



## ALASKA MUNICIPAL LEAGUE

### FY 2016 STATEWIDE PRIORITIES

- **LEGISLATIVE ADOPTION OF SUSTAINABLE BUDGET PLAN**

The Alaska Municipal League supports a Legislative adoption of a sustainable budget plan. As our state faces huge fiscal challenges, we believe that the leaders of our State should immediately adopt changes to not only lower the cost of government, but move quickly to raise revenues. Despite the actions by the Legislature, local governments must continue to provide basic and essential services. AML stands behind its Sustainability Plan and encourages the Legislature to take action in the near future. As more responsibilities are passed down to the subdivisions of the State of Alaska, local governments need to be given the “tools,” by the legislature, to provide for themselves.

- **REVENUE SHARING**

The Alaska Municipal League supports the full funding of the Revenue Sharing fund of \$180 million to allow for a yearly payout of \$60 million per year to be divided up between all 164 municipalities and 50 unincorporated communities. This amount is a small amount of the yearly budget. With the potential loss of federal PILT payments and SRS payments, a sustainable and predictable allocation is needed in order for municipalities to plan their budgets. This money allows for the provision of basic local services and should be a part of a sustainable state budget.

- **PERS/TRS**

The Alaska Municipal League has found municipalities burdened with an additional \$2.53 billion in costs due to the extension of the amortization period and the change in the amortization method. We encourage the Legislature to refrain from again extending that amortization period in order to save State finances. Termination penalties continue to have a chilling effect on the ability for local governments to reasonably manage their workforces, especially during this time of fiscal challenges. AML supports the State's continued commitment to covering PERS costs, in excess of the 22% contribution rate, for all non-State employers.

- **SENIOR CITIZEN'S/DISABLED VETERAN'S PROPERTY TAX EXEMPTION**

The Alaska Municipal League requests that the Legislature address the Senior Citizen's/Disabled Veteran's Property Tax Exemption by either:

1. Funding the exemption as required in AS 29.45.030(g); or
2. Repealing AS 29.45.030(g) legislatively, giving control to local governments for those decisions. If this statute is repealed, the value of the Senior Citizen's/Disabled Veteran's Property Tax Exemption should not be added to the full value determination. As the State and municipalities face fiscal challenges, it is imperative that we have all the tools necessary to manage our own budgets.



## **ALASKA MUNICIPAL LEAGUE**

### **FY 2016 FEDERAL PRIORITIES**

- **PILT (Payment in Lieu of Taxes)**

The Alaska Municipal League urges members of Congress to support continued mandatory full funding for the PILT program. These funds are to offset costs incurred by Alaska's boroughs and cities for services provided to federal employees and families, the public and to the users of public lands. These include education, solid waste disposal, law enforcement, search and rescue, health care, environmental compliance, firefighting, parks and recreation, road maintenance, and other important community services.

- **SECURE RURAL SCHOOLS & COMMUNITY SELF-DETERMINATION ACT (Timber Receipts)**

The Alaska Municipal League urges the members of Congress to pursue a long-term congressional solution for continued SRS payments to forest boroughs and cities in Alaska. This act expired in 2012 and has been extended on a year-by-year basis. Congress should establish a new revenue sharing program to allocate revenues generated from the management of designated federal lands to all forest boroughs and cities. If Congress fails to renew its long-standing federal obligation by not providing a long-term solution, eligible boroughs and cities face dramatic budgetary shortfalls.

- **TAX-EXEMPT MUNICIPAL STATUS OF MUNICIPAL BONDS**

The Alaska Municipal League supports the preservation of the federal deductibility of local property and income taxes and the tax-exempt status of municipal bonds that provide critical funding for public facilities, infrastructure and development. Provisions like the tax exemption for municipal bond interest have been part of the federal tax code for over 100 years, helping finance more than \$3.7 trillion in public works projects.

- **SUPPORT LONG-TERM TRANSPORTATION FUNDING IN MAP-21 REAUTHORIZATION**

The Alaska Municipal League urges Congress to fix the Highway Trust Fund and pass a multi-year surface transportation bill that supports roads, bridges, trails, ferries and transit systems. Key priorities include allocating more funding for locally owned infrastructure, increasing local decision making authority, expediting project delivery and prioritizing investments that increase safety.

- **“WATERS OF THE U.S.” RULEMAKING**

The Alaska Municipal League supports efforts to prevent the redefinition of “waters of the U.S.” that would result in the federal regulation of all public safety ditches. The U.S. Environmental Protection Agency and the U.S. Army Corps of Engineers have proposed to broaden the existing definition; this would increase the number of county-owned and maintained public safety infrastructure that would fall under federal permitting authority.