way to measure the intangibles.
- 886- Cotten-Problem with the city decides to and the borough decides not to.
- 894 - Hackney commented on the address problem again.
- 951 - Cotten asked Mrs. Kline if there was an ordinance in Juneau about vehicles. Kline said there wasn't one against them in your own yard.
- 963 - Wall-There is a wave of environmental ordinances. Kline said the problem was cars on the side of the road and not on personal property. Hackney asked for figures. Mrs. Kline said she would get them.
- 986 - Wall said that 400 vehicles were picked up in Juneaus first clean up.
- 996 - Cotten-Now responsibility of state to assist municipalities. Wall said Anchorage will probably continue contracting with private industry.
- 1084 -Freeman doesn't think it will solve problem. The State should have the responsibility Needs to be on State wide basis with State wide agency.
- 1141 -Cotten-Earmark funds? Another means for municipalities to raise funds.
- 1156 -Berry-HB 88 doesn't say that you have to raise the registration fee.
- 1169- Freeman-Amounts to an extra five bucks. Wall-Line 24 says "in addition to".

Meeting adjourned at 10:00. (1176)

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 12, 1975

Meeting was called to order at 9:00 am by Chairman Cotten for discussion of CSSB 127.

Present were:

Rep. Sam Cotten	Rep. Kathryn Ostrosky
Rep. Larry Davis	Rep. Mike Hershberger
Rep. Glenn Hackney	Barbara Englert Thomas, Staff
Rep. Oral Freeman	Andrea Guernsey, Staff

Bob Dozier, State Assessor
Don Berry, Municipal League
Lee Sharp, City Borough Atty., Juneau

0- Chairman Cotten gives introduction.

- 14 - Lee Sharp gave his comments on the bill, which are stated in a letter passed out to committee members. He made the point that the way the bill is written only general law municipalities can give exemption. Bill should be changed to include home rule cities. (157) Does the recapture provision provide only to water or for sewer also? The section should be redrafted to make it clear that it applies to both. How is C&RA going to recapture themoney?
- 261 - Cotten asked if water assessment was a one time thing. Sharp says yes.
- 313 - Cotten comments on senior citizens making a water connection versus those who don't.
- 330 - Sharp said if they make the connection they're liable for the payment. If they are exempt, reimbursment will come from C&RA to the municipality.
- 373 - Cotten-Hypothetical situation of an exempt person selling before he made a connection to a person who was non exempt. Sharp said that C&RA would pay for the first person and would have to police after that.
- 454 - Cotten calls on Mr. Dozier, Assessor, for his comments.
- 456 - Dozier had basically the same comments that Mr. Sharp made. He said that under the present wording of the bill deferred taxes covers water and full exemption is given to sewer. The recapture part should also be worked out.
- 480 - It was brought up that the lien should be against the property.
- 488 - Hackney thinks the purpose is for the State to pick up the tab. Cotten explains what happens.
- 510 - Freeman wants to know where the recapture assessment goes. Berry says the money ought to go to the State.
- 551 - Sharp reiterates that the recapture provision should be redrafted and clarified.
- 600 - Cotten asked for possible redraft, on line 18. Clearly establish lien that runs in favor of State.
- 637 - Hackney commented that this was another revenue sharing bill.
- 645 - Cotten-Does this bill have a retroactive clause? Sharp says no.
- 679 - Hackney-Bill is mandatory and doesn't give the municipalities any room.
- 689 - Freeman wanted to know what would happen if C&RA didn't have enough money to pay everybody. (705) Dozier said if they can't pay there is a provision in the administrative code. Lien on property. (714) Cotten-What does it cover? Dozier explains.
- 736 - Dozier brought up the fact that the residency requirement is written differently

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 13, 1975

Meeting was called to order at 9:00 for discussion of HB 136 and HB 259. Present:

Rep. Kathryn Ostrosky Rep. Glenn Hackney
Rep. Oral Freeman Rep. Mike Hershberger
Rep. Larry Davis Rep. Sam Cotten, Chairman
Rep. Al Ose
Barbara Englert Thomas, Staff
ANDrea Guernsey, Staff
Michael Harper, Deputy Commissioner, Dept. of Community and Regional Affairs
Roger Lang, President, AFN
John Shively, Vice President, AFN
Don Berry, Municipal League
Jack Chenoweth, Director. Local Government Assistance, C&RA
Pat Corbett, Staff, Senate Committee on C&RA
Senator JOe Orsini

- 1182 - Harper started by saying that there were approximately 115 communities that the State would be trustee for. He suggested several changes: rather than the Director of Local Government Assistance administering they want the commissioner of Community & REGIONAL Affairs. The Director already has too many other things to take care of and can't devote enough time. 2) In sec B, they want to change village corporations to some member of the State, preferably C&RA to identify the land. This person would have equal weight on a committee of the president of the village corporation concerned, the president of the regional corporation.
- 1230 - Rep. Hackney asked why they wanted the State in on the decision. Harper said the State has the obligation as trustee so they should have part of the decision.
- 1237 - Hackney-How do you identify the land? Basically surveying, Harper said.
- 1243 - Freeman-Is this all new language? yes. Is there anything on the books now? No. Why do villages want to convey land to the State in trust? Harper answered that there was a provision in the land Claims Law.
- 1269 - Hackney-The mechanism is not included in the Act? Harper said no, its a matter of debate.
- 1282 - Hackney thinks they're doing what the State is trying to avoid.
- 1299 - Freeman asked if the State will have to also take on the expense. Yes.
- 1305 - Ostrosky asked if these amendments were suggested by the Dept. of C&RA. Yes.
- 1314 - Harper reads a passage from a letter from the A.G.
- 1329 - Freeman asked if there was going to be testimony in opposition to this bill. Yes.
- 1338 - Mr. Harper continued with his suggested amendments: change sec D, a public hearing held in the community by the Commissioer would suffice; 2) add a new section H to allow the Dept. to employ legal counsel when dealing with other State agency to avoid conflict of interest. (1378) Hackney asked if the mechanics would be to contract for legal counsel.
- 1393 - End Harper.
- 1394 - Chairman Cotten asked Mr. Lang for his comments but he deferred to Senator Orsini.
- 1402 - There were a few things that Senator Orsini was concerened with. He also wants C&RA involved in sec 1, subsec B. IN line 24 and 25 he wants to delete the wording excluding private dwellings and commercial activities. Defeats the purpose of the bill which is for the community to expand.

in this bill than in the statutes covering senior citizen property tax exemption. It should be the same. There is also no limited amount of property. (832) Hershberger thinks it should be confined to the persons one house and not all his property. Cotten comments. (847) Assessment based on amount of land. Should be some limiting factor. Suggested dwelling unit limited to 5 acres.

- 895 - Cotten asked if there was a limit on the Senior Citizens property tax exemption. He didn't think there was. Dozier explained that there was a limit.
- 931 - Hackney-What is the price tag on this?
- 941 - Dozier-Sewer would be \$400,000 in a lump sum but the State would pay in installments at \$75,000 a year.
- 1004- Cotten talked about the residency requirements again. Dozier-Constitutional problem. Residency very broad. Different for different things. Cotten wants to get the A.G.'s opinion on resident.
- 1060 -Cotten asked for further comments from the committee. Davis didn't like the fact that there was no limitation on annual income or property value. Is this a bill to help the needy or the senior citizens? (1118) Dozier said the easiest way would be to place a limitation on the assessed value. HE GAVE THE figure of \$100,000.
- 1151 -Hershberger moved to table the bill.
More researched needs to be done.

Meeting adjourned at 10:00. (1160)

Chairman Cotten asked Orsini for his opinion on Harper's amendment concerning conveyance. Orsini didn't have any particular opinion.

- 1486 - Orsini continued with amendments: Conveyance in section D should be defined. "Surface resources" should be used instead of "materials". 2) sec D, subsec 1- The public is living in the area so they should decide what to do withland. Delete village corporation--doesn't include non-native. 3) sec D, subsec 2- the process is cumbersome, C&RA should do it in consultaion with the Commissioner of Natural Resources and the Director of Planning and Research. 4) sec E- define fiscal year--who's. DEfine municipality--under the law that includes cities and boroughs. If it's for just the village then you should change the wording. 5) sec F--definition of investments; staatment should also be sent to village council. (1564) sec f-administrative costs.
- 1575 - Orsini had said that these recommendations were made by a Mr. Katz. Freeman asked who he was. The Attorney for Federal State Land use Planning Commission.
- 1582 - Mr. Lang now presented his comments. As for Orsini's comments about private dwellings on line 24, Lang said that was put in there last year by the State and AFN had no qualms with removing it. He has no qualm with deleting village corp. for transference but he does with restricting to public hearing.
- 1660 - Hackney-1280 acres X 112 villages
- 1673 - Lang- Transfer of lands basis of Act. He has qualms about the State being part of the land selection process.
- 1712 - Cotten & Shively-Village lands and BLM.
- 1726 - Ose asked if it was possible to take land from unincorporated cities. No, may only select from vacant or unappropriated lands. (1747) Does the land have to be in one area? Yes, has to be compact.
- 1751 - Freeman still doesn't get it. This bill is talking about mechanics of a Federal law.
- 1778 - Ostrosky asked about the private land part again. Shively responded. (1796)(Tape ran out)

Lang talked about working out a system iwth the Feds for an interim document.

Ose brought up the subject of selecting lands in piece meal. GAVE the example of Tok. Shively answered that there were a few times when this happened. One was when the State picked a lot of land near by or when there were private lands.

Meeting was adjourned at 10:00. HB 259 was not taken up today.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 14, 1975

Meeting was called to order for discussion of HB 259 and HB 136. Present were:

Rep. Sam Cotten, Chairman
Rep. Kathryn Ostrosky
Rep. Glenn Hackney
Rep. Larry DAVIS
Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Rep. Jim Duncan, Sponsor, HB 259
Don Berry, Municipal League
Senator Joe Orsini
Pat Poland, Local Government Specialist
Rep. Oral Freeman
Rep. Mike Hershberger
Rep. Al Ose

- 1175 - Duncan stated that a CPA is often too expensive for small municipalities. The bill would allow them another option.
- 1192 - Cotten asked about the language, was it definitive enough? Duncan said there was no licensing requirement for accountants.
- 1210 - Rep. Ostrosky commented it was just another word for skilled bookkeeper.
- 1216 - Hershberger doesn't think there'd be a problem because it would be obvious in a small community who is qualified to do the work.
- 1222 - Another change Duncan wanted to make was to delete "may be required to provide" on line 12 and 13. Sam agrees. He wonders if they should add the word practising on line 15 in order to qualify the accountants. Duncan thinks it would be too restrictive, doesn't want it.
- 1246 - Hackney wants to know if they're going to hear from the CPA's about this bill.
- 1251 - Chairman Cotten asks Mr. Poland for the Dept. of C&RA's thoughts. He said Rep. Duncan had expressed the same thoughts. He said the bill wouldn't change the existing situation because CPA's are not required as it is right now.
- 1273 - Duncan doesn't think the CPA's would be adverse to it.
- 1296 - Ose gives example of Haines.
- 1307 - Duncan talks about public accountants. NO requirement now for CPA to do audit.
- 1332 - Ose says opening up to anyone with bookkeeping knowledge.
- 1337 - Cotten asked what are the qualifications for public accounting. There is an exam, Duncan says, but it is more stringent to be a CPA.
- 1368 - Freeman makes motion to amend by deleting "may be required to provide" on line 12 and pass the bill out.

Bill was amended and signed by 5 members due pass.

- 1309 - HB 136
- 1400 - Senator Orsini makes further comments.
- 1411 - Chairman Cotten gives a summary of the bill to Mike Hershberger who was absent at yesterday's meeting.

Committee discussion continues to end of side 1.

Meeting adjourned at 10:00 until 11:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 18, 1975

Meeting was called to order at 9:00 for discussion of CSSB 127. Present were:

Rep. Sam Cotten, Chairman	Rep. Larry Davis
Rep. Kathryn Ostosky	Rep. Oral Freeman
Rep. Al Ose	Barbara Englert Thomas, Staff
Rep. Glenn Hackney	Andrea Guernsey, Staff
Bob Dozier, State Assessor	

(7) Cotten gives introduction. He has had a House Committee Substitute for CSSB 127 drawn up. Changed first line--amount of property. Line 18--lien established in favor of State. Changed the language about abode to the same used in the Senior Citizens Property Tax Exemption. Cotten read a letter from Kenai suggesting adding disabled persons to the exemption. Chairman Cotten asked Mr. Dozier THE price for sewer assessment.

(126) Dozier said sewer would be \$27,500 for a year, excluding Fairbanks. Adding Fairbanks wouldn't be over \$50,000.

(196) Cotten asked for the cost to individual. Dozier hasn't figured it but it is based on square feet.

(230) Rep. Freeman said there was great diversity in cost and sited the case of Ketchikan where it is very expensive because of having to drill into rock. There it averaged \$1500/lot.

(280) Mr. Dozier suggests taking out the part about lien. Suggest limit of land-20 acres in rural areas.

(468) Cotten notes there is no mention of pay back by the State in the original bill.

(470) Dozier reads a letter from Gary Thurlow, Anch. Borough Atty.

(547) Cotten said that without a lien there is need for a restriction on land but with it you can have unlimited lands.

(579) Rep. Ostrosky sees two choices; exempt land on which the person actually lives or exempt all land with lien. (585) Cotten responds.

(605) Dozier brings out the fact that on transfer to heir the lien is forever forgiven (line 22). This could provide a rip off. (632) Cotten responds.

(648) Hackney asked why heir was included. Cotten responds. (677) Hackney would like to see heir deleted.

(690) Rep. Ostrosky runs through the choices.

(722) Cotten asks Mr. Dozier about property exemptions, especially in the case of a religious organization. Dozier replies.

(776) Rep. Ostrosky asked about a \$15,000 income limit. It was Thurlow's idea, Dozier said, and was too cumbersome. (819) Is there any limitation now, Ostrosky asked? No, Dozier said, but it has been limited verbally to 5 acres in rural areas.

(847) Ostrosky-20 acres in rural, 5 suburban, 1 urban. (Dozier) Presently there is no limitation in the definition, up to assessor.

(870) Hackney says there are not too many places with water and sewer. The bill was really written for Homer, Dozier said. (908) Hackney-The application would be in the Anchorage area mostly. This would not apply in rural areas.

(951) Chairman Cotten asked the Committee if there were any objections to giving senior citizens sewer exemptions? There was none but Freeman doesn't want to see a rip off.

- (963) Cotten brings up question of land: all land exempt or small plot?
(989) Freeman in favor of limitation. Do away with heirs.
(1073) Ose basically agrees with Freeman.
(1090) Ostrosky-limit size of land.
(1098) Cotten-What about residency? No objection from Committee. What about lien?
It would avoid rip offs.
(1120) Ostrosky asks how that works; person who buys lot from senior citizen wouldn't get assessment? (1131) Dozier explains. If sold to anyone someone pays--if given to heir forever forgiven.
(1145) Hackney has question on line 26.

Meeting adjourned at 9:55. (1154)

MEMO TO CHAIRMAN HUGH MALONE & SAM COTTEN

Regarding: Joint hearing on HB 171 (companion bill SB 185), "An Act relating to creation of a water resource revolving loan fund; and providing for an effective date"

TENTATIVE ORDER OF WITNESSES TO TESTIFY BEFORE THE JOINT COMMITTEES

- ✓ 1. N. L. "Pat" Teague, City Manager, Ketchikan
- ✓ 2. Rocky Gutierrez, City Administrator, Sitka
- ✓ 3. Ole Johnson, Kodiak Electric, Kodiak
- ✓ 4. Dr. Roger Kemppel -- City of Anchorage
- ✓ 5. James Eide, City Manager, Wrangell
- ✓ 6. H. D. Scougal, City Manager, Petersburg
- ✓ 7. Dick Ballard, Thomas Bay Power Authority, Wrangell
8. Mark Chisum, City Manager, Cordova **LEFT early.**
- ✓ 9. Herb Lehfelt, City Manager, Valdez

- ✓ 10. Bill Boardman, Legislative Representative, Southeastern Conference

- ✓ 11. R. W. BECK & ASSOCIATES (Analytical & Consulting Engineers)
 - A) James V. Williamson
 - B) Donald E. Bowes

- ✓ 12. Don Meyer (Marshall & Meyer), Bond Consultant

JOINT HOUSE JUDICIARY
and
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 19, 1975

Meeting was called to order at 9:00 for discussion of HB 265, 266. Present were:

Rep. Sam Cotten, Chairman C&RA	Terry Gardiner, Chairman Judiciary
Rep. Oral Freeman	Rep. Tom Fink
Rep. Kathryn Ostrosky	Rep. Fred Brown
Rep. Al Ose	Rep. Parr
Rep. Glenn Hackney	Paddy Moriarty, Staff
Rep. Mike Hershberger	Tom Turnbull, Staff
Rep. Larry Davis	
Barbara Englert Thomas, Staff	
Andrea Guernsey, Staff	
Don Berry, Municipal League	
Don Clocksin, Deputy Director, Alaska Legal Services	
Michael Harper, Deputy Commissioner, C&RA	
Dave LeBlonde, A.G.'s office	

Don Clocksin started his testimony in favor of the bills by giving their background. This idea came out of the Bush Justice Conference held in Minto in June, 1974. There is increasing pressure on rural Alaska and increasing needs for technical assistance, especially in the legal area. The Department of Community and Regional Affairs has several Local Government Specialists which often serve as quasi lawyers but the need is greater. The grants under this program will go to local governments or villages in unincorporated areas. They will not go to individuals. Mr. Clocksin gave the example of the problem Angoon has. Anggon applied to EDA for funding for a warehouse and dock operation but EDA told them they needed a lawyer. This is one example of when this program would be utilized.

Mr. Clocksin stated that originally they asked for \$100,000 in HB 266. Rep. Brown said he didn't think the money should only be appropriated by the Legislature but that they should use federal monies if they can. Clocksin said this might be possible. Brown also said mention of villages created by the Native Claims Settlement Act only cluttered up the bill. Clocksin said this was so there was no future chance of misinterpretation on who is eligible. Rep. Brown said that \$50,000 was not enough to help anybody. There was no way to know right now, Clocksin said.

Much of the rest of the hour was spent talking about costs of incorporation and the assistance that C&RA offers. Mr. Harper offered basically the same viewpoint as Mr. Clocksin and answered the Committee's questions about his department, and their role in this program.

There was discussion on the best way to utilize a lawyer for the program: a full time person on the staff of C&RA; a lawyer in the A.G.'s office (would cause conflict of interest); roving city manager.

Meeting was adjourned at 10:00.

Joint Finance & CRA

March 19, 1975

Meeting was called to order at 3:00 for an informational meeting on HB 171.

Present were the House Finance and Community & Regional Affairs Committees and Staff. (See attached list of witnesses testifying.)

I. N.L. Pat Teague, City Manager, Ketchikan

Submitted statement.

II. Rocky Gutierrez, City Administrator, Sitka

Submitted statement.

III. Ole Johnson, Koidak Electric, Kodiak

Submitted statement.

IV. Dr. Roger Kempel, City Attorneys office, Anchorage

Mr. Kempel stated that Anchorage gets 9 million/gals/day from wells in Anchorage. Ship Creek gives 10 1/2 million gals/day. They're approaching the end of the line with the wells because they are reducing the ground water table. An estimate by the U.S. Geological Survey says that with full developemnt of ground water resources water will last until 1976. Need a new alternative. Might be possible to either damn ship creek or put in an off stream storage, but the soil is not right for dams. Anchorage is quickly running out of water.

V. Jim eide, City Manager, Wrangell

Wrangell is 100% dependent on diesel generation. Fuel costs have gone up 160% in last few years. Utility rates were increased 44% last year--this year another 16%. The average cost for a home is \$43/month. Hydro power is dependable, cheaper, renewable and non polluting.

VI. H.D. Scougal, City Manager, Petersburg

Heating fuel--\$90/month for home
electricity---\$50/month for home

VII. Dick Ballard, Thomas Bay Power Authority (Chairman), Wrangell

Reiterated basically same opinions as others.

IX. Herb Lehfelt, City Manager, Valdez

All energy by diesel generators. Agrees with others.

X. Bill Boardman, Legislative Representaive, Southeastern Conference

He said financing was the problem. REA is not available. EDA as a funding agency is not available either. Same opinion as others

XI. R.W. Beck and Associates

Submitted written statements.

XII. Don Meyer, Bond Consultant

Urged passage. The problem is too big for communities to handle themselves.

XIII. Joseph Henry, Juneau Chamber of Commerce

Supports concept but the vehicle is not good. Advocates creation of Alaska Power Authority to develop hydro potential. Submitted proposed substitute. Mr. Boardman said they had already discussed the idea and decided it wouldn't work; it would add another state department and won't solve financing. Constitutionality of State guaranteeing loans.

XIV. Bill Ruddy, Atty of Thomas Bay Power Authority

Rejects power Authority idea. It would take three years to get going. Keep local control of projects.

Meeting was adjourned at 5:20.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
March 20, 1975

Meeting was called to order at 9:15 for discussion of HB 136 (land conveyed in trust).
Present were:

Rep. Sam Cotten, Chairman	Rep. Larry Davis
Rep. Kathryn Ostrosky	Rep. Glenn Hackney
Rep. Oral Freeman	Andrea Guernsey, Staff
Rep. Mike Hershberger	Barbara Englert Thomas, Staff
Jack Chenoweth, Director, Local Government Assistance	
Senator Joe Orsini	
Kathy Jacobson, Natural Resources	

Mr. Chenoweth passed out a proposed substitute which was drawn up by Mr. Waring of Community Planning and the A.G.'s office. (1158) Mr. HACKNEY didn't like it; no mention of who selects the land. It was pointed out that selection is covered in the Native Claims Act.

(1171) Chenoweth talks about an interim document that would be issued by the BLM to be used as a title to the land.

(1196) There was considerable discussion of the meaning of the words "adverse possession" and "prescription". It was decided after discussion and looking at the law dictionary that they both meant basically "squatters rights".

(1219) Cotten and Orsini discuss what "profits" might mean. Senator ORSINI said that since it was free if you sell any land at all it would be a profit. The State might sell a lot.

(1259) Rep. Hackney wanted to know if this included subsurface rights. No it does not.

(1319) Paragraph B of the new draft was discussed. Hackney wanted to know the procedure behind the village transferring land. Was it a legal procedure? Chenoweth answered that it would mean a public hearing or show transfer of title a benefit to the community. Para B covered transfer of land after selection, Orsini said.

(1395) Rep. Ostrosky asked if this draft had the endorsement of the AFN. Chenoweth didn't know for sure since the draft was just finished last night.

(1415) Senator Orsini would like to see language included concerning professional planning in selection of land. (1470) Ostrosky said that according to the Act, the Regional Corporations are involved and this is where the expertise would come from.

Chairman Cotten wants to talk further with Roger Lang and Shively of AFN before anything further is done.

Meeting was adjourned at 10:00.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 21, 1975

Meeting was called to order at 9:00 for discussion of HB 16 and HB 140. Present were:

Rep. Sam Cotten, Chairman Rep. Larry Davis
Rep. Kathryn Ostrosky Rep. Al Ose
Rep. Oral Freeman Rep. Mike Hershberger---absent
Rep. Glenn Hackney
Barbara ENglert Thomas, Staff
Andrea Guernsey, Staff
Kevin Waring, Director, Community Planning
Don Berry, Municipal League
Rep. Jim Duncan, Sponsor, HB 16
Al Judson, Firemen

HB 16

Duncan said this was the same bill as in the Senate, only the figures were different.

(58) Mr. Judson gave a small dissertation on why fire protection needed more money: shortages, all costs have gone up tremendously.

(166) Rep. Freeman asked if communities are required to spend X dollars for fire protection out of revenue? Not now, Duncan said, but HB 15 would earmark for fire.

(203) Freeman-If there is a village that gets only fire protection revenue sharing the increase from \$5 to \$15 would mean a lot of change, but for Anchorage the money would be the same but percentage wise would be smaller.

(368) Ose explains. If they raise fire protection to \$15 the increase would be %300 but Anchorage would have to take a decrease in other areas. (400) the top figure would have to go up equally.

(536) Mr. Berry suggests a committee substitute for the Senate bill.

(643) Freeman has reservations but moves to report HB 16 and SB 40 out.

The Committee amended SB 40 to \$15 and moved it and HB 16 out of committee.

HB 140

(873) Rep. Ostrosky moves to untable. Suggested amendments: line 12-change shall to may, delete "an", add an "s" to map. After map add "of cities and townsites". Line 23-add after "building", "or other structure located within a bed of a".

She asked Mr. Waring for comments but he had none.

(967) Freeman would rather see a committee substitute.

CSSB 111am

Committee moved the bill out. (Eagle River) (1026)

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 24, 1975

Meeting was called to order at 9:00 for discussion of SB 120, 121, Day Care. Present were:

Rep. Sam Cotten, Chairman	Rep. Mike Hershberger
Rep. Kathryn Ostrosky	Barbara Englert Thomas, Staff
Rep. Al Ose	ANDrea Guernsey, Staff
Rep. Larry Davis	
Eric Lee, Director, SEOO	
Jennifer Peterson, Model Cities Agency Director	
Rosalee Walker, Early Childhood Specialist, Dept. of Ed.	
Mary McClinton, Dept. of C&RA	
Susan Clark, League of Women Voters	

(1025) Cotten gives introduction. Eric Lee passes out a flow chart made by his division showing a breakdown of how the program will work. (1060) Mr. Lee is in favor of the amendments made on SB 120. The program is not to subsidize day care centers but to assist parents to work or go to school. Money would go to C&RA, to the Division of State Economic Opportunity who would employ a day care Coordinator to administer the program. They will deal with only licensed centers or homes that are currently functioning. It is left up to the parent which center he wishes to send his or her child. Money would be given to community in a block grant who in turn would decided how to administer it. (1181) Chairman Cotten asked how the block grants would be determined. Mr. Lee said it would be based on various factors: need of community; population; day care center availability and other things.

(1206) The Field Representative and Day Care Coordinator will start beginning FY'76. Right now they will use Contractual monies from the Federal government to hire someone to start the research and getting things organized.

(1245) Rep. Ose asked about the local entity. Is it the borough or the city? Neither necessarily, Lee said. It could even be Rural CAP, SOME capable local agency.

(1261) Cotten asked if there would be any conflict between the borough and city about who would pay the 10% matching funds. Thants always possible but theres no way to tell.

(1281) Rep. Ostrosky asked Susan Clark for any comments. She said the program was adminisered by Juneau Model Cities in Juneau and in Anchorage by the Borugh Health Department.

(1333) Rep. Ostrosky suggested that the field rep. and coordinator could offer the communities technical assistance in decideing such a decision as whether the city or borough would pay.

(1347) Cotten-If you start with 1.2 million dollars, how will you prorate if the program is ongoing? Had to start with a figure which seemed reasonable. Figure based on the centers that are functioning right now.

(1434) Ose wanted a breakdown of the money. Lee said the money would go to the Dept. who in turn would give it to the community in a block grant. They would in turn deal with the parent and decide where the need is and how the money should be distributed.

(1485) Miss Peterson made some comments on the program in Juneau. They started out by subsidizing centers and then turned to helping the parents. She handles the individual interviews and need is determined mostly on the financial statement. Right now Juneau deals with only 2 day care centers for children over three. They deal mainly with single adults but do take married couples. Program covers the 5 day work week and not 24 hours. As a follow up process she reevaluates her parents every three months.

Meeting was adjourned at 10:00. (1600)

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 25, 1975

Meeting was called to order at 9:00 for discussion of HB 140, 265, 266. Present were:

Rep. Sam Cotten, Chairman	Rep. Mike Hershberger
Rep. Kathryn Ostrosky	Rep. Glenn Hackney
Rep. Al Ose	Rep. Oral Freeman
Rep. Larry Davis	
Barbara Englert Thomas, Staff	
ANDrea Guernsey, Staff	
Bob Pavitt, planning consultant	
Don Clocksin, Alaska Legal Services'	
Dave LeBlonde, A.G.'s office	
Mike Harper, Deputy Commissioner, C&RA	

HB 140

(15) Mr. Pavitt gave testimony saying that 42 states now had some sort of official map act. The committee substitute is good, changing shall to may is OK. It's good for the planners and subdividers to be pre-advised of the plans of the municipality. He offered a suggested amendment to be placed after paragraph A.

(291) Cotten asked about the intent of section E. Bob said in essence what they're talking about is a tax rebate. He thinks the bill should clarify the tax status of the land to avoid a rip off.

(373) Why is the amendment necessary, Cotten asked. There should be a statement as to the effect of the map, what it does and what it doesn't do. (442) Rep. Ostrosky, sponsor, thinks the suggestion is good.

(463) end discussion of HB 140.

HB 265, 266

(480) Mr. Clocksin gave a short run down of the background of the bill. It came out of the Bush Justice Conference held in Minto. Addresses the problem of a lot of unincorporated villages who don't have enough sufficient funds to pay for an attorney.

(570) Cotten asked if he expected many first class cities to make requests. Clocksin didn't think so but knew of one request right now (ANgoon).

(586) Mr. Harper made a few comments. His Department endorses the project. ON the question of additional staff he said that the local government specialists weren't prepared to answer questions about legal problems.

(653) Ose wondered how many hours of legal time \$50,000 would buy, and how many villages will request. There won't be a lack of requests Harper said, but there is no way of telling how many projects the money will fund. In order to determine if they need assistance the Dept. will have to set requirements. (760) Clocksin noted that there was no way to set the exact costs right now, it will have to be on an

experimental basis.

(832) Dave LeBlonde gave his opinion as the drafter of the bill. On the question of an attorney being placed in the A.G.'s office he said it might cause a conflict of interest. The same might prove true if the Dept. of C&RA had a lawyer placed on staff for the same purpose. (952) Cotten made the comment that it would probably cost more money to keep a full time attorney on staff, what with travel money and per diem costs.

(941) Hackney pointed out that C&RA would have to decide if these communities needed legal assistance without any of them having legal experience.

(982) Rep. Ostrosky voiced strong support for the bill. Response to an expressed need.

(1010) Ose was worried that it would open up to anybody, even Anchorage. Clocksin said that Anchorage would not be eligible and only those that were otherwise unable to attain legal assistance would be included.

(1041) Freeman sees no connection between this bill and the Bush Justice conference. He is an advocate of a roving city manager in the Dept. of C&RA but he thinks this approach is all wrong.

(1122) Cotten asked how many wanted to report the bill out. There was not a majority.

After no further discussion the meeting was adjourned at 10:00 (1130).

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 26, 1975

Meeting was called to order at 9:00 for discussion of HB 261 and HB 272. Present were:

Rep. Sam Cotten, Chairman	Rep. Larry Davis
Rep. Kathryn Ostrosky	Rep. Mike Hreshberger
Rep. Al Ose	Rep. Oral Freeman
Rep. Glenn Hackney	
Barbara Englert Thomas, Staff	
ANDrea Guernsey, Staff	
Bob Dozier, State Assessor	
Rep. Gruening, Sponsor 272	
Danny Plotnick, Office on Aging	
Don Berry, Municipal League	

HB 261

1130-Cotten gives in trodution.
(1143) Dozier explains the whys of the \$10,000 limit.

Because Rep. Malone, Sponsor, couldn't be here the meeting was postponed until later.

HB 272 was then taken up.

(1212) Rep. Gruening, Sponsor, gave testimony. Home owners have more advantags than renters in deduction of taxes and equity. Rebate for renters needed. HB 272 allows payment on monthly basis, different from SB 218 and HB 168. Dept. of C&RA reimburses. Apportionment is the problem; time element-renter may not be there whole taxable year; how to divided by units. HB 168 proposed by bedrooms; HB 272 leaves it up to C&RA to determine formula.

(1395) Freman asked for a fiscal note. Gruening had none.

(1414) Freeman asked how many renters. Gruening didn't have figures.

(1471) Dozier explains formula used for determining number. Based on 1970 census- 6,950 senior citizens . 4,000 heads of households in 1976. Renter occupied 25% less valuable than owner occupied. (1525) Cotten asked where 25% came from. Dozier just picked it; could be more or less. \$620,000 using reimbursement formula.

(1600) Dozier-\$33,000 for present owner occupied senior citizen program. Double that for renter. 2,000 renters would apply for program.

(1650) Freeman suggests setting up fund which would return set amount, say \$30. Take the burden off municipalities.

(1700) Hershberger says let it be returned along with State income tax. Let one dept. take care of it.

(1757) Plotnick reads statement of the position of Office on Aging and HESS. Said there are presently 7,800 senior citizens in State. (65 or over)

Meeting adjourned at 10:00 (end side 2)

Meeting was reconvened at 11:00 for discussion of HB 261. All those at first meeting were present except for Plotnick, Freeman & Hackney. Rep. Malone, Sponsor was present.

0-Malone says bill would give municipality more flexibility in taxing by taking \$10,000 limit out.

(59) Comments on Mr. Doziers memo.

(84) Discussion of tax limit.

(276) Discuss implications of exclusion of \$10,000.

End discussion of HB 261 (1080)

HB 272, HB 168 (Rick Urion)

(1080) Cotten gives introduction.

(1114) Urion says the problem is determining how much money person will get.

(1157) Urion-proportioning by bedrooms, pg 2 para 2, would solve the administrative headaches. Would be too hard to determine by square feet or otherwise. IN hB 272 doesn't think municipality should pay, the State should.

(1265) Cotten not happy with fiscal note. Dozier's figures too arbitrary.

(1334) Malone asked for summary of the problems.

Cotten said concept was good. Problems are who should administer rebate payments? Cost? formula for devising amount returned?

(1356) Malone asked for administrative costs.

HB 168, SB 218-\$65,000. Rebates-\$671,000 (high)

(1377) Hershberger likes Freemans idea of fund.

Meeting adjourned at 12:00 for lunch. (1402)

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 27, 1975

Meeting was called to order at 9:00 by discussion of HB 272, 168. Present were:

Representative Sam Cotten, Chairman

" Oral Freeman

" Mike Hershberger

" Al Ose

Barbara Englert Thomas, Staff

Andrea Guernsey, Staff

Bob Dozier, State Assessor

Don Berry, Municipal League

(1403) Cotten gives introduction.

(1417) Freeman wants to know what guarantee municipalities have that they will be reimbursed? Proper to have appropriation bill along with this? What part of State money would it come from? (1435) Cotten assumes from the operating budget.

(1458) Berry said that if all tax rebates are reimbursed you need to look somewhere else for the money--revenue sharing.

(1473) Ose talks about appropriation.

(1500) Freeman explains how Finance committee works with budget and appropriation bills.

(1529) Berry says to send bill out as social services program; why tie it into property tax of local community. (1544) Dozier says HB 168 does not particularly involve municipality. Reimbursement under 168 direct from Dept. to individual. (1557) HB 168 fine with Municipal League, Berry said.

(1575) Dozier suggest formula, not tied down enough in 168. Compare actual tax paid to actual rent paid.

(1637) Ose asks if renter would have to keep receipts and turn in for rebate? Dozier-Landlords don't always go on receipts. There would be a form made out by the landlord and would indicate rent and time lived there.

(1678) Hershberger doesn't understand this kind of legislation. Philosophy of rebate? He is opposed to this.

(1702) Ose asked if this would encourage landlords to raise rent? Dozier-Don't know.

(1720) It's obviously a possibility, Cotten said.

(1728) Hershberger-what is problem with formula? Question of whether Dept. should rebate. Hershberger suggests putting sign by door of rental space. But that would assume value of unit never changes.

(1764) Bill initially conceived to allow renters same break as home owners. Hershberger-says his property tax is penalty for being homeowner which renter doesn't pay. But Home owners build equity, Cotten explained.

(end side 1)

(side 2)

9- Cotten-Bill trying to keep elderly in State. (34) Backlog of bills like this.

Dozier suggests study to determine best land use policy.

(115) Ose notes there is no residency requirement for this bill.

Cotten comments on land use policy. Rep. Freeman makes extensive comments on his views.

(end 494) Meeting adjourned at 10:00.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

Meeting Minutes
March 28, 1975

Meeting was called to order at 9:00 for discussion of HB 265, 266 HB 223 and SB 207 am. Present:

Representative Sam Cotten, Chairman

" Al Ose

" Larry Davis

" Kathryn Ostrosky'

" Glenn Hackney

" Oral Freeman

Barbara Englert Thomas, Staff

Andrea Guernsey, Staff'

Jean G. Muhou, City Clerk, Anchorage

Mary Coffery, Borough Clerk, GAAB

Judi Slajer, Borough Clerk, Ketchikan Borough

Donald E. Clocksin, Legal Services

HB 265, 266 (community assistance)

(495) First order of business of HB 265. Chairman Cotten read a letter from Commissioner McAnerney saying that only 1st and 2nd class cities were eligible for grants--Home Rule cities are not. This clears up Ose's problem of Anchorage maybe trying to use this program. Rep. Ostrosky moves to report bills out. Reps. Hackney and Freeman object. The Chairman calls for a show of votes to report out. Four voted to move out: Cotten, Davis, Ose and Ostrosky. Bills reported out with individual recommendations.

HB 223, SB 207am

(580) Next on the agenda were election bills. Ms. Slajer said they wanted the language of SB 255 in SB 207am. Hackney objects to taking up bills not in this committee (SB 255). Testimony was restricted to 207 and 223.

(712) Rep. Ostrosky notes technical error in spelling of the word "runoff". Word is hyphenated in SB 207 and not in HB 223.

(725) Ms. Slajer in favor of concept in SB 207 but want to change the wording a little. SB 255 is same but better wording. REp. Davis asked if it wasn't already in ordinance requiring run off for Mayor. Want to exempt all from run off except Mayor.

(767) Ostrosky asked if they needed a plurality vote? Yes, they do.

(775) Hackney--HB 223 requires exemption be ratified by voters--essentail. Different from SB 207. (800) Coffery explains problem with GAAB. Two different sets of standards for same body. Hackney wants people to be able to vote. Coffery wants option by ordinance. Rather than voting on the question the people would vote on the people and if they weren't satisfied the council would hear about it. (885) Ose definitely opposed to ordinance.

(898) Freeman wants to know what is wrong with council making ordinances? (925) Ms. Coffery said this position was endorsed by the Alaska Association of Municipal clerks which include 37 municipalities. (947) Hackney asked what objections they had to the people voting on the question. Jean's response was that the people would voice their displeasure. Coffery explained the GAAB situation. She thinks run off is farce.

(1069) Cotten agrees with Hackney. Question would not cost extra money. Would be voted on at general election or regular or special election. (1103) Jean said the voters didn't vote in the first place to require run off elections. Ostrosky asked what the sentiment was to drop run offs. Ms. Coffery said the association has held the same position for the last couple years. She has enough faith in governing body.

(1159) Ms. Slajr said that HB 223 does give some option.

(1175) Cotten-Home Rule cities exempt from whole thing. Home rule already has option with Charter.

(1230) Cotten asks Hackney if adding " of any of its officials" on line 11 would clear things up. Hackney has no objection.

Ms. Slajer said that SB 255 that there must be a run off for mayor and HB 223 would allow the people to vote on exempting any position so there will have to be a correlation sometime of that discrepancy.

(1265) Freeman suggests taking the language from HB 223 and placing it in SB 207 and let it be settled in free conference. Hackney has no objection. (1306) Freeman moves to report out a committee substitute for 207 which would delete paragraph B in 207 and replace it with para B in 223 with the addition of any of its officials on line 11.

Bill was reported out with committee substitute.

END 1363. Meeting adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 1, 1975

Meeting was called to order at 9:00 for discussion of HB 161, 162 & SB 120am, 121. Present

Rep. Sam Cotten, Chairman	Rep. Al Ose
" Kathryn Ostrosky	" Mike Hershberger-late
" Oral Freeman	" Glenn Hackney-late
" Larry Davis	

Barbara englert Thomas, Staff
Andrea Guernsey, Staff
Eric Lee, SEOO, Dept. of C&RA
Susan Clark
Jennifer Peterson, Juneau Model Cities

(1365) Ostrosky, presiding Chairperson, asked Ms. Clark to give a run down on the differences between HB 161 and SB 120.

Pg. 1 line 11-- "who either do no qualify... with dependent children" was considered to go better under the Eligibility section.. Was put on page 2 line 14 under eligibility. "Whether the family receives aid to families with dependent children and is eligible for day care service under aid to families with dependent children." Intent: people who get AFDC are not eligible for day care under this program but people who are eligible for AFDC but who don't use it may get day care.

Page 1 line 21--wording simply changed from "the provision of" to "assist in providing".

Page 1 line 29--added section 5 under powers and duties to insure local control and input.

Page 2 line 2--two additional subsections were added under "the dept may: contract with local agencies to perform duties and solicit recommendations from local governing bodies. Local control would be better for state. Less money, city could easily do it.

(1560) Ostrosky asked what the contractual duties would be? Lee answered: selecting recipients, dealing with day care centers, billing centers, paying billing, seeing that the homes are licensed.

(1575) Freeman asked what was the cities reaction to this. Eric said Senators had been in touch with cities and had gotten favorable reaction. It would only be a %5 or %10 match for the cities and often they would already have someone on the payroll who could administer the program. The parents would be free to be more productive and their earning would then add to the tax base. (1618) Freeman doesn't like the idea of the State mandating a program and then expecting the city to carry it out.

(1630) Cotten -- Should the dept. make contact with the local agency? Lee--If the local community is incorporated they would have a choice whether they want the program or not. Cotten said that would be bypassing the local administration. Freeman didn't like that either so Lee suggested adding an amendmtn on page 2 line 12 "the incorporated city or borough shall give approval to and pay the cost.."

Page 2 line 20--drafting error.. Contributions will be paid to the day care facility instead of the dept.

page 3 line 14-- added to definition of licensed day care " or recognized by the federal government". This was so head start centers in rural areas would be included.

page 3 line 29-- definition of child chaged to read " up to the mandatory school age" instead of 5 years.

(end of tape)

Cotten moves to accept the Senate amendments and include the amendment by C&RA and to adopt a committee substitute.

Reps. Hershberger and Hackney arrived late and Cotten explained the Senate amendments to them. Hackney asked lee how many people SECO will need. Two. And how will you pay for it? The Finance committee will appropriate for a new position.

Cotten withdraws his motion and moves to offer amendment for SB 120am, also to move SB 121 out.

Without objection they were moved out of committee with individual recommendations.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 2, 1975

Meeting was called to order at 9:00 for discussion of HB 272. Present were:

Representative Sam Cotten, Chairman	Barbara Englert Thomas, Staff
" Kathryn Ostrosky	Andrea Guernsey, Staff
" Oral Freeman	Bob Dozier, State Assessor
" Glenn Hackney	Danny Plotnick, Office on Aging
" Al Ose	Rep. Clark Gruening, Sponsor
" Larry Davis	

Rep. Freeman thinks the concept would be cleaner if you just gave a person 65 or older a check each month for X amount of Dollars. (190) Ostrosky agrees with Freeman. It would eliminate a lot of the statistical figuring. An across the board figure would benefit low income people more than high income.

Rep. Ose would like to see a residency requirement in the bill.

(307) Rep. Gruening arrived and gave his presentation. He's decided that the municipalities doing the administration would be unworkable. HB 168 has a better approach by doing it through the Department of C&RA, but the bedroom formula in 168 is unworkable. He wants to use a rental tax certificate instead of rental receipts. He suggests using a formula based on a rental percent for each municipality and the department will figure.

The other way it might be possible to do it would be through the dept. of Revenue using the income tax form. Maybe a %10 figure--this would be too high for one municipality and too low for another.

Gruening would like to see an residency requirement but it is probably unconstitutional.

(448) Ose has 3 questions. 1) people working--the dept will have discretion; 2) TOP limit on rebate is a good idea; 3) longevity bonus concept won't work here.

(492) Freeman would like to see a new bill which would simply subsidize people X dollars a month. Gruening said a direct subsidy won't work because of political reasons.

(604) Freeman said you are giving the most help to people who least need it when it is done on a percentage basis. Clark said his idea would take an average which would benefit the low income person slightly more.

Cotten asked about the renter certificates. Clark said they are not presently in use but other states do use them. It would be a consistent form which the renter could take to the landlord. Clark said he envisions yearly payments in a lump sum right now.

He is going to prepare a sponsor substitute using his rental percentage formula and have it ready early next week. Meeting adjourned at 10:00 (838)

Tape #8
side 1
848-end

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 3, 1975

Meeting was called to order at 9:00 for discussion of SSHB 65. Present were:

Representative Sam Cotten, Chairman
" Kathryn Ostrosky
" Oral Freeman
" Mike Hershberger
" Larry Davis
" Al Ose
" Glenn Hackney
Barbara Thomas, Staff
Andrea Guernsey, Staff
Pat Corbett, Senate C&RA Staff
Kevin Waring, Community Planning
Don Berry, Municipal League
Bob Dozier, State Assessor
Willard Bowman, Sponsor

Cotten commented that the way the bill is written it repeals 53.035 and he's not sure that Bowman meant to do that. It changes the status of farm use land. Mr. Dozier suggests an amendment which adds a new subsection. Cotten suggests paying back taxes at rate of assessment of land at time of development to avoid people using this for speculation.

Ostrosky asked for an overview of the object of the bill which Bowman gave. Ose gives an example of his own situation.

Bowman likes having a residency requirement on the land and approves of an upper limit but isn't sure how it would affect Mat-su.

There was lengthy discussion of the tax base and how it would affect Mat-su. Also of the present farm use program.

Mr. Waring made a few closing remarks. Thinks it is a question of land planning. Communities should have a plan for development and nondevelopment areas.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 3, 1975

Meeting was called to order at 7:30 pm for discussion of SSHB 65.
Present were: Cotten; Ostrosky; Ose and Hershberger.

A great deal of the meeting was spent deciding who the bill was trying to protect. No concrete definitions were made.

The committee tried to outline the problems with the bill.

I. It repeals the farm use status in 29.53.35. It was agreed to leave the farm use alone and write new section dealing with undeveloped land. Page 1, sec 1, start over with something like: "Undeveloped Land", A person owning and residing on a parcel or tract of undeveloped land over _____ acres and not exceeding _____ acres may apply for an exemption under this section.

Hackney would like to talk to someone from a bank concerning what will happen if they become involved.

The effects on planning and zoning need to be discussed; to avoid haphazard development. Need to talk to Kevin Waring.

Meeting was adjourned at 9:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 4, 1975

Meeting was called to order at 9:00 for discussion of HB 290, 291. Present:

REpresentative Sam Cotten, Chairman	Al Ose
" Kathryn Ostrosky	Barbara Thomas, Staff
" Oral Freeman	Andrea Guernsey, Staff
" Glenn Hackney	

Rep. Jim Duncan, Sponsor
Susan Clark, League of Women Voters
Eric Lee, Director SEOO, C&RA
Ann Carpeneti, Legislative Affairs

(20) Rep. Duncan started by saying that HB 290 involves the Dept. of Community & regional affairs; they make loans to day care centers to reconstruct, construct and equip their facilities. The maximum loan is \$10,000 at 6% interest to be repaid within 10 years. The center will submit an application to the dept who will award them a certificate of need if they qualify and then they will be able to get a loan. The loan is not to exceed more than \$10,000 in any five year period. HB 291 appropriates \$50,000 to the fund. This doesn't seem like a lot but he feels that most centers will not need major repair.

(147) Cotten asks about page 3-the dept of Revenue shall purchase the mortgages and notes offered by C&RA? Duncan said this was standard procedure in revolving loan funds. Any loan approved by C&RA will be bought by the Dept. of Revenue if they are offered for sale.

(210) Rep. Hackney commented that this is currently causing problems in Revenue because they must purchase. Duncan said that C&RA may or may not choose to sell to Revenue.

(271) Mr. Lee said that C&RA does not want to get into the banking end of it. They would issue the certificate but they would like to see the fiscal responsibility in either revenue or commerce. (316) Duncan has no objection but would like the determination end to stay in C&RA. There was lengthy discussion of loans and it was decided to get someone from revenue and Commerce to further explain exactly what revolving loan funds are all about.

Hackney asked if C&RA could handle with present people? Lee said not presently but if SB 120, Day care, passes they will have the people.

(583) Freeman wants to know why it is in C&RA? According to Duncan it is because the other day care bill went there and they would like to consolidate them instead of spreading them out. Oral doesn't agree- doesn't think it belongs there. (630) Mr. Lee agrees that the banking and loan don't belong.

There was some discussion about whether \$50,000 would be enough or not. According to Freeman the bill is not a true revolving loan, the proposal here is to sell mortgages and replenish. A true revolving loan is self supporting. Why not give enough money to keep the fund self sustaining instead of open ended the way it is now.

(702) Sam asked about the definition of child care facilities.

Ms. Clark said there was one wrong drafting. Page 2, line 1-Office of Child development should be Division of Family and Children Services.

(766) Ose asked about page 2, line 3-certification by the Dept. of Education. Susan said that often the facility is a part time pre-school which come under the Dept. of Ed. They issue the certificates but they dont have any enforcement power. This is one reason for the fund, it would bring centers up to standards so they become licensed.

(860) Freeman talks about it being an openended affair and whether it should be this way or not. No body had any figures on how many loans would be made each year.

(1024) How many daycare centers? 1,860 slots
153 homes

Meetng was adjourned at 10:00.

this meeting

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 7, 1975

Meeting was called to order at 8:00 for discussion of HB 290. Present:

- Representative Sam Cotten, Chairman
- " Kathryn Ostrosky
- " Larry Davis
- " Glenn Hackney
- Barbara Englert Thomas, Staff
- Andrea Guernsey, Staff
- Rep. Duncn, Sponsor
- Eric Lee, Director SEOO, C&RA
- Susan Clark, League of Women Voters
- Larry Epenbach, Deputy Commissioner, Revenue
- Dr. McGinnis, Deputy Commissioner, H&SS
- Bill ~~Miller~~ *Atabomb, came with Eric Lee*
- Pete Jean, Director Small Business

Revolving Loan - Deputy Commissioner Epenbach gave a description of Fund
 a revolving loan fund: self perpetuating-the proceeds of the loan are paid back and put into new loans. A fund is actually a line appropriation, not a pot of money. The money stays in the general fund until called upon. HB 290 sets up the conditions of a revolving loan but calls upon the general fund.

Amendments from Revenue
 The Dept. of Commerce has the loan making apparatus and power. Revenue and Commerce agree that the power should be in Commerce, not C&RA. Reserve the certification procedure for C&RA.

Revenue suggests: eliminating revolving since this is not a true revolving fund; substitute Commerce for Community & Regional Affairs on page 1; use C&ra on page 2; change 240(a) to Commissioner of Commerce; eliminate provision of Dept. of Revenue purchasing notes; delete subsection 240. Have the dept. of Revenue put notes and mortgages in a permanent fund instead of general fund (if HB 324 passes). Rep. Cotten asked if deleting section 240 would necessitate taking out revolving? The Bill is open-ended with sec. 240, Epenbach said. Revolving is misleading.

HESS Amendments Page 2, line 1 & 2-Office of child development should be depp. of Health and Social Services. They want the limit to be \$15,000 instead of \$10,000.

Licensing Day
Care Centers

Rep. Hackney asked for a run down of the licensing procedures: 1) center will indicate an interest to HESS; 2) person from the Division of Family and Children Services makes a personal visit. Checks for motivation, services, room etc; 3) person makes extensive report; 4) makes recommendation to local officials; 5) report sent to Juneau, reviewed and sent to Commissioner. The new Commissioner of HESS is now having the certificate issued at the divisional level instead of by the Commissioner.

Both the State and local fire marshall inspect the facility and it is included in the recommendation.

C&RA Position

Eric Lee agreed with the opinions of the others. C&RA does not want the banking power in their dept. They are not currently set up to handle administering the revolving fund but if CSSB 120 passes they will have the manpower already there.

Condition of
Loan

Rep. Hackney asked about page 2, line 7--"money not available to applicant from private lending institutions". Mr. Jean said this clause forces people to go to the bank and get a letter saying that they can't get a loan. It really serves no purpose, he said.

Small Business
Loans

Mr. Jean said that his division has had a couple of applications from day care centers for a loan from the small business revolving fund, but they wanted \$100,000 and couldn't finance them.

Pre-school vs.
day care center

Hackney wanted to know the difference between a pre-school and day care center. McGinnis said that certain powers are given to the dept. of Education when it is a pre-school and HESS when a day care center. There is a whole set of regulations that constitutes the difference. Hackney asked for a copy of these regs.

Sale & Transfer
of Notes

Rep Hackney asked Mr. Eppenbach how many veterans loans have been sold direct to lending institutions? None at this time. Hackney suspects the same will be true in this case.

Interest

McGinnis asked if the interest was frozen or used again. The principal is used again and the interest is put in the general fund. Rep. Duncan envisions the money being used again. Wants to retain the concept of revolving fund. Pete Jean said the \$50,000 itself would revolve but the rest goes to the general fund.

Adjourn

The Chairman said the committee will have to consider the proposed amendments. He would also like to talk to Mr. after he attends the 3 day conference being held on Day care needs in Alaska. Meeting was adjourned at 9:15.

his meeting

House Committee on

COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 7, 1975

Meeting was held at 9:00 to discuss HB 140, official maps. Present:

- Rep. Cotten, Chairman
- Rep. Ostrosky
- Rep. DAVIS
- Rep. Hackney
- Kevin Waring, Director, Community Planning
- Bob Pavitt, Research and Planning
- Rep. Hershberger
- Barbara Thomas, Staff
- Andrea Guernsey, Staff

First Class Cities Rep. Ostrosky said that the last section on page 2 of the original was left out of the Committee substitute which she had drawn up. Should be there.

She read a letter from the Association of Realtors who favor the bill.

Option to buy It wasn't clear in the original who had the option to buy. Clear in the Substitute. The owner is not required to pay taxes if the land is encumbered by the official map. the Municipality has 18 months to decide to purchase or not.

18 month reserve period Does the municipality really need 18 months, Hackney wondered. Pavit said this was a common period of time. It may take 18 months to make the final decision. Waring brought up the point that 18 months fits the budget cycle. The municipality may have to include the expense of purchasing in the next year's budget.

First Class cities Section 2 on page 2 is not necessary because first class cities outside the organized borough already have planning powers.

Report out Rep. Ostrosky moved to report out CSHB 140 due pass. So moved.

Meeting was adjourned at 9:40.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 8, 1975

Meeting was called to order at 9:00 to discuss HB 21. Present:

Rep. Cotten, Chairman	Barbara Englert Thomas, Staff
" Ostrosky	Andrea Guernsey, Staff
" Freeman	Rep. Mike Miller, Sponsor
" Ose	Rep. Bowman
" Davis	Don Berry, Municipal League
Jack Chenwoeth, Director, Local Government	
Cheryl Probst, Daily Times	

Cotten said that 14.1 million had been requested by the dept. for revenue sharing. He thinks the policy will be determined by Finance instead of C&RA. Miller responded that CRA should decide if revenue sharing is a good idea and send it to Finance.

(129) Freeman asked how many cities have mass transit? Juneau, Ketchikan, Anchorage. Only Juneau and Ketchikan would be eligible because the Anchorage Borough operates theirs.
(208) How is Anchorage denied? They're already getting from State.

(253) Ostrosky-Get \$5 for harbors and airports. Additional \$5 if bill passes.
Anchorage borough not getting because the borough doesn't operate harbor or airport, city does. Borough operates mass transit.

(310) Ostrosky-making 2 categories out of 1 to encourage mass transit.

(353) Ose-Cost of mass transit in Juneau? Started with model cities then failed out. City elected to subsidize. How much revenue will \$5 bring? \$5 arbitrary figure-not based on any need.

(534) Cotten-Other conveyance? Ferries-put in to cover everything. C&RA will determine what is mass transit.

(800) Special language concerning privately owned transit? Either earmark or say that all money has to go if private.

(880) Cotten-add new section: money received by municipality under this section shall be used for mass transit.

Meeting adjourned, at 10:00 until 1:30.

1:30-Present were: Ostrosky, Ose, Cotten, Davis. Amendment was adopted and passed out with individual recommendations.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 9, 1975

Meeting was called to order at 9:00 for discussion of HB 350. Present:

Representative Sam Cotten, Chairman	Oral Freeman
" Kathryn Ostrosky	Glenn Hackney
" Lary Davis	
" Al Ose	

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Bob Dozier, State Assessor
Don Berry, Municipal League
Sam Coxom, City Manager, Dillingham

PERSONAL
PROPERTY

HB 350 was introduced by Coxom's request. IN section 1 subsection (a) insert "personal" in front of property. Cotten asked if this would be left to the voters whether to exempt property or not? Mr. Berry said, yes, the people should have the say. The way the bill is written now the voters don't have a say on personal property but do concerning residential property. Voter ratification should apply to the whole section.. Rep. Hackney would like to make that clear. Suggested amendment for subsection (a) of section 1: "Municipalities may by ordinance subject to voter approval at a regular or special election exclude from..."

DEFINITION OF
PERSONAL PROPERTY

Ose asked Mr. Coxom for a definition of personal property: business inventories, mobile homes by ordinance can be real or personal, business equipment, household goods (Dillingham is 1 of 4 communities to tax household goods), boats, cars, airplanes, bank accounts, anything a person owns other than house or land can be considered personal.

SALES TAX

This bill asks for the lid on the sales tax be raised. 3% sales tax is not enough now with inflation. This is permissive legislation requiring the people to vote. Cotten brought up the point that Anchorage was now taxing 5% sales tax. Is that legal? Coxom said that between the borough and the city they could tax a total of 8%. Sales tax in Dillingham brings in \$60, 665.

PROBLEM IN DILL-
INGHAM

Coxom said one problem is inflation. They have a logistics problem with personal property. Inventories are usually depleted after JANUARY 1. Have to fly in everything for six months a year. It costs 9% of the \$60,000 received from personal property tax for administration. If personal property were exempted then there would be no excuse for businesses to be depleted and charging more to have everything flown in. Causing a high rise in prices in this respect. If it costs more than 3% to administer something is wrong.

SALES TAX VS
PERSONAL PROPERTY

Ose objects to the bill because the little man will be paying more in sales tax while the person with a lot of expensive personal property will be getting off. Coxson said he will not be paying more but a different kind. The check is voter ratification. The wage earner won't vote if he is going to get hurt.

Cotten-What if there was an exemption on food stuffs? It would be optional. The voter will have to assess whether he pays by mill rate or sales tax. (Mill rate in Dillingham is 18.5)

Will the average citizen pay more taxes if you raise the sales tax and exempt personal property? Coxson said yes, if the goods go up. the 3% sales tax will not be enough soon with the rate of inflation.

TAXING BUSINESS
INVENTORIES

Mr. Dozier said that to take care of inventories being depleted on January 1 in order to have small inventory for personal property tax in title 29 53.060.B you may tax on a monthly assessment.

Meetng was adjourned at 10:00 until 1:30.

1:30. Present were Mr. Cotten, Ose, Davis and Mrs. Ostrosky. (No tape of this meeting.) Continued discussion of the little man getting socked with a high sales tax.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 10, 1975

Meeting was called to order at 9:10 for discussion of HB 246. Present:

REpresentative Sam Cotten, Chairman
" al Ose
" Glenn Hackney
" Oral Freeman
Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Rep. Itta, Sponsor
Rep. Guy, Sponsor
Don Clocksin, Legal Services
Phil Wall, Dept. of Revenue

BACKGROUND

Mr. Clocksin started by giving a background of the bill. This bill came out of the Bush Justice Conference in Minto Alaska in 1974. The recommendation was made to be able to revoke liquor licenses upon request in the unorganized area. He gave the example of Rampart whose 24 of 26 adults didn't want to renew the licensee in their village. The Alcoholic Beverage Control Board would not revoke the license. Rampart did not want to incorporate--which was the only way to go dry. He also gave the example of Cantwell to show the procedures of the ABC Board. Board has discretionary powers whether to hold a public hearing or not but must abide by the results of the hearing.

PROCEDURES IN
INCORPORATED
AREA

He then listed some of the procedures in the incorporated area: 1) no license issued if more than 1 license for 1500 people already; 2) there is an automatic yearly issuance; 3) local option election--vote of citizens to go dry.

PROCEDURE IN
UNINCORPORATED

Procedures in unincorporated: 1 license for every 1500 people within 5 mile radius; individual can protest issuance of license--ABC checks it out and may or may not hold hearing, ABC shall refuse to issue the license if a majority of the people at the hearing objects; if the village is more than 50 miles from a municipality 2/3 of the people must approve.

PURPOSES OF BILL

It would allow an unincorporated area to go dry; require posting of application for reissuance of license sec 1 line 11.

PURPOSES OF BILL

Would allow petition by 25 people in area to demand a public hearing. If the majority of the people at the hearing don't want the license then mandatory not to issue; incorporated area which had voted to go dry may pass an ordinance making it a misdemeanor to violate the dry law. page 2 lines 15-19--this would allow enforcement. Would trigger state law and troopers could be brought in to enforce.

FREEMAN

Rep. Freeman doesn't think that it is the duty of the ABC Board to enforce the dry laws. He doesn't like the idea of extending power to the unorganized areas. Let them incorporate. Clocksin brought up the point that this would extend the rights of the urban areas to the rural areas.

PROTEST OF
ISSUANCE

Hackney wants to change "25 residents" to a percentage figure. Clocksin said why not 35% which is the figure for incorporated areas.

AMENDMENTS BY
PHIL WALL

Wall offered his amendments: delete "or a license is reissued" on line 11 page 1. Add after line 16 something to the effect "ABC Board will post in newspaper list of the licenses they are considering for reissuance". Clocksin said the problem with that is posting in newspapers won't work in the rural areas. Often don't have newspapers.

Meeting was adjourned at 10:00. (1135)

No tape of this
meeting

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 10, 1975

Meeting was called to order at 1:30 to discuss CS for SSHB 65.

Rep. Cotten:	Rep. Ostrosky
Rep. Ose	Rep. Freeman
Rep. Hackney	Rep. Davis
Barbara Englert	Thomas, Staff
Andrea Guernsey,	Staff

The committee looked over the committee substitute and Rep. ose wanted to clarify that the owner had to live on the land permanently. There was an amendment added on line 13--delete "resided" and insert "maintained a permanent place of abode".

Rep. Ostrosky made a motion to move the bill out with individual recommendations as amended. So moved.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 10, 1975

Meeting was called to order at 1:50 to continue discussion of HB 246.

Representative Sam Cotten
" Kathryn Ostrosky
" Al Ose
" Glenn Hackney
" Oral Freeman
" Larry Davis

Barbara Englert Thomas, Staff
Andrea Guernsey, Staff
Don Clocksin, Legal Services
Phil Wall, Dept. of Revenue

Mr. Clocksin presented a list of amendments for the Committee's consideration.

AMENDMENTS

- 1) the first amendment on page 1, line 11 concerned posting of notice. Since posting of notices would be too burdensome on the ABC Board who checks in each case, Clocksin wants to eliminate his first amendment and make #2 mandatory;
- 2) Board shall require by regulations notice of reissuances, renewals and transfer of license, including, but not limited to bilingual notice, where necessary, and notice by newspapers, radio and television." Since all licenses expire on December 31, the Board could post a notice that they were considering reissuancing all licenses.
- 3) amendments 3, 6, and 7 are all clarifying language: deleting the word "reissuance" and inserting "reissuance, renewal or transfer". There was some question whether reissuance would cover all three so just expanding the language.
- 4) 25 residents may not be appropriate so want to change to 35% which is the same as for local option election in the incorporated village.
- 5) "or otherwise" too broad so deleting it.
- 6) on page 2 line 6 delete secs. and insert "secs. 200 and". Technical problem.

RESIDENCY

Wall said there is a constitutional problem with resident. Right now they use voter residency as criteria. Amendment--line 25-residents having permanent place of abode.

2 mile limit

Ose wants to exclude hiways. Thinks it would be too easy for a couple people to stop someone. It was brought up that the 2 mile limit is already in the statutes covering issuance, this merely extends the same to reissuance.

TABLE

Ose moves to table. Vote was taken, 4 to 1 not to table.

HACKNEY'S AMEND-
MENT

Rep. Hackney wanted to offer an amendment-- change the hours of opening and closing of bars from 8:00 am to 9:00 and from 5:00 am to 2:00 am closing. Mr. Freeman and Ose contested it.

Meeting was adjourned at 3:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 11, 1975

Meeting was called to order at 9:10 to discuss SSHB 272. Present:

Representative Sam Cotten, Chairman

" Al Ose
" Oral Freeman
" Kathryn Ostrosky
" Larry Davis
" Glenn Hackney

Barbara Englert Thomas, Staff

Andrea Guernsey, Staff

Rep. Gruening, Sponsor

Bob Dozier, State Assessor

Don Berry, Municipal League

PAGE 1, LINE 15

Rep. Freeman doesn't like the words "in cooperation with the municipality" on page 1, line 15. He wants the municipality to be relieved of any burden. Berry would like to see it removed but can't see any other way to compute without their help. Hackney noted that the dept. had their figures. Freeman didn't want any question who's responsibility it is. Gruening didn't think it was material to bill.

AMENDMENT

Rep. Freeman made a motion to amend line 15-- delete " incooperation with the municipality". Without objection this became amendment #1.

Dozier said the bill didn't specify when the person must be 65. At the time they file? The consensus of the committee was that they would collect from the time they were eligible. Could interpret eligible for whole year.

REPORT OUT

Freeman made a motion to report the bill out of committee as amended with individual recommendations. Without objection it was so moved.

The committee now continued discussion of HB 246. Continued discussion of Ose's problem with the 2 mile limit. Freeman doesn't like the idea of taking away someones license after already issued. Suggests there should be a resolution to ABC Board asking to recognize the wishes of the people.

Meeting adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 15, 1975

Meeting was called to order at 9:15 to discuss HB 377. Present:

Reps. Ostrosky, Ose, Davis and Freeman.

Andrea Guernsey, Staff
Barbara Englert Thomas, Staff
Rep. Guy, Sponsor
Sandy Williams, Engineer, Dept of Hiways
Ray Shumway, Designer, Dept of Hiways
Cathy Jacobson, Natural Resources

BACKGROUND

Rep. Guy started by giving the background and purpose behind this bill. He said the intent is not to delete other requirements but to supplement them. In his region during construction some gravel was removed which had detrimental effects on the riverside and private land was disturbed without the consent of the owner. There will be increasing construction activities in this region.

PRIVATE LAND

Rep. Davis is worried about a provision covering the private land owner. Guy and Freeman say you don't have to. Freeman wants to insert "public land" on page 1, line 13, after the word "gravel". Private land is already covered in the law. Adjacent land in line 20 covers both public and private lands. Rep Ose said that you could just bring a law suit against them if they disturbed your land without your permission but Guy said that is sometimes difficult out in the bush. People are just now learning how to do these things.

POLITICAL SUB-DIVISION

Rep. Ostrosky asked about the contracting political subdivision. This would be a municipality if they were requiring the removal of the gravel. It is pretty much defined on line 14.

EIS

Mr. Williams said they were not here to give testimony but to find out the background of the bill. Although Mr. Shumway did make a few comments. The dept. distributes Environmental Impact Statements to the area concerned and they have a chance to comment. They contact the unincorporated areas through the regional offices. They also hold public hearings. Usually 2 hearings carried out in the area already required.

PERMITS

Shumway stated that it was already the general practice of the detp. to obtain a permit. They develop a mining plan which they submit to the appropriate agency and then receive a permit. This existing practice is in compliance with the bill. There are cases when the State does not obtain the permit but let the contractor do it. the time frame to get a permit is often 9-18 months and letting the contractor do it is often faster. Could result in a delay in projects if State always has to get permit.

Guy emphasized that periodic inspection is important. Not n ow done in the Kuskokwim area.

Meeting adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 16, 1975

Meeting was called to order at 9:10 to discuss HB 246 again. Present:

Rep. Ostrosky	Barbara Englert Thomas, Staff
Rep. Ose	Andrea Guernsey, Staff
Rep. Davis	Don Clocksin, Legal Services
Rep. Hackney	Phil Wall, Dept. of Revenue
	Ben Marsh, Director, CHAR
	Don Berry, Municipal League

BEN MARSH

Ben Marsh was representing the Cabaret, HOTEL and RESTAURANT Association. He said there are always bills before the legislature that try to regulate the liquor business further. This bill jepordizes license holders on annual basis.

CHAR AMENDMENTS

He suggested 2 amendments by CHAR: 1) line 19- after "incorporated city" add "or borough". If the bill is meant for rural areas this would not hurt them but would take care of some place like Anchorage which has many licenses outside the city. Does incorporated city mean 1st or 2nd? Ose suggests changing incorporated city to "municipality" which would cover everything. 2) He thinks the mandatory hearing should be requested by more than 35% of the residents. Ose suggests making it within the "established village".

ESTABLISHED
VILLAGES

Clocksin is worried about areas that may have facility which aren't considered established villages. Native villages would be covered under the Land Claims bill but probably not white. Ose wants to use established villages because he is still worried about facilities along hiways which have interests beyond the interest of the village. Clocksin is worried that if Sec. 300 were amended to say established villages in unincorporated areas that leaves out other areas and they would have no right to object. Marsh is in favor of the amendment because it would solve the problem of individuals putting someone out of business because they don't like them. Line 18-25 won't be affected-- the right of the individual will be the same. Line 25 would be amended "35% of the adult residents having a permanent place of abode within an established village..." (end of TAPE; cont'd Tape 10)

Mr. Wall suggested that if that were changed then line 18 should be changed to the same to make the whole thing uniform.

REDRAFT

Mr. Clocksin will have a redraft of the bill for tomorrow with the suggested amendments, including bilingual posting.

Meeting was adjourned at 10:00 until tomorrow. (280)

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 17, 1975

Meeting was called to order at 9:00 to discuss HB 246 and HB 350. Present:

Rep. Cotten
Rep. Ostrosky
Rep. Freeman
Rep. Davis

Rep. Hackney
Don Clocksin, Legal Services
Phil Wall, Dept. of Revenue
Barbara ENglert Thomas, Staff

EXPLANATION OF
SOME AMENDMENTS

Don explained some of his amendments. Ben Marsh wanted to exclude organized boroughs from the unincorporated areas so line 19 was changed to "a municipality" from "an incorporated city". Marsh had been concerned about the area outside Anchorage. Marsh also wanted more than 35% required so Don eliminated the voting district provision and made it within 2 miles of place or established village. The mandatory reference in section 300 is now limited to established villages determined by C&RA. This solves Ose's problem of an establishment along a hiway not in the village. The desires of the community are taken into account but not mandatory on the Board. The resident requiremtn was changed to "an adult resident having a permanent place of abode". Section 200 no longer requires posting of application for reissuance or renewal but will require other kinds of notice.

VOTING DRY

Chairman Cotten wants the bill to be addressed to voting dry or wet but not to revoking individual licenses. Clocksin said there was a legal question on whether you can have organized election in unincorporated area to go dry or not.

"APPEARS"

Rep. Freeman made an objection to part of sec. 300. He doesn't understand how you can mandate a hearing if 35% ask for it and if it only appears that the majority are against it the Board shall not issue the license. Appear wouldn't stand up in court. Rep. Ostrosky noted that the word "appear" is used in the original statute but that is only in the original issuance. Mr. Wall agreed that a definiton of appear was necessary. It hasn't been handled well in the present situation. Clocksin suggested striking it and requiring the Board to take a vote. Freeamn says why not have an election. Kathryn asks how would you establish the majority?

TAKING A VOTE

Wall said there are two ways: require Board to have regulations or spell it out. He's not sure of the legality of the Board administering vote.

AMENDMENT

Wall--Should be within 2 miles of his permanent place of abode and (instead of or) within 2 miles of the established village.

Wall said that definition of 2 miles within village might be a problem. For instance tok is 6 miles long.

TITLE OF SEC 300

He also suggested changing the Title of Section 300 to PROTEST OF LICENSE ISSUANCE IN AREAS OUTSIDE MUNICIPALITIES.

COMMITTEE SUB.

The staff will have a committee substitute drawn up to be ready for tomorrow.

HB 350 (1080)

The Committee now had before it HB 350. The Chairman wants to delete all of sec. A. He had a request from Anchorage for 5% maximum sales tax. The problem in Anchorage is the city charges 5% but in order to raise in Borough the people have to vote. The city charges 5% on hotels and motels within city but the borough only charges 3%. Want to tax all the transients and tourists the same.

COMMITTEE SUB.

A committee substitute will be drawn up deleting the first section and putting a maximum of 5%.

REPORT OUT

(The committee members signed the report.)
Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 18, 1975

Meeting was called to order at 9:00 to discuss CSHB 246. Present:

Rep. Cotten, Chairman	Rep. Freeman
Rep. Ostrosky	Andrea Guernsey, Staff
Rep. Hackney	Barbara Thomas, Staff
Rep. DAVIS	Don Clocksin, Legal Services

POSTING

Rep. Hackney said that line 17 changes the thrust of the bill from municipally oriented to non-municipal. Cotten said this would apply where not feasible to post. Mr. Clocksin agreed with Hackney that in most villages you couldn't use television but the bill plans for the future. It's discretionary, the Board will decide. It would also be in the nature of a public service announcement.

MANDATORY HEARING
VS
ELECTION

Rep. Freeman wanted to know how they will determine the majority, line 5 page 2. He suggests having an election. Clocksin suggest inserting "or at election after the hearing" on line 5 after the word "hearing". Cotten wants the Dept of C&RA to hold the elections. Clocksin gives proposed language page 2, line 5--strike majority and insert substantial number. CRA would then hold hearing. Could strike mandatory all together. Rep. Freeman objects to this. Why have an election if it isn't necessary. Some people may come to hearing and hear all the facts and then change their minds. Rep. DAVIS suggests having an election if the Board rules against the wishes of the people. Mr. Clocksin finally suggests leaving out the hearing and making the election mandatory, then change the may to shall on line 8.

DRAFTING ERROR

There is a drafting error on line 9, where the word renewal has been left out. That will be inserted.

COVERING ALL
LICENSES

Rep. Cotten would like to change the word "the" on line 9 to any. The question should cover all licenses and not just one. Clocksin suggests inserting "or licenses" after a license on page 1, line 24.

PROTEST TO BOARD

Rep. Hackney would like to see page 2, line 1, qualified. The protest will be made to the Board.

SUBSTITUTE

There will be a substitute for the committee substitute drawn up encompassing all the amendments.

ADJOURN

Meeting was adjourned at 9:45.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

April 21, 1975
Meeting Minutes

Meeting was called to order at 9:00 to discuss CSHB 246. Present:

Rep. Cotten	Rep. Freeman
Rep. Ostrosky	Rep. Davis
Rep. Hackney	Rep. Ose
Rep. Hershberger	
Barbara Englert Thomas, Staff	
Andrea Guernsey, Staff	
Don Clocksin, Legal Services	
Cheryl Probst, Anchorage Times	

Sec. 300, para C

The Committee members wanted an explanation of sec. C of the new committee substitute. Clocksin explained that sec. 300 provides 3 alternative methods: 1) para A--this is the procedure now in use. One individual can protest and the Board may or may not have a hearing. 2) para B--35% of the residents of an established village may require a hearing. 3) para C--this takes care of the situation that Ose was having problems with (license along hiway). The Board will take other things into account besides just the residents.

LETTER OF INTENT

Hershberger had the same problem as Ose. Two or 3 residents may be the majority. Ose calls for a letter of intent. Freeman says you can't do much better than the way it is already written in C. Ose withdraws request. Moves to pass bill out. All members signed due pass.

REPORT OUT

Side 2
0-683

The committee now took up several other bills. Bob Pavitt was present, to discuss HB 172. He said it was a good bill and there was not much other discussion. Rep. Freeman moved to report the bill out. With out objection it was reported out with all members signing do pass.

HB 172

HB 228

Hackney asked for the reason for this bill. Cotten said it was sometimes the case when a city is not more than 25 miles from the boundary of the borough seat. Hershberger moved to report out and it was done with all members signing do pass.

HB 290, 291

Chairman cotten asked for the consensus of the Committee on these two bills. The members wanted them left in Committee until next year.

HB 377

Freeman doesn't see any reason for the bill. The rest of the Committee concurs. DEAD.

SB 125

This is the same one as HB 172 passed out earlier. Hershberger suggests leaving this one in committee and letting HB 172 go through the stages. Let a representative have this one. Rest of the members concur.

HB 293

The Chairman received a telegram from Kodiak who are opposed to this bill. Freeman said that the Anchorage city and borough are interested. Want to wait for more testimony on this one.

HB 259

Hackney wants to study for the rest of the session. Cotten said the sponsor doesn't want to see it again. Dead for now.

HB 218
SB 209

Cotten said there was a constitutional problme with these bills. Dead for now.

HB 322, 359

Hackney wants rep. Specking to come. Also Chenoweth. These bills will be taken up tomorrow.

ADJOURN

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 22, 1975

Meeting was called to order at 9:00 to discuss HB 322, HB 359. Present:

Rep. Cotten Rep. Ose
Rep. Ostrosky Andrea Guernsey, Staff
Rep. Freeman Barbara ENglert Thomas, Staff
Rep. DAVIS
Jack Chenoweth, Director, Local Government
Keith Specking, Sponsor
Rep. Huntington

STATEMENT BY
CHENOWETH

HB 322

Mr. Chenoweth started by saying his department doesn't look kindly upon this bill, which says that a Home rule city can move to reclassify as a unified municipality. This is aimed at Valdez, which already has a substantial tax base. It's not so different from the procedures already in operation to warrant a different formula. There is no mechanism in the bill to form a Board to form a charter. Trying to step outside present provisions.

FREEMAN'S
OPINION

Rep. Freeman asked if one could form a borough and vote on unified municipality simultaneously. No, it is a separate issue. Oral doesn't like the bill. It seems like special legislation like Eagle River and it isn't the proper way to go.

DIFFERENCE?

Cotten asked what would be different if Valdez reclassified? Jack said they could not be put in another borough. They don't really have much to gain. They already have a \$700 million tax base. These communities should have a cooperate effort instead of each going own way.

SPECKING COMMENTS

Rep. Specking now came in and made a few comments. He said the request came from the City of Valdez. He then read a memo concerning this from Greg Machowatz of Legislative Council. Copies were distributed to the Committee. Valdez area is large and as far as he knows they don't plan to expand their boundaries.

Freeman thinks this is a selfish move on Valdez's part. Also it would be unreasonable not to put Valdez and Cordova in the same governmental unit.

FREEMANS OPINION

They are already doing well with impact monies and taxable property. Specking said it would be unreasonable to combine Cordova and Valdez. The idea will never fly, they don't want to be associated with each other.

Specking said the way of life in Valdez has been destroyed. Valdez needs new school and their charter precludes them from bonding. This is not special legislation like Eagle river because it applies to everywhere and not just one area.

2ND CLASS BORO?

Cotten asked why they don't apply for second class borough status. They could use service areas and get forest receipts. they probably fear that the Boundary Commission would not look favorably upon them. Jack doesn't know what the Commission would do. Personally, Jack would turn them down. They can already do what they're doing as a city.

HB 359

The Committee now took up HB 359 since Specking was the sponsor of this bill also. He said the subject needs to be looked at by the Legislature. the \$2million was plucked out of the air and will be adjusted in Finance to what is reasonable.

SEC. 2

Secion 2 places stringent controls. Bill is for emergency needs and not goodies bag. Opposed to the use of impact funds lowering taxes. He has no objection to putting in restrictive language in that capacity.

IMPACT FUNDS

Jack said this is the only sum that has been requested. He submitted for \$10 million to continue the program through next year but it was turned down. The Governor wants impact monies to go the foundation program for education. No continuation of grant programs.

Specking put the bill in so the Legislature would at least address the problem.

ADJOURN

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 23, 1975

Meeting was called to order at 9:00 to discuss HB 136. Present:

Rep. Cotten	Andrea Guernsey, Staff
RNp. Ostrosky	Barbara Englert Thomas, Staff
Rep. Hackney	Bob Pavit, Planning Consultant
Rep. Ose	Kevin Waring, Director, Community Planning
Rep. Hershberger	Senator Orsini
Rep. Davis	Rod Pegues, A.G.'s Office

MARY FRONEY

Before HB 136 was taken up Mary Froney from the ANchorage Borough wanted to make a few comments to the Committee on taxation. She said that ad valorem taxes weren't promoting good. They provided momentary gain but a long time loss. Taxes are paid out of usable income, land does not have income. Pressure is put on land to have income. In Anchorage in the lowlands it costs \$9-10,000 per acre for sewer, and is usually three times as much in the hills. Small areas should be responsible for service needed. INcome tax should cover people caused needs: education, libraries, health--not land.

HB 136, SB 358

The Committee now took up HB 136. Mr. Waring said that the companion bill, SB 358, came out of considerable discussion and was agreeable to the State. He wanted to parallel the two bills. The committee may want to substitute 358 for 136.

HB 136

SB 358

- | | |
|--|---|
| 1) SEC. 44.47.150- Director of Local government administers | Deletes Director and uses Commissioner |
| 2) paragraph (b), (c)-Section 1. land will be identified by the village corporations | Deletes paragraph (b) and (c) altogether |
| 3) para (d) is same as (b) in 358 | para (b) sets up conditions to be satisfied by Commissioner before transferring land. "His" should be deleted in line 20. |
| 4) page 2, subsec (2)-concurrence by Commissioners | 4) deleted, too cumbersome. |

HB 136

SB 358

- 5) page 2, para (e)-fiscal not clear
- 6) para (f)-"a separate account!"
"within 30 days"
- 7) para (g):director

- 5)para (c) qualifies fiscal-"state"
- 6)para (d) "separate accounts"--each individual account handled separately, not one big account. "Within 90 days"
- 7)uses Commissioner instead of "Director
Add "and interest" after "profits" on line 7.
- 8)new section not in HB 136-para (f) merely clarifies no adverse possession
Restates what is already in the law.
- 9) para (g) is also new-defines municip-
ality for purposes of this act.
Clarifies federal legislation.
Although Pegues suggested maybe leavi
this section out. Federal gov't
created problem and State can't inter
ret.

"SHALL ACCEPT"

Mr. Pegues also said that the language "shall accept" on line 13 may cause problems. It implies that it is the duty of the Commissioner to accept whatever is offered. Can't meet trust responsibility with "shall".

APPROPRIATE VILLAGE ENTITY

"appropriate village entity"--requiring approval violates trust responsibility. Court will probably rule it out.

ADJOURN

Meeting was adjourned at 10:00. (1005)

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 24, 1975

Meeting was called to order at 9:00 to discuss HB 88. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Davis	Andrea Guernsey, Staff
Rep. Ostrosky	Phil Wall, Dept of Revenue
Rep. Hershberger	Rep. Miller, Sponsor
Rep. Freeman	Dennis Robertson, Public Works
Rep. Ose	Rep. Tim Wallis
Rep. Hackney	

ABANDONED MOTOR
VEHICLE FUND

Cotten brought up the possibility of using the abandoned motor vehicle fund already on the statutes which takes care of cars outside the municipality. Fund has never been funded. Money reimbursed to municipalities in porportion to cars picked up. Miller said the fund just wouldn't do the job.

Freeman suggests passing law allowing municipality to levy \$5 to take care of cehicles. Delete line 13 and 14. Miller said the problem with that is you would have two collection agencies. The municipalities wuld have to set up office to collect when the State is already doing it. The municipalities don't have the tools to get %100 compliance.

ADMINISTRATION

Wall said his major concern was the administration. How to tell where the owner actually lives. He suggests setting up a system with a fund and paying the billings submitted by the municipalities out of the fund.

Fræeman says why not just make an appropriation. Miller doens't want to see an across the board State appropriation because it wuldn't be equitable. Anchorage probably wouldn't need it or not as much as smaller communities. This is permissive legislation that will allow the communities to meet their individual needs.

AMENDMENT

There was some discussion of using personal property tax, or earmarking some of the funds collectd on license plates or registration. Although someone thought there was a problem with dedicating funds. Suggestion to add and "administration" on line 29 after collection. Plus new section: "Fees collected under this act sahll be used for the purpose of

TAPE #11
side 1
1010-end

HB 88
4/24/75

implementing the ordinance for removal and disposal'
of vehicles.

There will be a committee substitute drawn up.

Meeting adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 25, 1975

Meeting was called to order at 9:00 to discuss CS for HB 88. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Hackney	Andrea Guernsey, Staff
Rep. Ostrosky	Don Berry, Municipal League
Rep. Freeman	Dennies Robertson, Public Safety (late)
Rep. Davis	Mike Miller, Sponsor, (late)

Mr. Hackney wanted to hear from Mr. Robertson on the vehicle inspection law. Perhaps this could be worked in with that in some way.

Mr. Davis would like to see the people vote instead of by ordinance. Hackney thinks it might be inequitable because trucks would be paying for something they wouldn't collect on.

REPORT OUT

Hackney makes a motion to pass out with individual recommendations. So moved. (435)

PIPELINE IMPACT
(510)

The Committee talked about pipeline impact funds for a minute. Hackney would like to see the funds on a loan basis. The municipality will be able to tax the pipeline property for years to come.

Freeman has objected to moneys from the beginning. Thinks it's a rip off. Relates the example of Valdez.

VEHICLE INSPECTION
(745)

Dennis Robertson gave a summary of the Vehicle Inspection law situation. They have developed a whole new Title 28 to be introduced at end of session.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 28, 1975

Meeting was called to order at 9:00 to discuss SB358 & HB 136.

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Ostrosky'	Andrea Guernsey, Staff
Rep. DAVIS	Kevin Waring, Director, Community Planning
Rep. Freeman	
Rep. Hackney	Rep. Hershberger-absent
Rep. Ose	

Chairman Cotten said he was ready to pass out SB 358 if the rest of the members were agreed. The suggested amendments were gone over.

AMENDMENT "shall" Line 13 page 1: change "shall" to "shall be designated to".

AMENDMENT "interest" Ose wants "and interest" to be added on line 29 on page 1 and on line 7, page 2. To make things clearer.

SECTION B
Rep. DAVIS doesn't like lines 21, and 22. He says the land belongs to the Native corporations and not to the village councils. Mr. Waring explained that this section covered after the land had been transferred to the State and if the State wanted to do anything else with it they had to get the concurrence of a local body. Regional Corporations are not used because they represent the private interests and not public.

PASS OUT
Rep. Ostrosky moved to incorporate the amendments in a committee substitute and pass out. So moved. All members signed do pass.

SB 125 (1342)
Rep. Cotten said he received a request from the Municipal League to pass out SB 125, companion to HB 172 already passed out. It's an identical bill and the League would like to pass it out in the interest of time.

REPORT OUT
Ose made a motion to pass out. So moved.

ADJOURN
Meeting was adjourned at 9:40.)1409)

TAPE # 11
side 2
1409-end

TAPE #12
side 1
0-333

House Committee on
COMMUNITY & REGIONAL AFFAIRS

meeting Minutes
April 29, 1975

Meeting was called to order to discuss SB 227am. Present were:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Davis	Andrea Guernsey, Staff
Rep. Ostrosky	Kevin Waring, Director, Community Planning
Rep. Freeman	Senator Kertulla, Sponsor
Rep. Ose	Mr. Honsinger, Division of Agriculture

PURPOSE OF
BILL

Senator Kertulla told the committee the reason for the bill. This will help the assemblies from bending under the public pressure they might get to reclassify lands from agricultural to where they can subdivide. This will keep people from buying land at special agriculture prices and then subdividing and selling for a profit.

TO PURCHASE
AGRICULTURAL LAND

He said it is a very simple process presently to acquire agricultural land from the State. One merely asks the State to sell under an agricultural preference and then the land is kept for one year and the person may do whatever he wants with it after that. The difference in price is approx. 1/3. Under the State homestead program the purchaser only pays 1/10 of the amount bid and then must put the rest into improvements on the land.

PRICE DIFFERENCE

The Borough assembly presently makes the decision on what to classify the land (on the 10% of land they have chosen from the State).

20 YEARS

Ose asked why the 20 year figure? Kertulla had 55 years originally then put it down to 30 because that was the extent of mortgages. He had trouble in the Senate with such a high figure and 20 was a good compromise. Ose wants to change the figure to 50. After 20 years the owner may do what he wants

KEVIN WARING

Kevin Waring objects to the dead hand on use of land for such a long time. He gave the example of Anchorage and Fairbanks 25 years ago. Is it wise to limit for so long. It also might cause the borough assembly to be reluctant to classify the land. Probably some good reason to abrogate will arise before the time is up in some cases

MR. HONSINGER

He mentioned an article in Time magazine he suggested the Committee read (April 21. He said the bill only address a small portion of land in Alaska- 50 million acres. Good agricultural land needs to be protected from development. He is on the Agriculture revolving loan fund and would like to see a 30 year figure used because this is the extent for long term agriculture loans.

AMENDMENT

There being no objection to Ose's motion for 50 years it was adopted. There was a motion to make a committee substitute and pass out.

REPORT OUT

So moved.

ADJOURN

Meeting was adjourned at 10:00/

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
April 30, 1975

Meeting was called to order at 9:00 to discuss CS for CSSB127.

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Ostrosky	Andrea Guernsey, Staff
Rep. Freeman	Don Berry, Municipal League
Rep. Davis	Ginny Kline, " "
Rep. Hackney	Cheryl Probst, Anchorage Times
Rep. Ose	Vivian Loovas, Citizen
	Rep. Rhode

WHO PICKS UP TAB

Rep. Freeman wants to know where in the Committee Substitute it states who picks up the tab for these exemptions. He wants to be sure there is no question that the State is paying. Cotten said 29.53.020 E-I explains that the State pays. Freeman doesn't see it. 29.53.020 covers real property tax, not assessments. Cotten explained that in the bill, line 15, it merely says that the exemption granted under this section applies to e-i also. But it Mr. Freeman wants to make it more clear a new section could be added, incorporating section G of 29.53.020 into the bill. "The State shall reimburse a home rule or general law municipality for the sewer and water assessment revenues lost to it by the operation of (a) of this section."

AMENDMENT

LETTER FROM
GARY THURLOW

A letter from anchorage Borough Atty., Gary Thurlow, was passed out to members. Mr. Thurlow would like an amendment added to keep people from refinancing the property and getting a rip off. Hackney wondered how many bankers would refinance project for person over 65? Rep. Rhode, a banker, said there wasn't much change. It is too high risk. The committee members didn't think there was any real need for an amendment

DELETE HEIRS

One of the areas of concern at previous meetings was passing the land on to heirs. All references to heirs will be deleted.

AMENDMENT
"SINGLE FAMILY
DWELLING"

The committee also wanted something added which clarified this was for single family dwellings and not multi-unit apts..

A new committee substitute will be drawn up and ready for the Committee tomorrow.

Meeting was adjourned at 9:40.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 1, 1975

Meeting was called to order to discuss HB 466 at 8:30. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Davis	Andrea Guernsey, Staff
Rep. Ose	Don Berry, Municipal League
Rep. Hackney	Commissioner McAnerney, C&RA
Rep. Freeman	

HB 466 Chairman Cotten sponsored this bill because he felt the impact monies were being handed out at an inequitable rate. There's 2 1/2 million left.

DEPT. OF C&RA The Commissioner said the administration sees no objection to the bill. She suggests it could be added to revenue sharing instead of going back to general fund. There is \$2,545,000 left, but the Dept. has \$3,000,000 in requests: Mat-Su \$206,000; North Slope \$1,221,000; Soldotna \$104,000; Juneau \$116,000; Whittier \$84,000; plus many more requests not official yet.

REP. OSE Rep. Ose favors the bill. He objected to Anchorage getting money from it and then lowering their taxes. The communities have had a long time to take advantage of it. Rep. Davis also favors it. Rep. Hackney would like to see the authority of C&RA extended to dispose of funds but doesn't want the program to end. The funds were voted by the Legislature for impact and that is what they should be used for. Impact money has been a real source of help in Fairbanks.

REVENUE SHARING As far as using the money for revenue sharing, Freeman doesn't think it is within the power of the Committee to do it with this bill. It would be a more equitable distribution, so Cotten suggests putting a letter of intent with the bill.

REPORT OUT. Ose makes a motion to report out. So moved. Four do pass.

SOLID WASTE BILLS
ATTENDANCE

Meeting was continued with all members of the Committee still present plus: Jim Anderegg, Dept. of C&RA, Jerry Rienvon, deputy Commissioner of Environmental Conservation, Red Swanson, Sponsor of HB 205, Chet Strohmeyer, Acme Disposal.

CSSB 127

Before discussing solid waste bills, the Committee looked over the committee substitute for SB 127 which had been prepared for today and it was passed out.

HB 445

Mr. Rienvon said there were two things at issue here revenue and intent. The Dept. supports the intent but the issue of funding transcends the dept. Disposal is a real problem especially in the bush and rural areas. The sliding fee scale is a good concept. Fiscal note around \$1,500,000.

FISCAL NOTE

EXAMPLE OF
HYDABURG

Rep. Hackney asked what a place like Hydaburg with a population of 300-400 would be able to do with the \$4,000 the bill would give them. Jerry said in this case they would probably use it for a driver for a cat to bury the land fill. A small amount will improve the situation somewhat.

REP. OSE

Rep. Ose objects to Anchorage getting the 1/2 million they would get because they are already doing a good job. Oral said the sliding fee scale favors the small communities. The facilities that Anchorage and Fairbanks have the people paid for. Oral thinks it's a good bill, but perhaps there should be a provision making it mandatory to use the money for solid waste.

FREEMAN

HB 205

Rep. Swanson stated that while in the 7th Legislature he saw that the problem existed and so decided to introduce this bill. He represents 30 small communities in interior who have a real problem. He has an idea--to get the Hiway dept. to let the small communities use their old equipment, and with the \$5 from revenue sharing the communities will be able to take care of their problem.

CSSB 90 (side 2)

Cotten pointed out that CSSB90 transfers state equipment to political subdivisions. Will take up that bill tomorrow.

JIM ADEREGG
C&RA POSITION

The dept. is aware of the review of revenue sharing that's supposed to take place this summer so they don't want to push anything right now, but they do favor solid waste. They like the sliding fee scale in HB 445, a fixed amount is not good. The dept. recommends wording that will allow the municipalities to use private contractors. Also set criteria for compliance, and wording to cover the situation in double governments. They recommend against state ceiling on revenue sharing.

TAPE #12
side 2
0-570

May 1, 1975

Rep. Swanson said the issue in his district was disposal and not collection. Jerry agreed.

Chairman Coten wants to try to put some of these bills together. Freeman likes the approach in HB 445.

Meeting was adjourned at 9:40.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 2, 1975

Meeting was called to order at 9:00 to discuss CSSB 90. Present:

Rep. Cotten	Earl Prince, Dept. of Administration
Rep. Ostrosky	Dale Walington, Environmental Conser.
Rep. Freeman	Bill Pritchard, Local Government
Rep. Hackney	Jim Anderegg, Local Government
Barbara Englert Thomas, Staff	
Andrea Guernsey, Staff	

STATE PROPERTY
OFFICER

Mr. Prince, the State Property Officier, said he administers two statutes dealing with all surplus property. This is not a new bill, but has been largely unworkable in the past because of a lack of policy for transferring. He said there have been 20 separate occasions where someone has called for the equipment the day before it was to go on sale. This bill tries to clarify the existing statute. The problem is in the administration.

WHERE MONEY GOES

Rep. Freeman asked what happens to the money when a piece of equipment is sold. 90% goes to the Dept. from which it came, and 10% to the Dept. of Adminstration for administration costs. Then the dept. would have to make a choice between selling for money or giving to the villages.

PROCESS USED BY
DEPT. OF C&RA

Bill Pritchard from the Local Government Division of the Dept of Community and Regional Affairs, explained the process his dept. uses. In February they had a meeting with the Capitol Working Fund of the dept. of Hiways who asked them if they would communicate with the municipalities concerning the surplus equipment of the dept. of hiways. A list of all surplus equipment was sent to all municipalities (incorporated) and received 25 requests back. The municipality must pay the cost of transportation plus the recommended salvage cost of the piece of equipment. They send a list every time there is usable equipment for sale. In this process the municipalities have first crack at the stuff already, which solves Mr. Prince's problem. THE equipment which isn't sold is then given over to the dept. of Administration for sale.

RESTRICTING USE
OF EQUIPMENT

Cotten would like to get rid of the section saying that the equipment can only be used for maintenance of roads or airports. This would give the communities the option of using them for garbage removal.

LETTER TO AGENCIES

Rep. Hackney doesn't think the bill is even needed. He suggests the committee write a letter to the dept. of C&RA, Hiways, Administration, Public Works asking them to all get together on this matter.

Chairman Cotten doesn't want to do anything with the bill until he hears from its sponsor.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 5, 1975

Meeting was called to order at 9:00 to discuss HB 15, CSSB 43am.

Rep. Cotten	Gordon Brunton, Regional fire Chief
Rep. Freeman	Allen Judson, Ak. St. Firefighters Assoc
Rep. Davis	Rep. Duncan, Sponsor
Rep. Hackney	Bill Hagby, Fire trainer
Barbara Englert Thomas, Staff	Don Berry, Municipal League
Andrea Guernsey, Staff	Jack Chenoweth, director, Local Gov't

ALLEN JUDSON

Mr. Judson said the Alaska State firefighters were in support of CSSB 43. Over the last three years fire money is being spent for other things. For example Hoonah has been using it for their generator problems. he read a letter from Dawson and Company stating that if the fire facilities across the State were upgraded it would reduce insurance rates. The fire underwriters grade each community for insurance premiums but the overall picture is taken statewide.

HOONAH

Hackney asked what sort of equipment Hoonah has? and what their fire loss is? They have a 500 gal pumper but don't know the fire loss in dollars. Rep. Hackney thinks the people in the communities should set the priorities instead of having the State step in and say how to spend the money. Cotten pointed out that SB 43 says the money could be spent elsewhere if the community can show adequate fire protection. Mr. Brunton said Hoonah has 5-10 working fires each year. 80% of these are total losses. This is typical of the rest of AK. in that it is double that of the rest of the U.S. Rep. Freeman asked if Hoonah had a tax base? They have sales tax. He also asked what the city council thought. Judson said they were opposed to the bill because they want to use the money for the electrical system. Cotten said the community had to make its priorities.

M.L. POSITION

Freeman asked Mr. Berry for the Leagues opinion. Don said they were in opposition. It was not originally an idea of shared revenue to earmark the funds. They compromised with SB 43 by saying that the funds could be used elsewhere in original which was later amended out.

TAPE #12
side 2
1405-end

TAPH
side 1
0-412

HB 15, CSSB 43am
May 5, 1975

C&RA POSITION

Jack said hs dept. was in favor with the League's position.

Mr. Brunton suggested disqualifying the title of "fire protection". Don't want to increase fire money to be spent on something else. But some communities only get fire shared revenue, Cotten said.

After further discussion meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 6, 1975

Meeting was called to order at 9:25 to discuss SB 138, SB 259am. Present:

Rep. Cotten	Senator Rodey, Sponsor, SB 138
Rep. Hershberger	Senator Croft
Rep. Ostrosky	Rep. Smith
Rep. Freeman	Frank Jones, Director, Game Division
Barbara Englert Thomas, Staff	Kathy Jacobsen, Natural Resources
Andrea Guernsey, Staff	

PRIVATE LANDS
PART OF PARK?

Freeman wanted to know if the private land within the area were a part of the park or not? Croft said they were not. The language in the bills establishing Chugach and Kachemak excludes valid entries specifically. The A.G.'s office said that if SB 138 passes the courts will interpret this as an intention by the Legislature to provide zoning authority over lands, even though the language in the bill that established them excludes private lands from this.

ZONING?

Freeman's concern is the land inside municipal boundaries. Zoning should be regulated by the municipal government and not by the State. Rep. Smith disagrees. A park is an area where the State has a large interest with only isolated private parts. It is logical that it be managed by the State.

STATUS OF
EMMINENT DOMAIN
IN PARKS

Chairman Cotten asked if there was a prohibition against eminent domain in Chugach? Ted Smith gave a run down of all the parks created by Legislative Action:

Nancy Lake REC. Area: no restriction against em. D.. has been zoned by Mat-Su Borough;

Chena River REC. Area: prohibition against E.D. except for access. Dept. of Natural Resources can zone;

Captain Cook Rec. Area: no restriction against E.D. Kenai Penn. Borough hasn't exercised any zoning authority;

Battery Point: prohibition against E.D. Haines
Borough has no zoning authority so none to exercise.

Chugach State Park: no prohibition against E.D.
GAAB has not exercised zoning;

Kachemak Bay St. Park: no prohibition against E.D.
Kenai Borough has not exercised zoning authority;

Denali St. Park: prohibition against E.D. Mat-Su has
not exercised zoning;

Caines Head: E.D. prohibited. Kenai has not zoned.

BOROUGH'S ZONING

Senator Rodey sees no reason for boroughs to zone
state parks. Too much of a problem for them to
exercise zoning. To avoid detail they classify
as unrestricted or unzoned. Everything not zoned
specifically is unrestricted.

Cotten asked if there were any other parks with
private property within boundaries where private
land is classified differently? Rep. Smith said
that every one of the eight parks mentioned have
at least 1 parcel of private property. Only one
has in fact been zoned (Nancy Lake in Mat-Su).
Kachemak and Chugach are the only ones with language
excluding private lands from park. The rest don't
specifically exclude.

PROBLEMS N PARKS?

Have there been any problems arising in the parks,
as far as development? Senator Croft said there
was a problem in the southern portion of Chugach.
There is a considerable amount of intent to develop,
dividing land up into acre lots, etc.

COMPATIBLE USE

Rep. Hershberger thinks that compatible use is
implicit in zoning and it is up to zoning authority
to see concept is kept.

SB 259am

Senator Rodey explained the reasoning behind this
bill. He said the difference between the original
and the amended was because it was felt that other
game refuges didn't have the problem Potter Point
did because they were inherited from the federal
gov't with no private holdings. The only problem
at present is Potter Point. The State is attempting
to buy all the lands that have been dedicated for
park purposes but don't have enough money right now.
There are still private lands inside the boundaries
of the refuge and it is important to zone these to
keep them consistent with the use of the refuge.
Right now much of the land has been purchased for
speculation by large corporations.

TAPE #13
side 1
415=1099

SB 259am
5/6/75

FRANK JONES

Mr. Jones showed the Committee a map of the Potter Point refuge. Most of the land is below the bluffs in a marshy area which is used for ducks. It is possible that some development could be made on the private lands that would not be compatible. They are presently attempting to buy the 700 acres of private land involved. The purpose of the bill is to exclude any further incompatible development.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 7, 1975

Meeting was called to order at 9:00 to discuss HB 478. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Ostrosky	Andrea Guernsey, Staff
Rep. Freeman	Mary Froney, Anchorage Borough Assembly
Rep. Hershberger	Rep. Beirne, Sponsor
Rep. Davis	Don Berry, Municipal League
Rep. Hackney	Cheryl Probst, Anchorage Times
	Bill Barrier, Legislative Affairs

MARY FRONEY

Mrs. Froney made opening comments on the energy crisis. She said the government should be more responsive to the cause of the problem and not the secondary cause. The tax should be on the root of the problem, not on ad valorem, sales tax or gross business tax which are secondary taxes. This is permissive legislation and is not mandatory. Land and buildings shouldn't pay for people services, these should be paid by wage or income tax. She read the underlined wording on page 5 and said this would mean fire protection or road maintenance which is not wholly people service would still be paid by ad valorem. She would like to see this bill passed this year because one can't take advantage of it until January of '76.

WAGES EARNED OUT-
SIDE MUNICIPALITY

Cotten asked what about the wages earned outside a municipality? Mary answered that a wage tax is collected where the person works and income is collected where he lives. Since she believes the major impact of a person is where he lives it would be covered by income tax.

INEQUITY

Rep. Beirne sees an inequity. The bill mandates the repeal of the gross business tax but doesn't mandate the wage or income tax. A amendment is needed to tie the two together.

VOTE OF PEOPLE

Rep. Hackney wants to know why it doesn't go to a vote of the people. Helen said they wouldn't want to chance defeat by the people who might not understand. Instead they are bringing it from the top through the legislature.

FREEMAN ON R.S.

Rep. Freeman suggested knocking off the gross business tax and increasing the revenue sharing. This would be a lot simpler. Froney says this would not make local government more responsive. Community would continue to ask for more services than they can afford. This way the people would see that they are actually paying for services and not ask for more than they can afford.

MUNICIPAL LEAGUE

Rep. Beirne asked Mr. Berry if the Municipal League would be willing to look over the bill during the summer. Berry said they would but he felt there were several problems with this particular bill. Helen introduced Mr. Barrier who helped draft the bill.

Meeting was adjourned at 10:00

House Committee on
community & regional affairs

Meeting Minutes
May 8, 1975

Meeting was called to order at 9:15 to discuss SB 259am again.

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Davis	ANDrea Guernsey, Staff
REP. Freeman	Senator Orsini, Sponsor
REp. Hackney	Senator Rodey
Rep. Hershberger	Rep. Smith
Rep. Ostrosky	Cathy Jacobsen, Dept. of Natural Resources
	Don Berry, Municipal League

SENATOR ORSINI Senator started by saying that this bill originally covered zoning in all the 18 state game refuges. But 17 of these are coincidental with national wildlife refuges and there is already a handle on the use of the land so this bill was amended to cover the only solely State game refugee, Potter Point.

WHY AMENDED

OTHER GAME REFUGEE Cotten asked what about the new ones being created? Orsini said this has been taken care of. A provision is written into the original bills.

MUNICIPAL PLANNING AND ZONING Rep. Freeman said his problem was a state authority usurping the planning and zoning powers of the municipality. Orsini replied that in this case the borough has the powers but doesn't want to use it in a state game refugee. So consequently this land is unzoned. Besides this state power is not unfettered. Freeman thinks the State should just buy the land instead of zoning.

APPROPRIATION Smith explained that that is the intention of the State but there is a lack of money. Hershberger said the legislature has passed a measure appropriating \$75,000 to be matched with \$225,00 of Pitney-Roberts Federal money to buy some of this land. But this \$300,000 will only buy 15 of the 38 parcels. The zoning is to cover the land until more money can be found.

Senator Orsini suggest s changing line 17, change "IN" to "surrounded by state land" which would take care of Freeman's problem of the State zoning private land. Oral said there wouldn't be any need for the bill then.

Meeting was adjourned until 3:00 when Mr. Jones, Game Division, can come with a detailed map of private lan

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 13, 1975

Meeting was called to order at 9:10-to discuss HB 322. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Hershberger	ANDrea Guernsey, Staff
REp. Ose	Don Berry, Municipal League
Rep. Davis	Jack Chenoweth, Director, Local Gov't
Rep. Ostrosky	Bob Pavitt, Planning Consultant
Rep. Freeman (late)	

BACKGROUND

Valdez, a home rule city, wants to change the statutes to allow them to petetion to become a unified municipalti. Presently, they can petetion to Boundary Commission to become any sort of Borough. Jack said they are looking to protect themselves against encroachment by other governments. Local Government division has had two inquiries about borough government: One from Cordova and one from Chugiak Natives, Inc. who have employed Mr. Pavitt to research borough government.

LINE 14

Jackn said the Department doesn't like this bill but he suggests changing line 14 if the Committee is going to pass it out. Change to "29.18.030." This is the section that deals with standards for borough incorporation. The bill also doesn't say anything about elections.

DIFFERENCE IN
POWERS

Cotten asked what the differene in powers would be. Jackn said a borough can establish service areas but Valdez has differential tax zones which is comparable to service areas. They have a charter now

PAVITT

Pavitt said the lack of election is the only differen in the process we have now, so if they were to add taht to bill then th~~ere~~ is no reason for it. Valdez should go through the proper channels. Cotten said the idea seemed to be to avoid duplicate governemnts.

Jack said one concern was the other 3 home rule cities; Petersburg, Wrangell, and Cordova. This bill would allow Petersburg to become Unified municipality without regard to the 200 people living outside the city limits. This bill encourages fragmentation of the unorganized borough.

DON BERRY

There was a lot of discussion of the idea of borough government. Don Berry is in favor of the bill. He thinks the people are trying to help themselves and they should be able to do it. The League has no official opinion, this is his own.

Ose wants to table the bill. Without officially doing so, Cotten said they won't move it without more information.

Meeting was adjourned at 10:00.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 19, 1975

Meeting was called at 11:30 to reconsider HB 3 which had been returned from the floor of the House to consolidate all the amendments into one committee substitute. Present were:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Hackney	Andrea Guernsey, Staff
Rep. Freeman	Ted Smith, Sponsor
Rep. Ose	Rep. Urion
Rep. DAVIS	
Rep. Hershberger	

REP. URION
AGAINST BILL

Rep. Urion is against this bill. He says it is severely unconstitutional. Private property should not be taken for public use without just compensation. He asked what would happen to the money taken in lieu of dedication if there was no land in the vicinity. Also what is the definition of Vicinity? Under the bill dedication of commercial land would also be required. The developer shouldn't have to pay for a need created by people.

REP. SMITH

Rep. Smith responded that parks were equally as valuable as roads. It will be left up to the municipality to decide what to do with the money. He said the State of California had a similar law and has not been declared unconstitutional.

Oral has a problem with line 17 "to pay a sum".

REP. URION

Rep. Urion said that in the case of a planned unit development, which already provides a green space, this bill would make that private land public. (Rep. Smith, who lives in such a development said that land was privately owned but open to the public). Urion said there was already a minimum lot requirement which should take care of the space problem.

COMMITTEE SUB.
ADOPTED

Rep. Freeman moved that a committee substitute be adopted which incorporates the amendmnts by this committee. Without objection, so moved.

FINANCE AMENDMENTS
ADOPTED

After a brief discussion of the Finance amendments Freeman moved that they too be in the committee sub. Without objection it was so ordered.

Freeman then offered his own amendment. Delete everything after "may" on line 17 and add "waive the dedication requirement." Smith says no. →

Meeting was adjourned.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
May 21, 1975

Meeting was called to order at 9:15 to discuss SB 259am, SB 138, CSSB 90.

Rep. Cotten	Barbara Thomas, Staff
Rep. Ostrosky	Andrea Guernsey, Staff
Rep. Hershberger	Senator Orsini
Rep. Freeman	Rep. Smith
	Bob LeResche, Fish & Game

SB 259am

Senator Orsini passed out a proposed Committee Substitute that would give the local government a year to act. The bill takes effect June 1, 1976. But he thinks the new Anchorage Borough Assembly will take action on it. Nobody had any objections to the substitute so it was adopted and the bill was reported out.

REPORT OUT

SB 138

AMENDMENT

Rep. Cotten suggests replacing section b with "before any such regulations are enforced they shall be submitted to and approved by the legislature."

PRIVATE LAND
IN PARK

Rep. Freeman still wants to know if private land surrounded by a state park is within that park? Rep. Smith said that according to this bill that land would be within the park and subject to zoning.

Senator Orsini offered some different language for section B, to the extent that if the legislature didn't act the regulations would take affect. Sam likes the first language better but agrees to change "are enforced" to "takes effect" for the sake of clarity.

REPORT OUT
COM. SUB.

Rep. Ostrosky moved to adopt the amendment and report the bill out. Without objection so moved.

CSSB 90

REPORT OUT

Oral still wants to know whether the equipment is sold or given. The "shall transfer" was changed to "may transfer" in the committee substitute. The bill was reported out.

Meeting was adjourned at 9:50.

1976

MINUTES

1/13/1976 - 5/24/1976

House Committee On
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
January 13, 1976
9:00 am

Meeting was called to order by Chairman Cotten to discuss the introduction of HB 539 and 540. Present were:

Rep. Sam Cotten
Rep. Lisa Rudd
Rep. Kathryn Ostrowsky
Rep. Oral Freeman
Rep. Larry Davis
Rep. E.M. Hershberger
Rep. Glenn Hackney
Rep. Alfred Ose
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

The purpose of this meeting was to introduce to the committee HB 539 and 540.

There was a short discussion due to the fact that the committee would get into detail at tomorrows meeting.

Rep. Ostrowsky said that she was planning to bring Brian Saylor from H&SS in to discuss the health facility.

Meeting was adjourned at 9:20 am.

1976
MINUTES

1975

MINUTES

1/22/1975 - 5/21/1975

House Committee on
COMMUNITY AND REGIONAL AFFAIRS

Meeting Minutes
January 14, 1976
9:00 am

Meeting was called to order by Chairman Cotten to discuss Revenue Sharing and HB 539, 540. Present were:

Rep. Sam Cotten
Rep. Lisa Rudd
Rep. Kathryn Ostrowsky
Rep. Mike Miller
Rep. Oral Freeman
Rep. Larry Davis
Rep. Glenn Hackney
Rep. Alfred Ose
Bill Berrier, Attorney
Brian Saylor, H&SS
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

The purpose of this meeting was for the Committee to discuss Revenue Sharing. Chairman Cotten asked Rep. Miller if he would speak on the subject. The question was, "Is Revenue Sharing worthwhile" Rep. Miller explained the aim - to help local communities. At present, revenue sharing doesn't work in the bush. One of the goals was the foundation type approach; the other the categorical approach. Rep. Miller said that it was determined that that amount should be a fairly generous amount. They settled on a figure of \$25,000.00. In the whole process there was no question or objection to the \$25,000.00 figure, except one time someone mentioned that they thought that was a large amount for a small village.

Miller also explained that they also had to decide whether or not to have categories or not. He summarized the different approaches. Last year's computer read-outs showed some startling differences such as the bill last year, the "so-called" Tax Effort Bill showed that the boroughs would come out very well on that and the cities would not have improved that much at all. What they ended up with was the categorical approach, tied to a foundation that they have had in the past.

Chairman Cotten asked Rep. Miller why there was two (2) bills made up. Rep. Miller explained that the little one was only going to be used in case the big one ran into trouble towards the end of the session. The language of the little bill is the same as the big one. Rep. Miller then summarized what was contained in the bill.

Rep. Ostrowsky said that she was going to get Brian Saylor from H&SS to speak tomorrow because there wasn't enough time today. Rep. Freeman mentioned that the language on line 20 was strange to him. It was decided that the wording was incorrect. It appeared to exclude cities within a borough.

First and second class cities were discussed and distinguished. Almost all villages are second class cities and are, therefore, entitled to \$25,000.00.

Mike Miller said that the military was not included in the language. An error was noted on page 6 - 55 should be changed to 65.

There was discussion at length about eligibility of first and second class cities regarding revenue.

Miller stated that the start up fees for a little city costs almost as much for a little community as it does for a large one.

Chairman Cotten stated that they were running out of time and that they would meet tomorrow morning to discuss further the health aspects and distribution.

Meeting was adjourned at 10:00 am.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
January 15, 1976

Meeting was called to order at 9:00 am by Chairman Cotten for discussion of HB 539. Present were:

Rep. Sam Cotten	Rep. Mike Hershberger
Rep. Larry Davis	Rep. Glenn Hackney
Rep. Kathryn Ostrosky	Rep. Al Ose
Rep. Lisa Rudd	Barbara Englert Thomas, Staff
Rep. Oral Freeman	Vicci Hansen, Staff
Rep. Mike Miller	Brian Saylor, H&SS
David Freer	Bill Berrier
Palmer McCarter, C&RA	Rep. Ramona Kelley

Discussion was continued on from Friday on HB 539.

Brian Saylor discussed any questions on division of monies for the health portion of the Revenue Sharing.

Chairman Cotten pointed out that the interim committee felt that it would be better to transfer the function from the Department of Community and Regional Affairs to Health and Social Services for the distribution of the hospital funds.

Saylor explained his analysis which was passed out before the meeting. People with a lot of hospital beds get more money than those with fewer hospital beds.

Chairman Cotten asked Saylor to explain about HSA's. (Health Service Areas). Saylor said that there are 3 health service areas in the state of Alaska. They have been carved up along regional corporation boundaries. The northern HSA is the three northern most regions; the North Slope Borough, the Arctic NanaEndoya. The southeast is just Sealaska and the southcentral is everything else (8 regions). This is by far the most populated and largest region.

Saylor brought up his idea of preventive care. If people are prevented from being ill, a certain number of people would be prevented from getting into a hospital which would cost a considerable amount more.

Rep. Freeman asked Saylor if this was carried to extreme, if it wouldn't be cheaper to close all of the hospitals. He said that we have hospitals and are going to continue to need them. System that has been used in the past is clean and dependable. He felt that the suggestion of Saylor would be perverting the whole idea of the thing as it was set up in the beginning.

Chairman Cotten reiterated that before the idea could ever

take effect, it would hinge on the passage of the inter-committee work and legislation on the HSA's being established.

Rep. Rudd suggested that possibly the basic problem was using the hospital bed as a basis for awarding of the funds. She asked if it would be possible to develop another basis for awarding funds to the regional associations and award those funds for activities not including hospitals and then have a separate program for hospitals.

Saylor answered that they haven't been able to come up with any reasonable capitation rate. (Capitation rate is a certain unit used to measure the calculation of the grant awards)

Mike Miller offered an observation that it is very difficult to analyze this without an actual bill in front of us. He wondered if maybe the wisest thing to do was to take it a step forward and incorporate current law into the shared revenue bill and move on that, and possibly even pass the bill with full knowledge that if the Health Interim Committee comes in then this bill will fail or stand on its own merits.

Meeting was adjourned at 10:00 am.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
January 16, 1976

Meeting was called to order at 9:00 am by Chairman Cotten for discussion of HB 545. Present were:

Rep. Sam Cotten	Rep. Mike Hershberger
Rep. Kathryn Ostrosky	Bill Overstreet, Alaska Association of School Boards
Rep. Lisa Rudd	Nat Cole, Dept. of Education
Rep. Oral Freeman	Patty Ann Polley, Dir. of Elections
Rep. Al Ose	Mr. Swanson
Rep. Glenn Hackney	Barbara Englert Thomas, Staff
Rep. Al Osterback	Vicci Hansen, Staff
Sharon Hiner, Secretary/Aide to Larry Davis	
Rep. Ramona Kelley	

Bill Overstreet offered his observations. He was in favor of the bill. He thought that provisions should be made that this should take effect immediately because of being faced with an election date of February 24th, and if the bill didn't take effect until June 30th or so, there will be a big problem for next year.

Rep. Ostrosky made a motion to have the bill take effect upon passage.

Mr. Swanson made his presentation and showed a map to help his presentation, and to show a comparison of election districts.

Patty Ann Polley, Director of Elections, spoke on being in favor of this bill so that they do not have to hold run-off elections in the regional educational attendance areas.

Rep. Al Osterback testified that he was in favor of the bill.

Chairman Cotten asked if there would be any objection to moving the bill with a DO PASS recommendation.
Amendment to add "Effective immediately upon passage".

Bill was signed as DO PASS.

There was further discussion on HB 539.

Meeting adjourned at 10:00 am.

House Committee on
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
January 20, 1976

Meeting was called to order at 9:00 am by Chairman Cotten for discussion of HB 539. Present were:

Rep. Sam Cotten	Barbara Englert Thomas, Staff
Rep. Oral Freeman	Vicci Hansen, Staff
Rep. Glenn Hackney	Palmer McCarter, Director, Community & Regional Affairs
Rep. Oral Freeman	Commissioner McAnerney
Rep. Ramona Kelley	Mayor Ginny Kline
Rep. Al Ose	Billy Berrier, Legislative Affairs
Rep. Lisa Rudd	Rep. Al Osterback
Don Berry, Municipal League	
Victor Dircksin, Administrator, Bartlett Memorial Hospital	

Palmer McCarter, Director, Community & Regional Affairs was asked to testify and answer questions about HB 539 and also to answer questions about the technical changes in the bill.

McCarter went point by point starting with page 2 of the current bill, solid waste disposal.

Under hospital section, Mr. Freeman had suggested that rather than keep referring to organized boroughs and cities, just to use the word "municipalities" since these do cover both types of governmental jurisdictions.

There was a lot of discussion on the language used in the bill i.e. "organized borough", "health power", "municipality", and "city outside an organized borough". Bill Berrier suggested that the committee may have to look at the language a little more sophisticatedly from a drafting standpoint. Rep. Cotten said that he didn't think that there was much disagreement on what the concept is, it's just that it seems to be some problem with the committee putting the language together.

Rep. Freeman said that his feelings were that if the city has the hospital that they should get the money and if the borough is operating the hospital outside the city, that they should get the money. He asked if there was a technical problem with coming up with the language that would do that.

Rep. Rudd suggested that they were possibly approaching this from the wrong direction. She said that what they were really doing was giving money to hospitals, or at least that seemed to be the intent. Whether they are inside a city or outside a city or municipality and whether they are operated by a municipality seemed to her the basic intent of the section discussed was to give money to hospitals, not to municipalities at all and not to municipally operated hospitals, but to just hospitals in general. McCarter said that that was the net effect of the legislation as it has changed over the years.

McCarter said that the money now goes to the hospital director through a pass-through situation.

There was further general discussion on changes in the bill and the meeting was adjourned at 10:00 am.

PUBLIC HEARING

House Committee on

COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes
January 22, 1976

The meeting was called to order at 9:00 am by Chairman Cotten for discussion of HB 539. This was a Public Hearing and present were:

Rep. Cotten	Senator Rodey
Rep. Ostrosky	Commissioner McAnerney
Rep. Rudd	Don Berry, Municipal League
Rep. Freeman	Palmer McCarter, Dept CRA
Rep. Ose	Sharon Mitchell, Speckings AA
Rep. Herschberger	Ann Moore, Seacap
Rep. Kelley	Paul Lyons, EEO
Rep. Miller	Bill Wolfe, KINY
Ginny Kline, Mayor	Brian Farrell, Human Rights
Billy Berrier, Leg. Affairs	Barbara Englert Thomas, Staff
Steve Uren, Atty. Human Rights	Vicci Hansen, Staff
Sharon Hiner, Secy. Davis	David Rose, Anchorage Assembly

First to testify was David Rose who is Chairman of the Anchorage Assembly and President of the Alaska Municipal League. Rose stated that the Anchorage municipality is very impressed with the bill and very supportive of it. He said that over the past few years, the committee has explored many different formulas on Revenue Sharing. He felt that the bill as set forth does the job very well. He spoke to some of the specific items in the bill. Parochially, from the Anchorage standpoint, they certainly would like to see 43.17.080 remain as it is. But, he felt that as realists, they probably were going to have to move very carefully at that and determine whether there should be reductions because of military personnel. Right now, military population is counted in 3 areas. One is transportation which is a 50% share, Police is a 50% share and Parks are a 25% share and they would expect certainly that if this section (43.17.080) was amended, that those percentages would be retained from the old bill. They would like the committee to take a look at three additional categories; air and water pollution control, harbor or port and airport. Ambulance service hadn't been considered. In Anchorage, by unifying, they put themselves in the situation where they received less state shared revenues this fiscal year than they ordinarily would have received. Rose talked on other aspects of unification. If the new bill is passed as it is written, the problem would not occur in the future years. Rose recommended the bill.

Paul Lyons, President EEO services from Washington, D.C. spoke next. After looking at the Human Rights booklet and discussing it with several attorneys, it was interpreted that as the state of Alaska's laws now stand, the passage of the State Revenue Sharing Act would bring the provision spoken about in

the Human Rights booklet into effect as it stands now. EEO, Lyons, suggested that language in the state Revenue Sharing Act itself which would be very standard type of language. This type of language is the type that is used in the Federal Revenue Sharing Act.

Chairman Cotten asked if Lyons intended to transfer this to a lower division. Lyons reiterated, in short, what he had said.

Mayor of Juneau, Ginny Kline, briefly stated that she would endorse this bill.

Chairman Cotten said that he had received a telegram from the City of Seward and that they would endorse the bill as is.

Palmer McCarter from the Department of C&RA was asked to give his opinion, however, he stated that he would rather wait and discuss his opinions with the Commissioner. He did say that he felt that the language which is presently in the bill he didn't feel that there would be any problem with the actual enforcement capability that they might have with existing language.

Rep. Rudd helped explain some of the things which were still in question.

Rep. Freeman strongly felt that this was getting out of hand in the way that Community and Regional Affairs should concern themselves with problems in Community and Regional Affairs and he felt that they didn't have enough extra time that they should be getting into the area of enforcing provisions of the Human Rights Commission. He didn't feel that the C&RA shouldn't get into the problems that should be concerned with Human Rights.

Rep. Rudd and Rep. Freeman talked about this and Rep. Rudd offered to explain at a later time the reasons for determinations, etc.

Meeting was adjourned at 10:00 am.

House
Committee Minutes for
COMMUNITY & REGIONAL AFFAIRS

January 23, 1976

The Meeting was called to order at 9:00 am by Chairman Cotten. The purpose of the meeting was to discuss HB 462. Present were:

Rep. Gotten	Rep. Osterback
Rep. Ostrowsky	Senator Rhode
Rep. Herschberger	Lisa Parker
Rep. Freeman	Don Berry, Municipal League
Rep. Ose	Audrey Puustinen, Glenn Hackney's
Rep. Rudd	Secretary
Barbara Englert Thomas, Staff	Sharon Hiner, Larry Davis's
Vicci Hansen, Staff	Secretary

Chairman Cotten called upon Leo Rhode to testify.

Rhode stated that the intention behind the bill was to legalize something that has been going on for quite a while. This bill would permit the boroughs to do something that they are already doing. Rhode made the bill quite clear and stated that if anymore testimony was needed, Hugh Malone would be the one to contact.

Don Berry agreed that the bill was permissive and that the Municipal League would have no objection to the bill.

Herschberger moved to pass the bill out.

Meeting adjourned at 9:15 am.

Committee Minutes for
HOUSE COMMUNITY & REGIONAL AFFAIRS

January 26, 1976

The meeting was called to order by Chairman Cotten at 9:00 am to discuss HB 539. Present were:

Rep. Cotten	Don Berry, Municipal League
Rep. Rudd	Palmer McCarter, C&RA
Rep. Davis	Lee McAnerney, Commissioner
Rep. Ose	Sharon Mitchell, Specking's AA
Rep. Freeman	Lisa Parker
Rep. Ostrosky	Barbara Englert Thomas, Staff
Rep. Hackney	Vicci Hansen, Staff
Rep. Leo Rhode	Ginny Kline, Mayor

Palmer McCarter brought a fiscal analysis of HB 539/473 to the committee and was asked to explain it. It was assumed that out of the total communities that now participated in Revenue Sharing, approximately 95 of those communities were of such a size that they probably would come out better to apply for the minimum grant as outlined in the bill which would provide the \$25,000.00. The first line was a comparison, etc.

Mr. Freeman made it clear that his interest was the comparison of the per capita for the smaller communities as compared to the larger ones. McCarter didn't have that information and the person who prepared the analysis will be out of town all week. McCarter suggested that he could get it after the person who did the preparation came back. This comparison needs to be done to make it valid. The other problem is that they have to take in and put out military population.

Chairman Cotten discussed Sec. 43.17.020 (b). It was suggested to Cotten that they establish a separate account within the Revenue Sharing program; for instance \$100,000.00 and pro-rate out to the communities that are starting their services. The big problem on that is that you are not going to be sure which communities are going to be starting new services up. No one seems to be able to come up with an estimate yet.

Chairman Cotten then discussed Sec. 43.17.020. (c) and suggested that he didn't see any reason why the actual population figures couldn't be used instead of rounding them off to the nearest hundred. This section applies to the start-up grants only.

The rationale was that it was assumed at the start that no matter whether you have 25 or 250, you would probably have to hire at least one policeman and one police car and it really isn't going to make that much difference.

Rep. Hackney asked the Dept. what figure they use for figuring. In section 43.17.080 under Population Determination, "the population shall be determined by the latest figure that the US Bureau of Census, Department of Labor estimates or other population data". Hackney wanted to know which figures the Dept. used. Palmer McCarter stated that they use all three.

According to 1976 United Home Rule Municipalities Map, there are 10 under 100 and 15 under 150.

There was much discussion on the \$25,000.00 start-up funds.

Freeman pointed out that there are quite a few municipalities in this state that practically don't lift a finger to help themselves. They have no sales tax, no property tax, and everything that they do have they get from the Federal Government or the State. On the other hand there are the communities that tax themselves trying to provide. Freeman feels that Revenue Sharing should be an aid to the municipalities with fair treatment.

Rep. Ostrosky suggested that in some small communities, fire protection would be a great help and the \$25,000.00 figure would barely get this type of operation off the ground.

Chairman Cotten suggested that if the session was short, that the C&RA could meet at 11:00 so that the committee would not have to meet at night.

Meeting adjourned at 10:00 am.

Committee Minutes for
HOUSE COMMUNITY & REGIONAL AFFAIRS

January 27, 1976

The meeting was called to order by Chairman Cotten at 9:00 am to discuss HB 605. Present were:

Rep. Cotten	Rep. McKinnon
Rep. Rudd	Rep. Davis
Rep. Ose	Bill Berrier
Rep. Ostrosky	Gary Jenkins, Dept. of Revenue
Rep. Freeman	Barbara Englert Thomas, Staff
Rep. Hackney	Vicci Hansen, Staff

Rep. Joe McKinnon was asked to testify on HB 605. The bill was intended to deal with what he considers to be a loop hole in the Federal tax laws and certainly a loop hole in the state law which is based on the federal law. It deals with income earned from interests from municipal or state bonds. What the bill would do would continue exemption for bonds of the state or any of its political subdivisions but tax interests earned on bonds from municipalities outside or states outside. Twenty-eight states presently have this type of taxing procedure.

Next, Mr. Gary Jenkins from the Department of Revenue testified that they do not see any impact on state revenue.

Rep. Hackney moved to pass the bill.

Chairman Cotten stated that there would be a meeting this evening from 7:00 to 9:00 on HB 539.

Meeting adjourned at 10:00 am.

Committee Minutes For
HOUSE COMMUNITY & REGIONAL AFFAIRS

January 28, 1976

The meeting was called to order at 9:00 am by Chairman Cotten to discuss HB 539. Present were:

Rep. Cotten	Rep. Ostrosky
Rep. Freeman	Palmer McCarter, C&RA
Rep. Ose	Commissioner McAnerney
Rep. Hackney	Don Berry, Municipal League
Rep. Davis	Mayor of Kenai, Don Gilman
Rep. Kelley	Dave Gray, Administrative Bush
Rep. Hershberger	Caucus
Rep. Rudd	Mayor of Juneau, Jinny Kline
	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

1771 Don Gilman, Mayor of Kenai was asked to testify. Mr. Gilman represented the Kenai Borough and stated that the basic portions of the bill were totally acceptable. He was concerned about a couple of phrases in 43.17, the term "municipality"

1795 that is used for the start up costs in addition to the minimum grant, they are concerned that it be clear that that includes service areas for new services. Chairman Cotten asked for clarification from Gilman. Gilman interpreted the bill wrong and Chairman Cotten tried to reiterate the meaning of the bill for Gilman. Chairman Cotten explained

1873 that there are two options as a municipality. They take option # 1 and that is the minimum grant which makes you eligible for additional funds for start up services. Option # 2 is section 030 and that's where you can figure out how much money the municipality will receive.

There was much discussion on start up costs because Gilman didn't completely understand.

1975 Chairman Cotten interpreted 43.17.020.

The Kenai Borough would not be eligible for the \$25,000.00 because last year the Borough received well over the \$25,000.00, in any case. Gilman pointed out that the Kenai Borough has no powers other than schools, planning and solid waste and they have large chunks of their borough that have no way under their present system without the borough assuming area wide powers, to provide certain kinds of services, other than going to service areas. Their entire wealth lies in one area. That area has service areas that provides fire, hospitals, ambulance services and recreation services but there is approximately 20,000 miles outside of the city limits and there are relatively large populations that are seeking ways and means to try to provide themselves with some basic

fire powers without the borough taking on area wide powers.

There were more interpretations of the bill for Gilman.

2369 Commissioner McAnerney spoke briefly and stated that she didn't think that Gilman was familiar with the Municipal Bond Bank and possibly that might be one route where they could work out something. Gilman said that the Municipal Bond Banks said that they wouldn't touch anything under \$100,000.00.

Gilman felt that 539 is a city bill and is directed toward a city or municipality. He also said that he was in no way trying to shoot the bill down but rather was trying to lay out some concerns that he had. He stated that they have a service area that has 600 million dollars assessed evaluation, yet these monies couldn't be used.

2447 Rep. Rudd asked if possibly the bill that Rep. Rhode introduced which was passed out on Monday might be of help to Gilman.

Gilman stated that he was familiar with the bill. The Borough didn't want to be put in a Bond Bank situation.

Meeting adjourned at 10:00 am.

Committee Minutes for
HOUSE COMMUNITY & REGIONAL AFFAIRS

January 29, 1976

The meeting was called to order at 9:00 am by Chairman Cotten to discuss HB 552. Present were:

Rep. Cotten	Rep. Freeman
Rep. Ose	Don Berry, Municipal League
Rep. Davis	Palmer McCarter, C&RA
Rep. Kelley	Dick Bradley, Dept. of Admin.
Rep. Rudd	Dick Winchell, Dept. of Admin.
Rep. Ostrosky	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

- 2599 Chairman Cotten called upon Dick Winchell from the Department of Administration to testify.
- 2601 Winchell is the Director of General Services and Supply. Cotten asked Winchell to explain the relevant federal law. Winchell stated that when the original law was enacted, prior to statehood, the Alaska Federal Surplus property was operated by the Civil Defense Agency, (ADO). Specifically, what they have is that when the law was enacted, when Civil Defense operated the program, naturally they didn't charge themselves for acquisition of property that was used for Civil Defense purposes. In 1962 the state assumed control of the program, at which time the Federal Surplus Property was placed in the Department of Administration and it was agreed at that time that Civil Defense would be charged the same fee as any other using agency.
- 2632 Cotten stated that he didn't understand because the statutes say that they couldn't be charged and he didn't understand how it could be agreed that they would go ahead and pay anyway. What about municipalities picking up the Federal Surplus Property?
- 2638 Winchell said that there would be no difference in charge, they charge a 10% fee and have always charged the municipalities this fee and that this bill is basically a "housekeeping" bill and all they want to do is bring the statutes into accord.
- 2644 Cotten again reiterated that he didn't understand this and Rep Kelley stated that basically what they wanted to do was make themselves legal. Winchell agreed with Kelley.

There was much discussion on the legality of this and Winchell stated that it was agreed upon with the Commissioner of Administration and the Alaska Disaster Office.

The Committee would not quite accept this bill for what it was and Freeman suggested that the Committee think about it for a while.

Don Berry from the Municipal League was very much against the bill.

3053

Winchell offered to bring additional information supporting this bill.

3055

Meeting was adjourned at 9:50 am

Committee Minutes for
HOUSE COMMUNITY & REGIONAL AFFAIRS

February 2, 1976

The Committee was called to order at 9:00 am by Chairman Cotten for discussion of HB 595 and HB 610. Present were:

Rep. Cotten	Latham, Legislative Affairs
Rep. Hackney	Commissioner Gallagher
Rep. Freeman	Ernie Mueller
Rep. Ostrosky	John Schribner, Environmental Cons.
Rep. Davis	Jerry Sargeant, Environmental Cons.
Rep. Ose	Bill Wolfe, KINY
Rep. Hershberger	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

0000 Commissioner Gallagher was the first to testify on HB 610. He said that the Bond Committee thinks that the money spent on water supply and sewerage is one of the best money that can be spent and what they did was fully fund the total request for the water and sewerage grant program. The department asked 2 million dollars for village safe water and they put one in because that program hasn't been a very successful program. He stated that there are six states who have a water grant program to match monies with local communities & water projects and Alaska is one of those six states. We presently match 25 %. The Governors bill that was introduced would raise it from 25% to 50%.

192 There were specific questions from the committee and the Commissioner answered them.

253 Ernie Mueller spoke next and answered questions.

265 Cotten asked if Mueller anticipated any changes in the eligibility requirements as far as the 30 million dollars were concerned. He asked Mueller to give a brief review of that.

278 Under the Federal Water Pollution Control Act Amendments of 1972, there is a federal grant funding program for sewerage treatment works and certain elements of sewerage systems. John Scribner would have details of this program.

It was decided to have further discussion on this bill on Friday, February 6, 1976.

Meeting adjourned at 10:00 am.

Committee Minutes for
HOUSE COMMUNITY & REGIONAL AFFAIRS

February 3, 1976

The Committee was called to order at 9:00 am by Chairman Cotten for discussion of HB 539. Present were:

Rep. Cotten	Sharon Miller, Keith Speckings Aide
Rep. Rudd	Rep. Beirne
Rep. Ostrosky	Barbara Englert Thomas, Staff
Rep. Ose	Vicci Hansen, Staff
Rep. Hackney	
Rep. Hershberber	
Rep. Freeman	
Rep. Kelley	

1320 Barbara Englert Thomas gave a presentation on some data that she felt would be helpful to the committee on discussion of HB 539. She explained two opinions from the Attorney General which were passed out to the committee.

1458 Chairman Cotten provided a break down which was given to him by the Department.

Cotten also pointed out that HB 539 also deals under section 040, with construction monies for hospitals.

1479 Doctor Beirne gave his opinions as to how HB 539 effects him. His interest in the bill stems from the fact that a non-profit corporation in Anchorage for which he is president, has been working on a development of a hospital for the past several years. He answered questions regarding the project.

Meeting was adjourned at 10:00 am.

Committee Minutes For
HOUSE COMMUNITY & REGIONAL AFFAIRS

February 4, 1976

The meeting was called to order at 9:00 am by Chairman Cotten to discuss HB 595 and 610. Present were:

Rep. Cotten	Rep Hershberger
Rep. Ose	Jerry Sargent, Environmental Cons.
Rep. Davis	Bill Wolfe, KINY
Rep. Rudd	Jerry Reinwand, Environmental Cons.
Rep. Ostrosky	Jon Scribner, Environmental Cons.
Rep. Freeman	Alan Latham, Legislative Affairs
Rep. Hackney	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

(Due to a malfunction in the tape recording equipment, the meeting was not taped.)

House Bill 595 was passed out with a DO PASS recommendation.

The remainder of the meeting was spent discussing HB 610.

Meeting was adjourned at 10:00 am.

Committee Minutes for
HOUSE COMMUNITY & REGIONAL AFFAIRS

February 5, 1976

The meeting was called to order at 9:00 am by Chairman Cotten for discussion of HB 533. Present were:

Rep. Cotten	Rep. Helen Beirne
Rep. Hackney	Palmer McCarter, C&RA
Rep. Kelley	Don Berry, Municipal League
Rep. Ostrosky	Dennis Robertson, Legal Consultant
Rep. Rudd	Public Safety
Rep. Freeman	Charles Smith, Deputy Director DMV
Rep. Davis	S. Robert Dozier, State Assessor,
Rep. Ose	C&RA
Rep. Hershberger	Harry Carter, Deputy Director, AK.
	Planning, Fairbanks.
	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

0008 Rep. Helen Bierne was asked to give the initial presentation on HB 533.

She explained that HB 533 was put in last year and has been put in previous years also from requests from a couple of municipalities, primarily from Anchorage, but also from the Municipal League. It appears that at the present time that in those municipalities, from the latest tax reports, 17 of them do have this kind of tax. The money derived from it goes directly back to the state and there is some question as to whether there should be some of it coming back into the municipal areas to take care of such things as solid waste disposal and some of the others. In the Anchorage area one of the major things is that it is an almost uncollectable tax. A large majority of the vehicles there are not registered. In 1974 statistics indicate that \$300,000.00 was uncollected in the municipality of Anchorage alone. She stated that she has talked to some people in Juneau who have chosen other ways of collecting their taxes. She felt that the bill was extremely simple and that the taxing would actually be done prior to purchase of the license, that they would have to show some indication that they had paid their registration before they could get their license. It leaves it open as to how it would be collected.

169 Rep. Kelley and Rep. Freeman had questions

205 Rep. Ostrosky asked if the bill should add the word "personal" property because it is a personal property tax rather than a tax which would include houses, etc. Also she asked if the word "borough" should be changed to municipality. Rep. Beirne agreed with her.

The committee felt that the tax might cause problems for the municipalities. It was felt that there must be some other

solution rather than having the state get involved.

No one was able to come up with a viable solution, however the committee decided to have further discussion on this bill.

1140

Meeting adjourned at 10:00 am.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

2/9/76

Committee met at 9:00 a.m. for discussion of HB 589

Patti Ann Polley from Division of Elections testified on the bill.

As the law is written now they have to hold two elections, the first elections for the initial incorporation and basically that is the only question that appears on that ballot with the exception if there is a sales tax, then that would appear on the initial ballot. If incorporation isn't written, they go back and then set a new order of notice of election and hold the counsel election, so the Division of Elections would like to see it so that they can hold one election and prior to the change in the municipal code they did do the elections this way. They found that it did work well. It also saved the expense of having two elections. One of the main expenses of having two elections is the election board expense and with the salaries going up they are now paying \$4.50 and \$5.00 an hour to the election board members for the time spent on their election duties. Also the way the law is written now they are required to have two different sets of ballots. They would like to see all go on one ballot.

Ostrosky asked when it was changed.

Patti Ann Polley stated that she believed it was in 1972. She believed it was changed because they felt it might be confusing.

Rudd stated that she felt it was more than a "housekeeping" measure, she felt that it really does go to whether an incorporation election should be strictly on the merits of the idea of incorporation or whether you should lend more weight to the idea of incorporating by allowing candidates to put themselves forward at the same time and she was not sure that it is a good idea. On the whole she is a little bit opposed to the idea because she feels it does give much more weight to the idea that this is a good idea because you have candidates who are eager to do it. She felt maybe incorporation elections should be strictly on the issue and the idea of incorporation.

There was discussion on this.

Mr. Pritchard from C&RA gave a point of view from the Department. He stated that this had been discussed several times. They are very much in favor of having one election, both for incorporation and for initial officers. They have had many problems because people have understood that as soon as they were incorporated they were ready for business, but this means a long delay until the officers are elected, thus they are in favor. One of the other problems that they attempted to address in this particular bill was the fact that at the present time the initial officers serve two (2) years and then they can provide by ordinance terms not to exceed four (4) years if they so desire, but they are very anxious to see staggering terms which would give a continuity on a city council. After two years of service, they usually hold an election every year and there is no

continuity on the counsel, records seem to be lost and there isn't a familiarity of what has gone wrong, thus they would like to see the staggered terms whereby they would have a continuity of the counsels.

Patti Ann Polley stated that she figured they would save approximately \$6,000.00 a year by chopping the number of elections that they would have to have in half. The cost of ballots was discussed.

Oral Freeman moved to pass the bill out.

Chairman Cotten stated that HB 493 was going to be postponed because the sponsor asked to have it held.

Meeting adjourned at 10:00 am

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

February 10, 1976

The meeting was called to order for discussion of HB 539. (CSHB 539)

815 Palmer McCarter was asked to testify. A fiscal note was supplied which came out to 7 ½ million dollars more than last years budget, as approved by the governor. There is 2 or 3 hundred dollars difference between this and last years budget.

McCarter pointed out that the principle change was in separating out as a new catagory of water polution control, there is one community, the city of Anchorage which would now qualify for both separately and that new figure is shown as an increase of \$66,696.00 above what they would receive under the existing law.

Cotten asked if Anchorage was the only municipality providing both air and water polution. McCarter stated no, but as it is now they would be the only ones that get a comparison. At the present time the North Star Borough provides one service and they are presently funded for one. The city of Fairbanks provides the other service of air polution control and they presently receive money for the other. It is already split for them, so they don't get any increase by splitting it. Those are the only two areas that provide both.

McCarter explained the cost of rounding up. (Total)

1023 Chairman Cotten pointed out that on page 3, line 20 and 21 there should be changes. (Health facility and hospital)

There was discussion on different sections of the bill. McCarter answered questions.

Presently there isn't the concept of a minimum grant, you only apply for a service under existing law. In other words, existing language is what you now have under the basic grant concept. Some second class cities don't even qualify for Revenue Sharing.

1605 Freeman asked the question of "what are health powers?" What do they have to have in order to have health powers? McCarter stated that they must have an ordinance or within their charter saying that they have a health power and it's up to them to provide it. Title 29 does provide that there is such a thing as the health and hospital power in a municipality. There is not a definition to the best of McCarter's knowledge.

1859 Community & Regional Affairs accepts applications from municipal governments. They felt that this year they were forced to accept another application. There is only the exception, volunteer fire departments and from a hospital outside an organized municipality.

1942 Cotten stated that he would like to wait and see what the Health Department in Anchorage has to say before moving the bill.

2136 McCarter pointed out that on page 3, section b beginning on line 21, the Department would like to suggest at least two concepts. In line 22, we talk about state matching aid for construction approved for payment, the C&RA has interpreted that statement to be a program offered by Health, Education and Social Services. The other suggestion would be to delete the word "or other facility sponsor" or as an alternative to say "or other facility sponsor where no municipality exists". Again he believed that the original intent in putting "or other facility sponsor" was to take care of the situations like Glennallen that do have a hospital that may need to expand that hospital facility that do provide health care in the unorganized borough but obviously there is no municipality who could sponsor it. Unfortunately, there is an instance where there is a hospital in an organized borough that has not received the endorsement of the state and does not qualify for the state health construction plan.

2217 McCarter said that there is no point in pursuing the certificate of need.

Further discussion on parts of bill.

299 Meeting adjourned

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

February 11, 1976

The meeting was called to order for discussion of HB 610.

2312 Carl Jack, Robert Clark were asked to testify on HB 610.

Robert Clark stated that the state has eight sites throughout rural Alaska where there is a central watering point where people bring their wastes, shower facilities. This entails having electricity. Some of the sites are over 1 million dollars. They are quite elaborate setups. One million dollars would probably provide for one site in rural Alaska. 31 million seems to be a very narrow act in what it can do even though there are provisions for education information programs and the state picking up a lot of the operation facilities. The responsibility does stay with the village and provides for two people to operate and maintain it. It seems to be a fairly worthless law for at least this area. There is no permafrost in this area but if there is permafrost it may be a good idea.

Clark discussed the projects and what 1 million would take care of. He discussed his particular area and what works for them.

2450 Clark feels that for certain cluster of villages a well would work well. They don't want any sewerage disposal area because they will take care of that themselves. The other villages would like individual wells dispersed throughout the village because it's very costly to start laying pipes down. They start freezing and such.

Clark feels that the Village Safe Water Act is not working. He would rather have the million dollars in the bill going someplace else rather than the Village Safe Water Act.

There was discussion on why the Village Safe Water Act is not desirable.

2930 Meeting adjourned

MEMORANDUM

TO: House Community and Regional Affairs Committee
FROM: Sam Cotten, Chairman
DATE: February 12, 1976
SUBJECT: Bills to be discussed next week

With the long weekend coming up, you might want to review some of the bills we will be discussing next week. We will get a definite schedule out by Friday morning. The bills are:

HB 587

HB 673

HB 688

HB 725

HB 553

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

February 18, 1976

9:00 am

The meeting was called to order by Chairman Cotten at 9:00 am for discussion of HB 587 and HB 725. Present were:

Chairman Cotten
Rep. Rudd
Rep. Davis
Rep. Ose
Rep. Hackney
Rep. Freeman
Rep. Kelley
Rep. Parker

Don Berry, Municipal League
Palmer McCarter, C&RA
Bob Dozier
Lee Sharp, City Attorney
Bill Wolfe
Doug Pope
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

0011 First to testify was Bob Dozier.

The bill is for (587) exemptions from the sewer and water special assessments. Chairman Cotten asked the question that on line 17 it appears that the phrase "if no water connection is made" was taken out. He wanted to know if Dozier intended to allow water connection to be made and if special assessments are still exempted.

Dozier stated that when they originally put the bill in, the Departments recommendation, the reason that was taken out of that specific place was because it referred to later on. The recommendation was to allow the exemption to apply to both water and sewer until more than one connection was made to either of the sewer or water facilities. Then it was changed back again and because of the change back to what the Department had originally put in, the second reference to it, in one place, on line 26 it says the opposite so the bill as it now stands is ambiguously written.

0091 Cotten asked what the original intention of the writers was.

0093 Dozier stated that the Departments recommendation would be that both water and sewer would be exempt until more than one connection was put in. This would add more to the fiscal note and would have to be revised.

0125 There was discussion on additions and deletions to the bill.

Bob Dozier suggested that he felt Lee Sharp, the City & Borough Attorney should testify.

0475 Lee Sharp testified on the bill. He pointed out different parts of the letter which was given to committee members. Sharp discussed special assessments and the qualifications. Sharp suggested that you could use the procedure whereby a

waiver of the timely filing is made because clearly the person couldn't apply on January 1st if he wasn't qualified or if the assessment hadn't been made. Sharp believed that that had to be reviewed by the assembly. If that is so, then all those who would qualify would also have to go before the assembly or an excuse and this wasn't a good procedure as far as Sharp was concerned.

0566 Sharp suggested to eliminate all the problems would be to allow Community & Regional Affairs to promulgate with relations setting forth the procedures for determining eligibility, they could then require that when the assembly or counsel sends out notice of the hearings for final objections on the final role, that specific language would be included in that notice notifying all property owners that if they will qualify on such and such a date they should come in and make their applications. It would eliminate the problems that they have right now.

Sharp went through the letter and pointed out different areas of interest.

There was discussion between the committee and Dozier answered specific questions.

0873 The committee discussed HB 725. Rep. Parker was asked to testify on the bill.

Parker stated that the bill was basically a simple idea and explained it. The bill would allow people to commit land strictly to non-profit use for farming or gardening.

0951 Rep Freeman asked for an example of a non-profit organization used for agricultural purposes. Parker stated that several people that were living near a piece of land which would make a good garden spot but the value of the land and the tax on it make it not worth using it for a garden. If those people had an exemption such as suggested in the bill, they could take advantage of it by organizing a non-profit corporation and buying that land and using it for a garden.

1102 Cotten suggested that the committee work on this a little more.

Meeting adjourned

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

February 26, 1976

The meeting was called to order by Chairman Cotten at 9:20 am for discussion of HB's 805/806. Present were:

Rep. Cotten	David Freer
Rep. Kelley	Dan Plotnick
Rep. Hackney	Barbara Englert Thomas, Staff
Rep. Ose	Vicci Hansen, Staff
Rep. Ostrosky	
Rep. Rudd	
Rep. Freeman	
Palmer McCarter, C&RA	

0011 Rep Kelley testified on the bill. She stated that she felt that everyone knew of the need for senior citizen housing in the State of Alaska and it was her attempt to get some money into this. She explained how the bill would work as far as need and funding. She told the committee that it was a problem in the bush as well as the larger communities in getting the senior citizens into a senior citizen home. The figure of 6 million was one which was just picked. There could be direct appropriations or bond issues.

126
14 Rep. Ose asked what would be priority -- grants or loans on line of HB 805.

Kelley stated that she felt that the regulations should take care of that. She felt that there should be a letter of intent put with it. There was discussion on regulations between Rep. Kelley and Rep. Ose.

0201 Rep. Kelley told the committee about a complex in Fairbanks in comparison to what Ose and Kelley were discussing.

0240 Dan Plotnick was asked to testify, however he asked the Department to testify instead. Palmer McCarter stated that the Department agrees with the principle of the program in promulgating regulations and administering funding would be with the Department of H&SS.

0274 Dan Plotnick pointed out that Section 50 of the Statutes, Revolving Loan Fund is the proper vehicle to administer this act. He stated that from the Office of Aging's point of view, they wholeheartedly support the concept of the bill. Housing is the number 1 need all over Alaska.

There was further discussion on different states and how they handle this type of program.

Meeting adjourned at 10:00 am

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

March 3, 1976

The meeting was called to order at 9:00 am by Chairman Cotten for discussion of HB 811. Present were:

Rep. Cotten	Rep. Hackney
Rep. Davis	Rep. Hugh Malone
Rep. Ostrosky	Don Berry, Municipal League
Rep. Rudd	Palmer McCarter, C&RA
Rep. Kelley	Commissioner McAnerney, C&RA
Rep. Hershberger	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

- 0021 Chairman Cotten said that this was brought up before the Boundary Commission and they didn't feel that there was any problem with it.
- 0035 Hugh Malone, the sponsor of the bill, was asked to testify on the bill. Mr. Malone stated that under the procedure set out in the statutes that the boundary commission can, after hearing, make a decision on a proposed boundary change and annexation exclusion and submit that recommendation to the legislature where it takes action by the legislature to veto that decision. He said that that process doesn't leave a fair way for people in an area to express what they think about in a boundary change. In our Alaska Constitution we give a liberal interpretation of construction of powers of local government and he thinks that carries with it an assumption that people from the local level probably have a better idea of their needs and the type of government and the boundaries of that jurisdiction than people here in Juneau, particularly the legislature so what this is is an attempt to be able to take the pulse of the population and to give people the opportunity to declare themselves. The political subdivisions are creatures of the state and he doesn't think that we should go so far as to make a constitutional change that would tie the states hands and present them with a difficult problem and thats why he has chosen to have this amendment to the statutes in the form of an advisory vote. This would allow people where there was no other fair way of getting the ideas to people in the local area to give their opinions. Then the Boundary Commission and the legislature could consider that along with the other information on proposed boundary changes and he thinks this would be very helpful in making a decision.
- 0144 Cotten had a question directed to the Department. When the Boundary Commission was here he asked them about a written report concerning matters such as this and when they make a decision they make a report to the Department and then a public announcement as to what their decision has been but they aren't required to make a written report and he wanted to know if they came up with that written report that he had requested.
- McCarter stated that it has come up for draft but hasn't been reviewed.
- 0163 Cotten said that one of the amendments that he had in mind was the language. Cotten read from the statutes. There was committee discussion on this.
- 0314 Hackney questioned that it doesn't say that anyone has to pay any attention to it he just says that in the past actions of the boundary commission would anyone

pay any attention to it anyway.

0323 Cotten said that this would give certain powers to the Boundary Commission.

There was committee discussion regarding the language.

Cotten read certain articles from the statutes.

0524 Cotten proposed some language for the bill.

0700 Malone explained some aspects of the Boundary Commission.

Meeting adjourned at 10:00 am

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 10, 1976

The meeting was called to order at 9:00 am for discussion of HB's 290/291.
Present were:

Rep. Cotten	Harvey Pitts, C&RA
Rep. Davis	Susan Clark, League of Women Voters
Rep. Ostrosky	Rosalee Walker, Dept. of Education
Rep. Rudd	Larry Eppenback, Dept. of Revenue
Rep. Freeman	Barbara Englert Thomas, Staff
Rep. Hershberger	Vicci Hansen, Staff
Rep. Hackney	
Rep. Jim Duncan	

Side=1

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Rep. Jim Duncan was asked to briefly explain the bills. HB 291 would establish a child care facility revolving loan fund and the purpose of that loan fund would be to make loans for construction, renovation or equipping child care facilities. It provides that the maximum amount any one facility can receive for one loan would be \$10,000.00 so this bill does not involve a large amount of money. Rep. Duncan explained that after it is determined whether or not a facility would qualify for a loan, the loan could be made by the Department which is determining if the loan is needed, determines that the day care facility, if it qualifies, would make that loan. The mortgages and notes shall be purchased by the Dept. of Revenue. The Department of C&RA would determine the eligibility and perhaps issue the Certificate of Need and then they could come to the Dept. of Commerce and draw the \$10,000.00 and the Dept. of Commerce would go to Dept. of Revenue and sell them that note and then at that time they would be able to replenish their fund and they would then have \$50,000.00 in their fund.

0165

0244

Rep. Ostrosky brought out the fact that she was reviewing the notes from last year and she found that Eppenbach had made the point that "revolving" is not an appropriate term because it is misleading. Eppenbach agreed and stated that the concept of "revolving" implies that somehow this is sitting within a self-contained fund and loans are made from it and they are paid back and new loans are made. Somehow these loans turn over within some confined area. That is not really the case.

0402

The language of the bill was discussed within the committee.

0472

Chairman Cotten asked the question that of the other loan funds that are operated in the same manner, are there limits on any of those? Eppenbach said that there is no set rule but most of them do have limits.

0540

Susan Clark testified and stated that the reason they are suggesting the loan is because day care is not a "make money" proposition. It is low income. People who are doing the day care are frequently on poverty wages or below minimum wages. They are not the kind of people who are going to child care to make money. The people who are going into child care to make money are doing a pretty poor job at child care. This bill is to aid those people who for the most part need simply a small renovation in their homes. Rep. Hershberger misunderstood the term of day care.

There was discussion as to the difference between Foster care and day care.

0591 Susan Clark explained that a Day Care Center is different than a Day Care Home. This bill is aimed toward Day Care Homes. The regulations for Day Care have different requirements than Foster Care.

0616 Clark explained the problems of Day Care in Alaska.

0756 Harvey Pitts from C&RA stated that he felt that a realistic figure for start up for this bill would be \$250,000.00.

Susan Clark felt that \$10,000.00 was a sufficient amount for minor renovations.

0819 Rosalee Walker from Dept. of Education was asked to testify. She stated that \$10,000.00 would be sufficient in that this way you would not be tempting the people to lie. She stated that in Anchorage last week were four homes closed down simply because they had not planned and did not follow through with paying the taxes that they withheld from the salaries. She felt that \$10,000.00 was sufficient for any renovation on a home.

0950 Meeting adjourned at 10:00 am.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 11, 1976

The meeting was called to order at 9:15 am by Chairman Cotten for discussion of HB 322. Present were:

Rep. Cotten	Palmer McCarter, C&RA
Rep. Ose	Don Berry, Municipal League
Rep. Freeman	Jack Chenowith, Senate C&RA
Rep. Rudd	Ken Jacobus, Valdez City Attorney
Rep. Kelley	Herbert Lehfeldt, City Manager Valdez
Rep. Ostrosky	Chuck LaPage, City Councilman, Valdez
Rep. Specking	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

0000 First to testify was Representative Specking. Essentially in attempting to meet a particular problem, they came to the conclusion that they could do so with the concept contained in HB 322. What they are attempting to do is to create an additional bit of policy to cut through amounts of red tape in order to achieve the unification of a city into a borough status.

0063 Specking called attention to a letter from McCarter dated March 10th and explained the reasoning of the letter. He argued a couple of points in the letter.

Mr. Lehfeldt from Valdez was next to testify. He stated that basically the intent of the City of Valdez in proposing this particular bill is to simplify the manner in which a municipality can become a borough. The ultimate plan would be that subsequently they would anticipate a large annexation in the Valdez area in order to make it more meet the criteria for the regional type of government.

0219 Cotten asked when referring to future annexations which areas did they have in mind.

0220 Lehfeldt passed around a sketch of the area which they feel their sphere of influence includes. He explained the map and stated that quite possibly the most easterly boundary, the right hand boundary on the map, would be an area of dispute as far as jurisdictional concern between the City of Valdez and Cordova. They plan to meet with Cordova to obtain mutually satisfactory boundaries.

0298 Palmer McCarter from DC&RA testified and stated the Departmental position. It appears on the face of it that it is negative. He feels that if the language in that bill were to be adopted, they would be permitting the possibility of small boroughs in the future. He felt that there would be in the future thousands of potential municipalities. He stated that the Department is not opposed to the concept. They are not opposed to the idea of a unified government.

0515 Rep Rudd asked specific questions about the wording of the bill.

Lehfeldt explained the basic boundary principle. The City of Valdez would like to have a borough in a small community but he stated that this was not acceptable to the C&RA.

- 0549 Rep Rudd asked if it would be possible to fight the battle at the time that the state mandates boroughs or at the time that the local boundary commission makes decisions concerning this particular area. Lehfeldt agreed that this would be possible.
- 0671 Don Berry from the Municipal League stated that if the local community wants to do this, he can't see why they are not given a chance to try it.
- 0685 Ken Jacobus testified that the City of Valdez is in fact almost a borough right now. It exercises all of the Borough powers; taxing powers, education power; planning and zoning power. These are exercised in a 284 square mile area which is partially urban and partially rural. The City of Valdez is the only city in the state of Alaska which is actually divided up into service areas by constitution. The Constitution of the City of Valdez is suitable in its present form for borough government. The question that is really before the committee is not really what size the city of Valdez should be allowed to come, but rather should a new vehicle be created to get to the final result. As it is now, the only way to get to a unified government is for a first class city to create a borough in its area. You then have two governments. That is the first step. The next step is to put the package together; the municipality and the borough. What the City of Valdez wants to do is to set up a method whereby the municipality or the group of municipalities could get together and be unified and then be unified in one step rather than being forced to the intermediate government and then putting them together. They want to be able to go from one to the other without having to go through the intermediate step.
- 0688 Rep Rudd questioned the intermediate steps.
- 0908 Meeting adjourned at 10:00 am.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 15, 1976

The meeting was called to order by Chairman Cotten at 9:10 am for discussion of HB's 816 and 261. Present were:

Chairman Cotten	Rep. Rick Urion
Rep. Kelley	Rep. Hugh Malone
Rep. Hershberger	Don Berry, Municipal League
Rep. Hackney	Barbara Englert Thomas, Staff
Rep. Rudd	Vicci Hansen, Staff
Rep. Freeman	
Rep. Ostrosky	

0012 First to testify was Rep. Rick Urion on 816.

Chairman Cotten pointed out that he couldn't find Section 29.63.100 in the statutes. Urion concurred with Cotten on that.

Urion explained that this particular bill is intended to change the way that local communities can handle cash assessments. Urion pointed out that cash assessments are not illegal but he feels that they are immoral. Most improvements are done through the bonding provisions and are assessed and paid over a period of 10 years and he feels that local government should be encouraged through that bonding provision, not cash. As it is under existing law they get 51% of the property owners can approve a cash assessment and then when the improvement is made, the people have 90 days from the time the local government wants them to come up with cash. So, 51% of the people could force the other 49% people who may be opposed to this. This could force them into a distress sale of their property and Urion feels this is wrong. He feels that a cash assessment should be handled in a different way than the bonded assessment.

0098 Cotten stated that the only limitation that he notes is that they can't charge you at any one time over 25% of the value of their property.

Urion told a personal story which refuted the statement.

0130 Don Berry stated that the 25% limitation does not apply to home rule city.

0150 Urion stated that possibly another bill might be in order.

The committee discussed the bill. Possible changes in the bill were discussed and Chairman Cotten stated that he would like to talk to Bill Berrier on this before any major changes. He stated that at best the committee would have to draw a committee substitute on this.

0 Next Rep. Hugh Malone was asked to testify on HB 261. He said that this basically expands the options that local government have to set up a taxing program that meets the needs of the municipality. The limit was reduced on the amount of exemption that was authorized in 1973.

He felt that we have to leave as much latitude as possible with the local governments in developing their tax structure to meet their needs if they are going to carry out their responsibilities. One of the other things was when it was reduced in 1973 it was done so in a somewhat punitive manner. The Kenai and Northslope Borough quite possibly had in mind of preventing those areas from completely exempting residential property from taxation and thereby running up the taxes on the oil and gas pipeline. He doesn't feel that that was a realistic fear then and he doesn't feel it is a realistic fear now. There is still other industrial property, particularly commercial property.

0712

There was discussion on the bill and the meeting was adjourned at 10:00 am.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 16, 1976

The meeting was called to order at 9:15 am by Chairman Cotten for discussion of HB's 860,796,797,798,799 and 800. Also HCR 110 and HJR 55. Present were:

Rep. Cotten	Rep. Freeman
Rep. Ostrosky	Rep. Helen Beirne
Rep. Hackney	Alan Latham, Legislative Affairs
Rep. Ose	John Scribner, Environmental Conservation
Rep. Davis	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

Chairman Cotten first moved to pass out HJR 55. The Committee passed this Joint Resolution out.

Rep. Ostrosky said that the committee should start with 796. She felt that it should be revised and that there should be some amendments made. She felt that Section 2 should be deleted because it was unnecessary.

Alan Latham agreed that Section 2 should be struck from the bill.

Rep. Hackney asked if this would mean eliminating local contribution.

Latham stated that this section was repealed with new language and the new language had this in it.

Latham also stated that on line 4 the 10 year restriction was too severe yet there should be a potential for sites to become self sufficient. He suggested a change for line 4 in that it would read something that would make the facilities able to become financial self sufficient.

Rep. Hackney said that he would like to see this with an escape clause in it. He felt that the emphasis should be on fiscal management.

Rep. Cotten asked if on line 12 the language was lifted directly from the statutes and Latham agreed.

John Scribner from the Department of Environmental Conservation pointed out that the primary concern of the Department is the fact to stipulate this at 10 years. He wasn't too concerned as to how this would be done.

Cotten said that when bills go to Finance, the Committee wants a fiscal note attached and this one did not have a fiscal note.

Scribner said that there was no fiscal note attached to this because a fiscal note really wouldn't effect the program. However, he did say that he would check into it and see if one is needed.

Rep. Ostrosky said that there was a subcommittee which had come up with a representation from rural areas and they agreed that there should be the formation of an advisory counsel on needs in the rural areas.

Latham said that some input groups felt that the input wasn't being adequately addressed.

There was discussion on the formation of such a group.

Scribner said that basically there was no problem. One area with the most problem is in the advisory committee. A question at large is What role is the committee to have? If the role is for more than an advisory or policy making capacity, then there would be a potential for a conflict. He felt that the policy makers should be specified as to who they are.

It was pointed out that this committee would be one such as the Telecommunications committee.

Rep. Ostrosky made a motion to delete all of Section 2.

Rep. Davis moved to pass the bill out.

After a discussion regarding subsistence areas, the bill was passed out.

Meeting adjourned at 10:00 am

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 17, 1976

The meeting was called to order at 9:10 am by Chairman Cotten for discussion of HB 860 and 261. Present were:

Rep. Cotten	Rep. Kelley
Rep. Ose	Don Berry, AK. Municipal League
Rep. Davis	Bob Dozier
Rep. Ostrosky	Alan Latham, Legislative Affairs
Rep. Rudd	Barbara Englert Thomas, Staff
Rep. Hackney	Vicci Hansen, Staff
Rep. Freeman	

Rep. Davis explained the problem of getting safe water in the villages.

Rep. Ostrosky stated that on line 21 of HB 860 the word "bathing" should be included instead of "shower/bath".

Alan Latham testified that basically this is a clean up on the inconsistency on the testimony on the Village Safe Water Act. There was a question if it was a central facility or if it could be dispersed; if it should provide a one time service, individually or serially. There was also a question as to how much input the villages had in introducing the services. What this bill did was to take the concerns of the users and the concerns of the Department and tried to come up with an agreeable bill.

There was some changes in the language of the bill.

Ostrosky made a motion to amend the wording on line 21.

Ose made a motion to move the bill out.

Next there was discussion on HB 261.

Bob Dozier explained that HB 261 is an attempt to put the exemption of residential property as an option back into the statutes. Each individual municipality should have the option to exempt residential property if they so desire. He briefly explained HB 261. He also explained that this bill would give 3 municipalities located near the pipeline an additional grant of state money in addition to the normal revenue sharing grant.

The committee discussed this.

Cotten stated that the committee couldn't act on this bill until they had information as to the effects on Valdez. He said that he felt that

the committee needed stronger information to work with.

The meeting was adjourned at 10:00 am

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 18, 1976

The meeting was called to order at 9:20 am by Chairman Cotten for discussion of HB's 290/291. Present were:

Rep. Cotten	Rep. Freeman
Rep. Hackney	Rep. Duncan
Rep. Rudd	Rosalee Walker, Dept. of Education
Rep. Kelley	Larry Eppenbach, Revenue
Rep. Ostrosky	Pete Jeans, Economic Development
	Eric Lee, Community & Regional Affairs
	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

Rep. Rudd explained the bill. She said that Rep Ostrosky and herself had drawn up a CS for HB 290 which tried to meet the concerns of the committee which were made the last meeting in two areas. She explained these areas.

Rep. Duncan suggested certain language changes and Rep. Hackney asked if this was not customary language.

Chairman Cotten stated that if the day care centers did quit, it was probably because they were out of money.

Hackney said that he felt that this might present legal problems.

Rep. Rudd stated that she was in favor of Rep Duncan's language because there was more of a chance of recouping the loss.

Pete Jeans from Economic Development said that there is no wording such as this at present.

Rep Duncan stated that this language in not included in other loan funds and he would be happy with leaving it completely out.

Rep Kelley asked on the other loan funds what is the ratio of playback.

Pete Jeans said that an average of 3% delinquency on the loans that they now have.

Chairman Cotten asked what the wish of the committee was to do about line 12 page 2.

Rep Rudd said that she would prefer to take the wording out.

Eric Lee from Community & Regional Affairs said that the Department was pleased with the language of this bill. Larry Eppenbach from Revenue said that it was agreeable with their Department also.

There was more discussion on the bill and Rep. Ostrosky made a motion to pass the bill out. Meeting was adjourned at 9:50 am.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

March 29, 1976

The meeting was called to order at 9:10 am by Chairman Cotten for discussion of HB's 797, 798, 725 and 816. Present were:

Rep. Cotten	Rep. Urion
Rep. Freeman	Alan Latham, Legislative Affairs
Rep. Rudd	Jerry Sargeant
Rep. Ostrosky	Jerry Rhinel, Dept. of C & R A
Rep. Hackney	Barbara Englert Thomas, Staff
Rep. Davis	Vicci Hansen, Staff

0014 Rep. Cotten said that last weekend he and Rep. Rudd had gone to Anchorage and he had a talk with a man named David Hickock from the Alaska Environmental Information and Data Center. Mr. Hickock suggested that he could use the contract and could put to use \$75,000.00. He suggested \$50,000.00 for people to gather the research and the remaining \$25,000.00 to be used for publication and for holding a conference in Anchorage. He suggested that the benefits of having people coming in from different countries would be probably pretty slight. He also suggested that there probably wasn't a lot of new information that would be found through a study like this or as the result of any conference.

00 Cotten asked the Department if they would care to comment on this.

The Department, Jerry Rhinel, said that they really haven't had a chance to discuss this but his reaction was that they would pretty much have to concur with Mr. Hickock's comments. He wonders what they could get for \$75,000.00. He was skeptical about what they get for \$75,000.00.

0111 Cotten said that the point was made that "what do you have right now" - what if they came to the Dept. and said that they would like to see what their options are for putting in a sewer disposal system up in a certain place, is the Department able to provide a work book of different plans that they might want to use or what their alternatives might be. Is the Department able to provide them with some hard data like that right now.

0127 Sargeant said that they have all kinds of data and you can't put everything into a little pamphlet. There was discussion on this.

The committee discussed the cost of hiring an engineer, the interest of people in having a conference.

It was discussed that on HB 797 the CS should be amended to switch 1 and 2, to amend lines 17 and 21 to delete arctic and sub arctic and insert "Alaskan" on line 21 to delete arctic and insert "Alaskan".

CSHB 797 and 798 were passed out.

0921 Cotten brought up HB 816 which was sponsored by Rep. Urion for changing the home rule power to not allow them to charge over 25%.

Rep. Freeman commented on this. He said that he checked any diminution of the home rule authority and come to find out that when you get right down to it the community in question, Homer, is not a home rule city and they are violating the law. Mr. Freeman objected to the bill and said that it wouldn't do anything to accomplish. The committee concurred with Mr. Freeman and the bill was dead.

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HB 725 was briefly discussed and was passed out.

The meeting was adjourned at 9:55 am.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

March 30, 1976

The meeting was called to order at 9:10 am by Chairman Cotten for discussion of HB 322. Present were:

Rep. Cotten
Rep. Ose
Rep. Rudd
Rep. Ostrosky
Rep. Freeman

Rep. Davis
Rep. Kelley
Don Berry, Municipal League
Greg Machyowsky, Legislative Affairs
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

0001 Chairman Cotten stated that the whole subject is a little confusing and there has been two different approaches suggested to the end result that the people in Valdez apparently want.

0015 Greg Machyowsky from Legislative Affairs testified and was able to answer questions. He started with a technical correction on the bill. On page 1 there should be a phrase inserted between lines 28 and 29. They left out the introductory language for that petition. He suggested that they take care of that matter after the committee is over.

He stated that the bill was prepared rapidly and he added some additional language because of a constitutional reason. That additional language starts out on page one at line 10. He discussed additional changes in the bill. The original draft left out that provision about petition of the local boundary commission but in evaluating the draft it became rather apparent that in effect the status as a unified municipality would be a borough status and the state constitution as was pointed out in a memo that accompanied the draft requires that the standards for incorporation of boroughs be set out by law and the constitution actually refers to specific standards like population, geography and economics. So, therefore, the thought is for constitutional reasons, if a city is going to go to unified municipality status which is more or less accepted as a borough status that it should satisfy the standards to be a borough, under the state constitution. Those standards have been spelled out in more detail in the state law through incorporation of boroughs therefore, that provision saying before you will invoke this unification process you have to satisfy the local boundary commission that you are qualified to be a borough was added. It was not in the original draft. Then assuming that qualification has been met a city that has developed to a point where it meets the standards for a borough under this bill can follow essentially the same process with a borough and cities within it would follow and would unify under present law.

0312 There were questions from the committee to Machyowsky and discussion on the bill.

0328 Machyowsky said that this bill goes on to cover one other situation where you have two or more cities. This provision was inserted in the bill and starts at line 19 of page 2. It is really a repetition of the first part of the bill except where you have a concept of two cities assuming unified municipality status. This was placed in the bill following the suggestion of Pal

of Palmer McCarter. His feeling was that HB 322 which deals with only a home rule city in an unorganized borough reclassifying that concept should be expanded into not just a home rule city in an unorganized borough reclassifying into a unified municipality but rather the concept should be carried farther and the unification law should be adapted to all cities in the unorganized borough or unincorporated community. Essentially this is a bill which tries to take the present unification law, the procedures for a petition and an election, the charter commission adopting a charter, take that and adopt this to a situation of a city, not a borough but a city and try to give them unified municipality status. Obviously what you might ask what does a unified municipality status mean. Under the law, if you are a unified municipality, you have the powers of both the city and an unorganized borough and you have home rule status. In actuality Machyowsky thinks that the real distinction between this kind of municipality and say a home rule borough or even a home rule city is that you could not incorporate a borough once you have the unified municipality.

0513 Cotten asked if this bill had been simplified somewhat. If they have to get approval from the Boundary Commission to prove that they satisfy the standards for a borough incorporation.

0529 Machychowsky says that this bill really follows the requirements of the unification law. The only thing is that you don't have to have a borough before you start.

There was committee discussion on this.

0591 Rep. Freeman stated that it is his feeling that what Valdez wants to do can be simply done by the original bill. He said that there is no question about what they want to do. They want to get themselves in a position so that they are not swallowed up in a borough.

There was discussion on this.

0901 Rep. Rudd suggested tableing the motion and Chairman Cotten said that he would not entertain a tableing motion.

Meeting was adjourned at 9:45 am.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

April 1, 1976

The meeting was called to order by Vice-Chairman Kathryn Ostrosky for discussion of HB's 656/657. Present were:

Rep. Davis	Rep. Cotten (late)
Rep. Hackney	Palmer McCarter, C&RA
Rep. Kelley	Jack Roderick, Deputy Commissioner of C&RA
Rep. Rudd	Barbara Englert Thomas, Staff
Rep. Freeman	Vicci Hansen, Staff

0007 Rep. Ostrosky asked Mr. Roderick to testify on HB 656.

He explained that right now the law provides in 38.05.030 subsection (c) that when any department acquires any real property, it is supposed to notify the division of Lands. That is not being done so the division of Lands doesn't know the ownership by department of the state land. The municipalities bill the agency and the agency then gets the bill and has to decide if it is their land that is being billed and then check with the division of Lands. They then put it in their CIP budget and eventually it gets to the appropriation state. This bill is designed to simply send a copy of that municipal bill to the Department of Administration who would package it up and go then to the legislature and get an appropriation and then pay the municipalities at one time. In researching this he came to the conclusion that if the division of lands had all the records of the various agencies and the bills were sent to the division of Lands the same thing would be accomplished but in fact the simplest way is to have the municipalities send the bills to the Department of Administration and the Department of Administration would have the responsibility of checking with each of the agencies to see if in fact the assessment is proper and then go into the legislature for the appropriation.

131 Rep. Kelley asked how come this particular portion of it is being subject to the appropriation of the legislature hasn't been added into the budget before. She asked if this way they would come out with a supplemental each time or if it could be worked into the budget itself.

142 Roderick stated that that was the other alternative to try to predict what the bills are going to be each time from the municipalities but this approach is also a way.

There was committee discussion and questions on this bill.

Rep. Kelley said that she would like to ask someone in Finance to see if they see this as a problem.

245 Rep. Hackney said that he felt that this would become a part of the budget for Community & Regional Affairs the same as Revenue Sharing and he felt that it should be handled the same as Revenue Sharing where if the Department didn't have enough money to fund for the entire amount that was needed then they would pay it. This way every community would get a portion up to the amount the Department had.

?

Rep. Kelley was against the language. She felt that it gave you the feeling that you have to appropriate the money.

395

Palmer McCarter gave his opinions on the bill.

Without the language the state is obligated to pay and the borough could proceed to file delinquencies and file liens against the property. With the added language there is the escape.

580

Rep. Rudd said that it could be done by regulation. She asked Roderick if there were regulations now covering it. Roderick stated that he did know that the law requires that every state agency file with the Division of Lands their ownership and that has not been done. Division of Lands does not know what each department owns so when a bill comes in he's sure it finds its way to the Division of Lands and then they have to go back to the agencies and find out if it is a valid bill.

There was no further discussion on the bill and it was decided to hear from Mr. Tubbs from Division of Lands or other witnesses. It was decided to set this bill aside and move on to HB 657.

635

HB 657 has to do with the manner of subdividing areas that are in unorganized boroughs and third class boroughs. The new language is third class boroughs and may be more than one eventually.

Kevin Waring from the Department of Natural Resources was asked to testify on this bill. He felt it was primarily a planning bill. He said that the bill is primarily aimed at a gap in state law right now that does give the Division of Lands authority for review of proposed subdivision plats in unorganized areas outside the municipalities and boroughs. Under present law all subdivision plats in cities and in boroughs are mandatorily reviewed by the city planning commission or the borough planning commission to make sure that they conform with good engineering and planning practices. That is not the case outside municipal jurisdictions.

The committee discussed this bill and it was decided to carry on with discussion of this bill at a later date since the committee ran out of time.

Meeting was adjourned at 10:05 am.

HOUSE COMMUNITY & REGIONAL AFFAIRS

April 6, 1976

The meeting was called to order by Chairman Cotten for discussion of HB 883.

- 0008 Rep. Davis explained that the idea on the bill was to try to establish a place for old people in rural areas. The only place they can go now is to Pioneers Homes. Davis hoped to get the Native Corporation to put the homes in rural areas and this way they wouldn't have the restrictions that Pioneer Homes have. He hoped that Cottage Homes would take care of this before they are really bedridden.
- 0062 Cotten asked Davis in general what kind of buildings he was speaking of?
- Davis was thinking about a 4 plex or 8 plex. What he hoped for was a demonstration project and have a Cottage Home for 6 and one for 12 and one for 20. He said that there would be a fiscal note for this later on. The corporation would put the initial investment in this. This would be a way for the state to come into the areas and help the old people out.
- 0191 Cotten asked which corporation Davis was speaking of.
- Davis said it was Bering Straits. He said that this has been planned for a couple of years now but there is not any way they could get the state to come in. Most of the corporations right now are willing to put up these homes but he thinks its hard to have them do that without help from the state.
- 0124 Hackney said that the thought crossed his mind that really how would this differ from a Pioneer Home. In other words, how could you build a structure keeping in mind a cost. How could you build it so much cheaper.
- Davis said that Pioneer Homes have regulations that are strict and they have to be met but these could be built with not quite the same regulations. These people are not bedridden, they can still get around. Hopefully the state will take care of the maintenance.
- 0168 Ostrosky said that she has the CS for 883. That is what the committee is looking at.
- 0182 Hackney said that what he wondered was how they figured the cost would be so much less on this than on a Pioneer Home.
- Davis explained this and there was discussion on this. He said that the cost for maintaining a Pioneer Home was really a lot.
- 0269 Debbie Stock from Research Services, Legislative Affairs assisted Rep. Davis and testified on the bill. Basically the need for residential care in Alaska is great. The long term care study done under the Legislative Council came out with as one of their major conslusions. There is no facility in the state of Alaska that is 100 % residential care and this differs from the Pioneers Home and nursing care because it is not at the degree of medical care. It is prior to the level where someone needs hospitalization.

HOUSE COMMUNITY & REGIONAL AFFAIRS

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HOUSE COMMUNITY & REGIONAL AFFAIRS

April 8, 1976

The meeting was called to order at 9:25 am by Chairman Cotten for discussion of HB 883. Present were:

Rep. Cotten	Don Berry, Alaska Municipal League
Rep. Davis	Pat Denney, Catholic Community Services
Rep. Ose	Gordon Landes, H&SS
Rep. Hershberger	Erik Lee, C&RA
Rep. Ostrosky	Joe Guthrie, Legislative Affairs
Rep. Kelley	Norm Ostling, Social Security Admin.
	Veryl Perry, Planners Benefits Division
	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

0002 Rep. Cotten brought attention to the 4th CS for HB 883. Erik Lee was the first to testify. He stated that they went back after the earlier discussions and met with Rep. Davis, H&SS people, Legislative Affairs - to try to get what they have a pretty good idea of what the concept of the bill was and come up with a little better method of administering it to eliminate some of the problems of what might have been potential anyway with the original language in regards to some of the other payments which he feels some of the people from H&SS would like to testify on later. The other thing was to try to narrow down the fiscal note which they did to get a little bit more accurate. They feel more comfortable with these figures. He explained the program.

0358 There were questions from the committee and discussion.

0401 Pat Denney from the Catholic Community services testified on the bill and said that she felt that Juneau should be involved in the residential care of the seniors.

0538 Rep Ose said that he is afraid of everyone wanting to get on this and he feels that the quickest way to kill the bill is to get a bunch of cities tacked onto this. He wants the bill to ride through like it is now and get this started.

It was decided that there would have to be a separate bill for appropriation and they would both have to go to Finance. The committee had further discussion on this.

0756 Meeting adjourned.

HOUSE COMMUNITY & REGIONAL AFFAIRS

April 9, 1976

The meeting was called to order at 9:05 am by Chairman Cotten for discussion of SB 551, SB 529, HB's 656 and 657. Present were:

Rep. Cotten
Rep. Ose
Rep. Freeman
Rep. Kelley
Rep. Hackney
Rep. Davis

Rep. Ostrosky
Don Berry, Alaska Municipal League
Palmer Mc Carter, C&RA
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

- 0009 Chairman Cotten explained SB 551. Since Anchorage unified it didn't automatically come under the Social Security Act and apparently it appears that unless municipal employees are covered under Title II of the Social Security Act, they don't qualify for state PERS so the procedure is for them to have a vote on an individual basis to find out if they want to.
- 0058 Don Berry pointed out that on February 17th the House passed HB 569, 35-0 and this bill is identical to SB 551.
- 0079 Rep Freeman asked to vote the bill out.
- 0110 Palmer McCarter gave a run-down on SB 529. Sections 1 and 2 were in the Governors bill and basically they consider that part to be part of a clean up of existing language. There would be the possibility under Section 1 where a borough could apply under the state for monies that the state says could be exempted to certain individuals without actually having given the exemption to the person. That part is a clean-up. Also, Section 2 they consider a clean-up.
- 0145 Cotten asked McCarter if the problem was that they had a \$10,000.00 exemption and so the state was paying the borough for revenue that they really hadn't lost.
- McCarter said yes.
- Cotten said that confused him.
- McCarter explained this. There basically is really no objection to either Section 1 or 2. Those are amendments that were proposed by the state assessor. Section 3 additionally had some language in it that the state assessor felt should have been left in and McCarter suspects that the committee members do not have the original bill but he explained this part.
- 0368 McCarter discussed the bill with the committee and said that it would have helped to have Bob Dozier present.
- 0425 Rep. Ose stated that this exemption leaves it wide open for the food stampers and so forth and an honest farmer has a tough time. He stated examples of this in his area.
- There was further discussion on the bill.

0540 Rep. Ose said that he would like to have some people come in and discuss the other end of this. Cotten said he have it Wednesday.

0544 Cotten then discussed HB 657, Planning, Platting and Zoning. Gene Hines testified on this. He said that there are some reservations about this bill. He listened to the people representing the Administration and he feels it has much more effect than what they testified to. This was first brought to their attention when they got a copy of unorganized borough zoning regulations put out by administration before the session started. He read portions of those regulations. The committee is to have copies of this letter and regulations. He felt that it should be stopped right now before a lot of money is spent if the committee doesn't approve of it.

Cotten said that it was a serious question. He said that this should be resolved by the legislature and not by a single committee since it takes in quite a bit of scope. He will have a legal interpretation presented to the committee on this.

0857 Cotten asked the committee what they wanted to do with HB 656. He told the committee what the bill was briefly about.

There was discussion on the bill. He asked if someone would like to make a motion to pass the bill out.

0940 Ostrosky said that she moved to pass the bill out

The meeting was adjourned at 10:00 am.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

April 12, 1976

Chairman Cotten called the meeting to order at 9:00 am for discussion of CSHB 883 and HB 906. Present were:

Rep. Cotten	Harvey Pitts, DC&RA
Rep. Davis	Erik Lee, DC&RA
Rep. Freeman	Joe Guthrie, Legislative Affairs
Rep. Hackney	Barbara Englert Thomas, Staff
Rep. Ostrosky	Vicci Hansen, Staff
Rep. Ose	

Eric Lee discussed the provision in the bill for a caretaker in the cottage for every five persons in residence. Most villages have only one health aide therefore the language in the bill should be changed: Page 2 Line 12 which reads "shall" be changed to "may", this would allow flexibility where needed. Ose moved for an amendment as such.

Eric Lee suggested another language change on Page 2 Line 17: add "that houses persons" between "home" and "receiving" since the state is paying a subsidy to people rather than a facility.

Chairman Cotten asked if the subsidy would be paid by HESS.

Mr. Lee stated the subsidy would be paid by C & R A. If it is a cottage home that is housing people that are eligible under this chapter then it defines preference will be given to people receiving assistance under those other programs in HESS. Chairman Cotten asked about the non-contiguous to another institution language. Mr. Lee stated if it is part and parcel of a hospital or a nursing home there may be a question: is it institutionalized care? If it is institutionalized care it would create a problem with the federal government and their assistance payments. Chairman Cotten asked how the subsidy payments are made. Mr. Lee explained the appropriation would be the limiting factor.

Rep. Hackney asked how they came up with the figure \$212,500 for the cost of building such a cottage. Mr. Lee explained they used current building costs in the Bering Straits Region they arrived at a figure based upon a 4 - 5 bedroom unit in Nome, 2 units in a community the size of Unalakleet and one in a smaller village. They then broke down what the cost would be to advertize the building costs and fixed the rent and then a subsidy based upon an 80% figure as the state portion. Rent figure was figured by taking the building, maintenance, administration costs total for an annual cost per unit, then divided it into a monthly rental per unit. Chairman Cotten stated a pilot project will let us see how the whole thing works and at a later point it could be expanded to include other areas of the state. Total bill for the whole state would be \$50 million. Harvey Pitts explained this was the figure for nine communities throughout the state. \$50 million would be amortized over a 20 year period. Mr Lee stated the people receiving the subsidy would be eligible to receive up to 100% of their rent. The money would be from the General Fund. Bering Straits Regional Corp. would construct the facility and this bill would subsidize the rent with no guarantee that this program would continue for more than one year. No profit margin allowed, just recovery cost.

April 12, 1976

Cotten stated anyone with a building meeting the regulations would be set up for this program. Ose mentioned the facility in Palmer where the state is paying to house old folks in an 18 bed facility, run by the Salvation Army. Hackney expressed concern that no limit is put on the amount spent on the facility in the first place. The department will pick up the tab that is over and above what that person can pay. No upper limit on the construction cost is set. Rep. Davis stated that can be taken care of by the rules and regulations of the department.

HOUSE COMMUNITY & REGIONAL AFFAIRS

April 13, 1976

The meeting was called to order at 9:00 for discussion of CSHB 883 and HB 906.
Present were:

Rep. Cotten
Rep. Ose
Rep. Kelley
Rep. Hackney
Rep. Freeman
Rep. Davis

Rep. Rudd
Rep. Ostrosky
Erik Lee, Dept. C&RA
Harvey Pitts
Gordon Landes
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

April 14, 1976

The meeting was called to order at 9:00 am for discussion of HB 906 and SB 529am. Present were:

Rep. Cotten
Rep. Freeman
Rep. Ose
Rep. Rudd
Rep. Hackney
Rep. Davis
Rep. Kelley
Rep. Ostrosky

Don Berry, Alaska Municipal League
Elizabeth Berry, City Assessor, Palmer, AK.
Palmer McCarter, Dept. C&RA
Debbit Stack, Legislative Affairs
Erik Lee, Dept. C&RA
Joe Guthrie, Legislative Affairs
Bob Dozier
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

April 15, 1976

The meeting was called to order at 9:00 am for discussion of HB 903. Present were:

Rep. Cotten
Rep. Ose
Rep. Davis
Rep. Kelley
Rep. Hackney
Rep. Rudd
Rep. Ostrosky
Rep. Freeman

Commissioner McAnerney
Dan Plotnick, H&SS
David Freer, H&SS
Cheryl Probst, Reporter
Erik Lee, C&RA
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

April 20, 1976

The meeting was called to order at 9:00 am for discussion of HB 657 and SB 703.
Present were:

Rep. Cotten	Palmer McCarter, Dept. C&RA
Rep. Rudd	Bill Berrier, Legislative Affairs
Rep. Hackney	Jack Roderick
Rep. Ostrosky	Sharon Hiner, Larry Davis's AA
Rep. Freeman	Roger Lewis, Dept. Natural Resources
Rep. Kelley	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

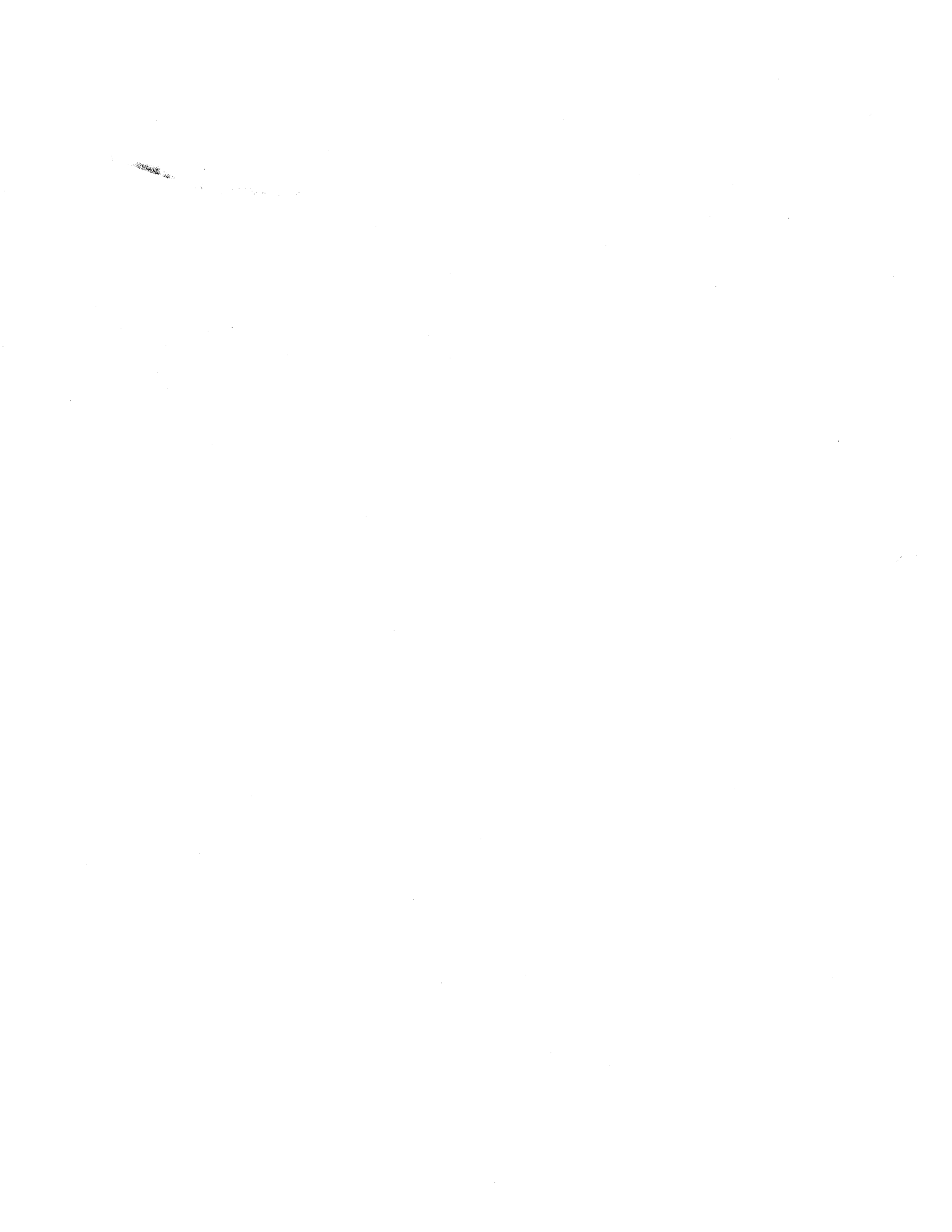
HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

April 21, 1976

The meeting was called to order at 9:00 am by Chairman Cotten for discussion of SB 529am. Present were:

Rep. Cotten
Rep. Ostrosky
Rep. Ose
Rep. Davis
Rep. Hackney

Rep. Kelley
Rep. Freeman
Rep. Rudd
Palmer McCarter, Dept. C&RA
Bob Dozier
Barbara Englert Thomas, Staff
Vicci Hansen, Staff



HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

April 22, 1976

The meeting was called to order at 9:15 am by Chairman Cotten for discussion of SB 703 and SB 209. Present were:

Rep. Cotten
Rep. Kelley
Rep. Hackney
Rep. Ose
Rep. Freeman

Rep. Ostrosky
Sam Coxen, Anchorage Municipality
Don Berry, Alaska Municipal League
Bill Berrier, Legislative Affairs
Jack Chenowith, Senate C&RA
Palmer McCarter, Dept. C&RA
Senator Pat Rodey
Barbara Englert Thomas, Staff
Vicci Hansen, Staff

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

April 27, 1976

Chairman Cotten call the meeting to order at 9:20 am for discussion of HB 919. Present were:

Rep. Cotten	Brian Rogers, Staff
Rep. Ose	Cheryl Probst
Rep. Hackney	Mike Davis
Rep. Ostrosky	Mike Coumbe, Staff
Rep. Kelley	Mary Van Nimwigen
Rep. Freeman	Rep. Charlie Parr
Rep. Rudd	Frank Cook

0047

HB 919 is the product of an initial study done by Rep. Parr; it is a timely idea now that OCS leases have been sold. The legislative finding is that development projects cause an immediate demand on services in a community and the developer has not borne the full impact and burden. Rep. Parr stated this is the first of nine federal leases to be sold off Alaska's shores. The intent of HB 919 is to be assured of repayment for costs of increased services needed to meet impact. When the State of Alaska appropriated money for pipeline impact it was for municipal services. This bill proposes to have the Department of Community & Regional Affairs estimate cost and then have developing company pay impact costs prior to completion of the project. The bill in original form had tax credit exemption, however the administration did not favor that portion of the bill because money needs to be furnished.

Rep. Freeman asked if impact is negative? Rep. Parr answered pipeline impact is not necessarily negative impact.

The committee discussed this further.

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

May 3, 1976

The meeting was called to order at 9:08 am by Chairman Cotten to hear testimony on HB 919. Present were:

Rep. Cotten	Rep. Charlie Parr
Rep. Davis	Brian Rogers
Rep. Freeman	Claire Lotspeich
Rep. Hackney	Cameron Edmondson, Marathon Oil
Rep. Ostrosky	Monte Taylor, Exxon
Rep. Ose	Ken Showalter, Sohio
Rep. Hershberger	Eugene F. Wiles, Socal
Rep. Kelley	Robert J. Walker, Exxon
	Sharon Lobaugh, Ak. Conservation So.

Eugene F. Wiles representing Standard Oil of California submitted four papers to the Committee: An Economic and Social Impact Study of Oil Related Activities in the Gulf of Alaska, by Mathematical Sciences, Northwest, Inc.; Executive Summary by Math. Sciences NW., Inc.; Alaska Taxation of the Petroleum Industry done for the Alaska Oil and Gas Association; and a paper on the economic and social impact of potential petroleum development in the eastern sector of the Gulf of Alaska. Mr. Wiles discussed and read from the four reports. The main point he was making was that there will not be an immediate impact on the areas, and he called the fee a tax and it is in violation of the tax law.

Chairman Cotten asked if anyone would be able to submit their testimony in the remaining 10 minutes.

Sharon Lobaugh representing the Alaska Conservation Society stated she expects written testimony to be available for the Committee's consideration but it has not arrived at this time. The Alaska Conservation Society is generally supportive of the concept of the bill.

Chairman Cotten adjourned the meeting at 9:55 am.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 4, 1976

The meeting was called to order at 9:12 am by Chairman Cotten to complete hearing testimony on HB 919. Present were:

Rep. Sam Cotten	Brian Rogers, self
Rep. Kathryn Ostrosky	Claire Lotspeich, self
Rep. Al Ose	Paul Carr, D.C. & R.A.
Rep. Larry Davis	Lois Kramer, D.C. & R.A.
Rep. Glen Hackney	Cameron Edmondson, Marathon
Rep. Hershberger	Waco Shelly, Mobil
	Sharon Lobaugh, ACS
	Eugene F. Wiles, SOCAL
	Robert J. Walker, Exxon
	Rep. Charlie Parr
	Barbara Englert Thomas, Staff
	Jo Putman, Staff

1014
Chairman Cotten called upon Brian Rogers to testify. Mr. Rogers was representing himself as a tax payer. A report done by Math Services NW contains figures about the personnel to be employed, "the initial complement of crews required for rig operation will be from Cook Inlet or will be brought into Alaska from other areas." Additional people will require additional services as seen by the pipeline construction impact. Seward and Kodiak may be potential construction sites for platforms creating significant impact. If the construction site is placed as close to the site on shore as possible the communities will not feel the impact significantly, but neither will they receive the tax base and benefits. Of \$555 million investment required, \$85 million will be on shore of which \$25 million will not be brought into any local tax base. The population figures in the Math Sciences report are rather low estimates. If a new field is found each year then the activities illustrated in the development schedule will be repeated for each new field. So using the industry figures, Brian believes those figures will have to be tripled. Mr. Rogers submits that there has already been impact for the lease sales, SB 564 is a school bond package and included in that \$1.4 million for a school in Cordova and \$1.9 million for a school in Yakutat. Money is being put out now preparing for impact in advance. A problem we have with off shore oil development is there can be no state tax on the platforms. Mr. Rogers gave figures from OMB for additional population from increased OCS exploration and production in the Atlantic, the Gulf of Mexico, the Pacific and the Alaskan areas they believe that 64% of the population impact will be in Alaska and 70% of the cost of additional infrastructure will be in Alaska. IN a staff report prepared for the U. S. House of Representatives on Federal impact legislation of OCS states "state and local governments can require private owners and developers to ensure front end funding. Existing regulations now require companies to provide development plans, socio-economic impact information to state and local governments.

May 4, 1976

The rapid growth is what hurts the most. In Fairbanks suddenly the telephone system was inadequate, the road system was inadequate, whereas in the years preceding the pipeline the growth due to tourism and so on was relatively slow and could be met a little at a time. The OMB has estimated \$683 million worth of impact in the next nine years. That works out to about \$75 million a year or 10% of our state budget. I do not think any other industry has caused that large or quick an impact on the state. Rep. Ostrosky stated that all the studies that Mr. Rogers was referring to are impact studies that have been going on more than a year, it is an accepted concept that there will be drastic impact from this resource development and there will need to be front end monies available.

1646 Rep. Hackney asked how Mr. Rogers envisions a fee for a shore permit. Mr. Rogers stated it is a difficult problem but the bill does leave the department some leeway in computing these fees and after a couple of years of experience the legislature might want to look at it again and perhaps by statute rather than by regulation set up some formula.

1730 Waco Shelly, representing Mobil Oil Corporation, requested time, not to testify, but to unburden himself. He questions the practicality or workability of this bill. Mr. Shelly is opposed to trying to assess and make people pay in advance for something when they do not know what the magnitude is going to be.

Chairman Cotten stated we surely would be grateful if an industry representative were to offer some innovative suggestions as to what the state might do to prepare themselves for what appears to be a pretty heavy impact in the relatively near future.

0373 Mr. Shelly wanted to know how the state is going to separate the impact of oil development and any other industry?

Chairman Cotten stated the committee will take a few days to look at the figures now available and have another meeting to discuss the mechanism for fees.

0587 Rep. Parr asked Mr. Shelly if he had some alternate way to ensure the state gets some of the revenues from off shore drilling since the state does not have jurisdiction to tax beyond the three mile limit, no severance tax, no royalty tax, a distinction between onshore and offshore projects. Would the companies like to volunteer 12 1/2% royalty then we will not worry about the impact costs.

Mr. Shelly responded that he hopes, in time, the federal government will recognize the impact and come through with some impact funds.

0780 Meeting adjourned at 9:55 am

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

May 5, 1976

Chairman Cotten called the meeting to order at 9:10 am to discuss CSSB 721. Present were:

Rep. Sam Cotten	Palmer McCarter, D C & R A
Rep. Al Ose	Don Berry, Alaska Municipal League
Rep. Oral Freeman	Senator Clem Tillion
Rep. Glen Hackney	Barbara Englert Thomas, Staff
Rep. Kathryn Ostrosky	Jo Putman, Staff
Rep. Ramona Kelly	

Senator Tillion explained CSSB 721, it effects Soldotna in the Kenai Borough only. The department supports CSSB 721 with no objection. Rep. Kelly moved to pass the Bill.

The meeting adjourned at 9:25 am.

COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 6, 1976

Chairman Cotten called the meeting to order at 9:03 am to discuss and hear testimony on SB 753. Present were:

Rep. Cotten	F. Harvey Pitts, Dept. of C & RA
Rep. Ostrosky	Eric Lee, Dept. of C & RA
Rep. Freeman	Senator Genie Chance
Rep. Ose	Margaret Wolfe, NASW
Rep. Hackney	Samuel L. Coxson, Anchorage Mun.
Rep. Rudd	Lois M. Jund, DH & SS
Rep. Davis	Susan R. Clark, L. of Women Voters
	Patricia George, Private Citizen
	Sharon Wahto, Private Citizen
	Aletha Henri, Day Care Operator
	Don M Berry, Ak. Muni. League
	Deborah Staack, Leg. Affairs
	Sam J. Granato, DSS/DHSS
	Janet L. Bradley, Human Rights
	Rosalee T. Walker, Dept. of Education
	David Freer, DHSS
	Clark Miller, Alaska Empire
	Rep. Jim Duncan
	Senator Colletta

Senator Colletta explained the bill to the Committee. SB 753 removes the regulatory function over day care facilities from the State and gives it to the local authority thus providing immediate access by anyone concerned in case of an emergency. Colletta stated the Governor will increase state assistance to what is needed to cover any added costs. The sanitation and fire regulations will still be in effect and handled by the State. Good reports have been received from the day care program run by the Dept. of Community and Regional Affairs. The Dept. of Health and Social Services supports this bill; the commissioner testified before the Senate Committee in support of SB 753 with no objections.

Senator Genie Chance testified that all communities except Ketchikan have successful day care programs run with state subsidies. Social workers in the field, in Nome, Dillingham and Juneau, have been cracking down on private baby sitters thus this bill came about. The state subsidy is available only to licensed homes thus with this bill a municipality is forced into the licensing business. Senator Chance submitted an amendment that provides a mechanism for smooth transfer of the licensing authority. The municipality may by ordinance set up licensing so as not to lose the subsidy.

Margaret Wolfe of the National Association of Social Workers was next to testify, submitting written testimony. Margaret suggests regional

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standards perhaps would be better than state standards. She is not opposed to giving licensing to local governments, however some continuation of state responsibility would be in order. The state should indicate what a local plan must address and require approval of the plan by the state, as well as taking a look at what's happening annually. Thus primary responsibility lies with the state, secondary responsibility with local governments. Financial incentive and technical assistance should be given to local governments to help set up standards. The state would cover unorganized areas.

Rosalee Walker from the Department of Education testified HESS has not responsive, day care centers do need some type of surveillance. HESS goes in on crisis situations usually after the fact. Mrs. Walker urged the Committee to please DO Pass the bill.

The meeting was adjourned at 9:55 am.

COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 7, 1976

Chairman Cotten called the meeting to order at 9 a.m. to hear testimony on SB 753. Present were:

Rep. Cotten	David Freer, DHSS
Rep. Rudd	Deborah Staach, Legislative Affairs
Rep. Ose	Marsha Hubbard, Senate HESS
Rep. Hackney	Clark Miller, Empire
	Rosalee T. Walker, Dept. of Ed.
	Betsey W. McGuire, Off. of Child Advocacy
	Sharen Wahto, private citizen
	Patricia George, private citizen
	Lynda Hagersieker, private citizen
	Karen Sheridan, private citizen
	Janet Bradley, Human Rights
	Susan R. Clark, L. of Women Voters
	Sam J. Granato, DSS/DHSS
	Lois M. Jund, DH & SS
	Samuel L. Coxson, Anch. Municipality
	Margaret Wolfe, Anch. Municipality
	Aletha Henri, Day care operator
	Sister Joseph Mary, St. Ann's Day Care
	Pat Denny, Catholic Community Service
	Dorothy Anderson, Bush Alaska citizen
	Jessie Dodson, Office of the Governor
	Mary Van Nimweger, Legislative Finance
	Eric Lee, DCS/DCRA
	Harvey Pitts, DCRA

Eric Lee and Harvey Pitts from the Department of Community and Regional Affairs support the bill, especially the concept of local flexibility provided by the bill. They urge the adoption of Chance's amendment as well. If the bill is passed without provision for an effective date it will become effective in 90 days, in this case the local governments can recognize the standing licenses. The elimination of state licensing is seen as bad, however, child protection laws, fire and sanitation regulations will still be in effect. Local governments are capable of handling the licensing. The Department of C & R A has staff to give assistance to local governments where needed. The boys are against mandating regulations.

Sam Coxson representing the Anchorage Municipality testified next. March 15, 1977 would be a good effective date for this bill, January 1, 1977 would be the minimum effective date because budget money within the Municipality has all been set, no money available in this years budget for such a program. The Municipality of Anchorage requests funds through Revenue Sharing or some other program. He urged postponement of passage of the bill to allow for more local input, this legislation is moving too fast for everyone to keep up.

Adjourned at 10 am until 3 pm.

HOUSE COMMUNITY & REGIONAL AFFAIRS

May 7, 1976

Chairman Cotten called the meeting to order at 3:45 pm to continue hearing testimony on SB 753. Present were:

Rep. Cotten	Harvey Pitts, Dept. of CR&A
Rep. Ose	Marsha Hubbard, Senate HESS
Rep. Ostrosky	Deborah Staack, Leg. Affairs
Rep. Rudd	Rosalee F. Walker, Lilliput Day Care
Rep. Freeman	Patricia George, private citizen
Rep. Hershberger	Terry Holm, private citizen
Rep. Hackney	Betsey W. McGuire, O. of Child Advocacy
	Dorothy Anderson, private citizen
	Patricia Denny, Cath. Comm. Service
	Sister Joseph Mary, St. Ann's Day Care
	Don M. Berry, Ak. Muni. League
	A. Henri, Henri House
	Bradford Matson, HSS

Sam Granado submitted written testimony including recommendations. The boroughs should be required to establish standards and delineate areas such as: feeding, ratio of staff to children, space, programs. If a borough chooses not to go into licensing then the Dept. of Community and Regional Affairs will not subsidize day care in that borough. Rep. Rudd asked about other states, Sam stated generally licensing is on the state level. Federal regulations do not include licensing, money is available for specific goals, it is aimed at low income families to upgrade their environment, meet health and nutrition needs. Rep. Rudd asked about child protection laws. In the case of a complaint with evidence of abuse the dept. has authority to investigate and work with problem or go to court. Licensing is preventative, these laws are usually after the fact. Rep. Hershberger asked what is the most frequent type of abuse. Granado state overcrowding. The fire code disallows more facilities than anything else, mostly for lack of 2 exists. Either the department requests or applicant asks fire marshall to come in for an inspection. Chairman Cotten requested some amendments be prepared and presented to the Committee

Aletha Henry a day care operator caring for retarded children with funding coming from Title XX testified next, presenting written testimony. Under this bill Mrs. Henry's day care center would lose its federal funding. Chairman Cotten suggested perhaps the state will pick up funding for her program and asked if she had any other problems with the local gov'ts handling the licensing. Mrs. Henri is opposed to local gov't licensing because of her concern for the cost to the taxpayers.

Patty George a working mother, childhood specialist with the U. of A SE submitted written testimony containing a report about changes made in regulations and why. The Division of Social Services has been responsive to suggestions for making things better.

May 7, 1976

Susan Clark of the League of Women Voters was next to testify. She submitted written testimony including a League Day Care Position Paper. In Juneau more than 1/2 of the licensed homes meet federal regulations.

Sister Joseph Mary of St. Ann's Day Care Center stated St. Ann's follows federal regulations, State regulations are less stringent than federal. In all other states, the state government handles licensing, municipalities cannot handle it. Licensing protects and services children and parents.

Don Berry testified that five borough governments have indicated they are opposed to SB 753, because they cannot pass all ordinances they want and there is no enthusiasm in local governments for this.

Hackney stated most municipalities are concerned with the money problem. Priorities have been set and no money is available to handle this added responsibility.

Meeting adjourned at 5:20 pm.

HOUSE COMMUNITY & REGIONAL AFFAIRS

May 10, 1976

The meeting was called to order at 9:15 am by Chairman Cotten to continue hearings on SB 753. Present were:

Rep. Cotten	Deborah Staack, Leg. Affairs
Rep. Freeman	Janis McCormick, Public Youth
Rep. Ose	Ronald Lind, Div. of Management and Budget
Rep. Ostrosky	Michael Orelove, Div. of Man. & Bud.
Rep. Hackney	Sam J. Granato, DSS/DHSS
Rep. Davis	Eric Lee, DCS/DCRA
	Sister Joseph Mary, St. Ann's Day Care
	Jackie Damon, interested party
	Pat J. Monroe, interested party
	Julie Neyhart, interested party
	Patricia George, private citizen
	Mary Gillian, Ad Hoc Parent Comm. on Daycare, Anchorage
	Marjorie Fields, Private Citizen
	Marsha Hubbard, Legis. Council

Chairman Cotten called upon Michael Orelove from the Division of Management and Budget to speak first.

Mr. Orelove discussed the federal Title XX funding stating the \$200,000 to 300,000 for salary increases within the Dept. of Health and Social Services would be paid by Title XX with \$100,000 match money coming from the General Fund.

0649 Mary Gillion, President of the Ad Hoc Parent Committee on Day Care in Anchorage submitted written testimony stating that maintaining minimum standards statewide is essential for the protection of children. If this bill passes as written and if a community chooses not to write regulations there will be no protection for children in that community.

1148

Margorie Fields testified as a private citizen. Mrs. Fields also submitted written testimony stating that she is against SB 753 and emphasis should be to protect children. High standards should be set and enforced. The Dept. of H & SS has been responsive and done a good job. The dept. sends out materials for use in day care centers and also assists centers meet regulations and maintain standards.

The meeting adjourned at 10 am.

COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 11, 1976

Chairman Cotten called the meeting to order at 9:10 am to continue hearing testimony on SB 753. Present were:

Rep. Cotten	Rosalee Walker, Dept. of Education
Rep. Ose	Susan Taylor, Bethel Social Services
Rep. Ostrosky	Candy Cattel, City of Whittier
Rep. Rudd	Phil Smith, Rural CAP
Rep. Davis	plus many of the same people
Rep. Hackney	that attended yesterday

Rosalee Walker submitted written testimony in favor of SB 753. If day care regulations are to work they must be simple enough to be understood by any one. SB 753 should mandate that communities write regs and provide for an effective date.

Sue Taylor is from Bethel where she works for the day care center. She testified in favor of SB 753. This bill would help the attitude of the people in rural areas where many homes taking children do not know licensing exists. Local control is more effective, someone on the local level would be enforcing them where no regulations are enforced now. The state can give technical assistance to local governments to set up regulations and enforcement. Regulations written at the local level would be understood by the local people. Rep. Ostrosky asked how she would see local involvement taking place. Sue stated she saw a committee of parents, staff, teachers and social workers, somewhat like Head Start.

Candy Cattel from Whittier testified in favor of SB 753. It allows locals to get involved. At times they cannot get in touch with HSS, they must go through channels. Her experience in Wasilla was to wait five months for a license, while a home meeting regulations remained vacant. Candy feels administrative paperwork would be eased by this bill. DHSS do not seem to be set up to help local communities therefore a change is necessary.

Phil Smith, Executive Director of Rural CAP testified in favor of SB 753 stating it is a logical extension of last years bill. Mr. Smith suggested a January 1 effective date to give time to conduct a study to assess impact on local governments. When writting regualtions input from state agencies would be appropriate. Proper and appropriate technical assistance would facilitate the transfer of authority to the local governments.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 12, 1976

Chairman Cotten called the meeting to order at 9:08 am for the committee to consider SB 740, SB 683 and SB 703. Present were:

Rep. Cotten	S. Robert Dozier, State Assessor DCRA
Rep. Ose	Ray R. Smith, Haines Boro. Assessor
Rep. Ostrosky	Samuel Coxson, Muni. of Anch.
Rep. Davis	Jack Chenoweth, Senate CRA Committee
Rep. Rudd	Karen Morehouse, NOW, Fairbanks/Juneau
Rep. Hackney	Palmer McCarter, DCRA
Rep. Hershberger	Barbara Eglert Thomas, Staff
Rep. Kelley	Jo Putman, staff
Rep. Freeman	

Jack Chenoweth discussed SB 740 "An Act requiring certain information on real estate conveyance instruments." As it stands now 90% of the requests for recording come from lawyers and banks with no name or address of a new owner, causing a title search to find out who to send assessment notices, tax bills which usually ends up with the new owner paying a penalty. Rep. Kelley moved to add "mailing" before address on Line 14. The bill was passed out of committee and sent to House Judiciary.

Palmer McCarter discussed SB 683 "An Act relating to municipal incorporation standards and procedures." The Local Boundary Commission is in favor of this bill, standards are necessary and they urge adoption by legislation. This bill provides for a preliminary investigation by the Boundary Commission staff, before the entire Commission goes to a village that has applied to incorporate, to see if everything is in order and if everyone in the village is in favor of incorporation and all requirements are met. It would save time and money. No action was taken on the bill at this time.

Senate Bill 703 was brought up but no one on the committee was interested in moving it any further.

The meeting was adjourned about 10 am.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 18, 1976

Chairman Cotten called the meeting to order at 9:04 am to discuss the CSSB 753. Present were:

Rep. Cotten	Billy G. Berrier, Legal Services, LAA
Rep. Davis	Don M. Berry, Ak. Municipal League
Rep. Kelley	Patricia George, Private citizen
Rep. Freeman	Violet Thetford, private citizen
Rep. Rudd	Sam J. Granato, DSS/DHSS
Rep. Ostrosky	Harvey Pitts, DCRA/DCS
	Eric Lee, CRA/DCS
	Marsha Hubbard, Senate Legis. Affairs
	Debbie Staack, Legislative Affairs
	Barbara Englert Thomas, Staff
	Jo Putman, Staff

This committee substitute states if a municipality chooses to handle licensing the state delegates authority after the municipality passes an ordinance establishing regulations and standards. A municipality may chose not to take on licensing of day care centers, therefore the authority remains with the state. A municipality may do investigation and make recommendations to the department having input but not doing the actual licensing. Anchorage has a dual system where the state does licensing, but the municipality issues permits. Bill Berrier explained that this is just opposite to the usual way things work, this bill sets it up so an ordinance pre-empts a state statute. Eric Lee stated the CS maintains status quo for Anchorage and Juneau, he feels that second class cities, rural towns, will probably apply for this licensing.

Freeman moved to pass the bill out of committee.

Meeting adjourned at 9:55 am.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 19, 1976

Chairman Cotten called the meeting to order at 9:12 am to discuss SB 683, HCSSB 753, present were:

Rep. Cotten	Palmer McCarter, DCRA
Rep. Ose	Bill Berrier, Legal Services, LAA
Rep. Rudd	Sam Granato, DSS/Dhss
Rep. Hackney	Eric Lee, DCRA
Rep. Freeman	Marshal Hubbard, Senate LAA
Rep. Ostrosky	Debbie Staack, Legislative Affairs
	Elaine Mitchell, kiny
	Harvey Pitts, DCRA
	Barbara Englert Thomas, Staff
	Jo Putman, Staff

Palmer McCarter discussed SB 683. The Boundary Commission would prefer to have the Legislature address the incorporation of municipalities as it has for boroughs. This bill provides for preliminary feasibility studies done by staff members who work with villagers to see if in fact they want to do all the things - budget, taxes - involved with incorporation. The staff would travel to the village instead of the entire Boundary Commission for the first contact. Rep. Rudd is concerned with vagueness of standards and discouragement to villages for incorporating.

HCSSB 753 as explained by Eric Lee: the concept is that any municipality by ordinance will ask for authority to license then the department will delegate authority to license day care centers and homes. A municipality may waive any regulation or standard, once an ordinance is adopted. A Municipality notifies the department of passing an ordinance and what regulations have been adopted. This maintains status quo until a municipality passes an ordinance. Sam Granato explained it dispenses with any license for less than three unrelated children being cared for in the same home. The CS provides protection of children even though a municipality chooses not to handle licensing. This allows locals to determine their own regulations or stay with state regulations.

Rep. Ose moved to pass HCSSB 753 out of committee.

Adjourned at 9:55 am

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

May 24, 1976

Chairman Cotten called the meeting to order at 9:05 am to discuss SB 683.
Present were:

Rep. Cotten	Jo Putman, Staff
Rep. Ose	
Rep. Freeman	
Rep. Davis	
Rep. Rudd	
Rep. Hackney	
Rep. Ostrosky	

The committee voted to pass out SB 683 without much discussion.

This may be the last committee meeting. Adjourned at 9:15 am

