

State Legislative Priority White Paper 2022

Proposed By Mayor Bryce J. Ward

Draft Date 7-9-21

(not listed in priority, for discussion purposes)

1. PERS Contribution Rate and strategy

Maintain the 22% PERS contribution rate as was agreed to by PERS employers and the state in allocating the unfunded liability and to provide certainty of set rates for all employers. There should be focused efforts to develop strategies to reduce the unfunded liability and reduce the overall payout through incentive programs not by adjusting the contribution amount. Options may include buy out provisions.

2. Title 29 PILT exemptions

For properties that meet certain criteria they may negotiate a PILT with the taxing jurisdiction for up to 20 years. Eligible properties would be identified as new businesses or expanding businesses that will provide or support high wage employment within the borough. Eligible properties would include a Resource Development Mine that has a daily average of 100 or more FTE workers, privately owned large scale renewable energy facilities, municipally owned real or personal property located in a separate municipality.

3. Establishing standards and regulations for the unorganized borough

Management of Boroughs. Article 10, section 3 of the Constitution requires the Legislature to classify boroughs and prescribe their powers and functions. The Legislature has not yet enacted standards and procedures for the areas within the unorganized borough to incorporate as units of local government. The lack of such standards and procedures precludes a meaningful determination of whether an area in the unorganized borough has attained the fiscal and administrative capacity to support local government functions such as education. If such standards existed, an unorganized area could be signaled to form an organized borough when it achieved the administrative and fiscal capacity to support mandatory areawide functions.

<https://www.commerce.alaska.gov/web/Portals/4/pub/2003%20Unorganized%20Areas%20of%20Alaska%20that%20Meet%20Borough%20Incorporation%20Standards.pdf?ver=2015-06-19-104800-957>

4. Support military affairs commission Legislation (ongoing)

5. Public Records Exception for Animal Adopter Information

Animals are occasionally impounded and adopted out after the appropriate holding time. Through a public record request the identity of the new owners of the animal may be disclosed to the previous owner. New owners are occasionally harassed by the previous owner of the animal. A change in state law that would allow for adopter information to be withheld from a public records request would prevent this type of abuse.

6. Alaska Multi-Modal Transportation Improvement Program

One over-arching program would facilitate the funding of all transportation-related projects in the State of Alaska, established as the Alaska Multi-Modal Transportation Improvement Program (AKTIP). The objective of this new program would be to ensure that all transportation related projects were vetted in one program which would reduce redundancies and enhance modal coordination through a transparent and objective process. All federal and non-federal funding would be included in the AKTIP.

This program would aid the state now and into the future in developing a transparent and stable transportation planning process over all modes, regardless of funding source. A multi-modal program will ensure that the best mode is funded to satisfy an identified transportation deficiency.

https://www.planning.dot.gov/documents/RTPO_factsheet_master.pdf

7. Government-to-government annexations

Amendment to the annexation statutes that would allow a city within a second-class borough and that borough to agree, by ordinance, to expand city boundaries within the borough through an abbreviated process. Such amendment would allow the LBC to approve such boundary changes provided that no private lots are affected.

8. Enterprise Zones

Proposed last in 2003 through SB 312, enterprise zones are like the newly created opportunity zones. An enterprise zone is a geographic area that has been granted special tax breaks, regulatory exemptions, or other public assistance to encourage private economic development and job creation. They are used most often to promote the revitalization of a city neighborhood that may be deteriorating or blighted.

Enterprise zones were introduced in the U.S. in the 1970s to reverse the flight of people and businesses from city centers to the suburbs. The programs may be used to encourage a private company to stay in a neighborhood, expand in it, or relocate to it. The creation of economic enterprise zones is a goal set forth in the FNSB's Regional Comprehensive Plan.

9. Farm Use definition

AS 29.45.060 Farm or Agricultural land: “farm use” classification should be amended to ensure it does not exclude otherwise operating farms by its narrow definition. The property tax revenue lost because of the farm use classification is intended to be reimbursable by the state of Alaska to the local taxing jurisdiction. The statute should be amended to allow farm use determinations to be decided locally and to remove the reimbursement from the state, since the state has not funded this provision in several decades. Any amendment to statute should ensure the exemptions are not considered for purposes of the full value determination, which impacts the required local contribution for education.

10. Land Grant patents

Require selected municipal land to be transferred immediately to local governments with platting authority.

11. Regulate Broadband as a Utility

The Regulatory Commission of Alaska (RCA) regulates various industries based on the need for consistent and safe operations of key aspects of a community and economy. Currently the RCA regulates industries such as Telephone, Electric, Natural Gas, Wastewater, Water and Refuse. Regulating a utility provides a transparent and clear path for development to ensure all areas are provided consistent service and a unified cost structure, in a consistent manner.

12. Statewide managed and operated E-911

E-911 is a critical part of call taking during an emergency. E-911 identifies the place and location a call originated and to which agency resources should be dispatched. E-911 in Alaska is managed regionally through cities or boroughs or at the state for the unincorporated areas. Calls are then transferred to the local area dispatch so resources can be sent to the emergency. State of Alaska residents would best be served by a centrally managed E-911 program that would serve all jurisdictions in the State of Alaska by region. Taxes should also be collected statewide for this service and to ensure parity across all districts.

13. Removal of the required local contribution for education

The State of Alaska should fully fund education to a basic need, any local contribution would be added to the basic need provided by the state, not deducted from the amount the state would otherwise pay. Removing the required local contribution could incentivize communities to incorporate by no longer penalizing communities but by creating an incentive, to contribute additional funds to education. A new disparity formula would need to be taken into consideration for this change to ensure districts with low tax bases are not left behind. The impact of eliminating the local

required contribution could save the Fairbanks North Star Borough over 30 million dollars a year.

(Concepts to be developed)

Statewide Emergency Planning structure and delineation of duties: cities inside of Boroughs.

PFAS PFOS

Religious Exemption definition and clarification

Easement Dedication clarification

Education Funding

Land Grant, land swap