Alaska’s municipal governments are incredibly diverse and face unique challenges. They are united in common purpose, to deliver essential services in the public interest.
Alaska Municipal League

AML Mission: To represent the unified voice of Alaska’s local governments; to successfully influence state and federal decision-making; to build consensus and partnerships to address Alaska’s challenges; and to provide training and joint services to strengthen Alaska’s local governments. Further, AML will:

• Perpetuate and develop the cooperation of municipalities and the practical study of municipal affairs
• Promote application of the best methods in all branches of municipal service
• Secure general and municipal legislation at the state and federal levels which will be beneficial to the municipalities and inhabitants thereof, and to oppose legislation injurious thereto
• Safeguard the interests, rights and privileges of Alaskan municipalities
• Provide means for municipal officials to exchange ideas, experiences, and obtain expert advice
• Engage in the study and preparation of uniform ordinances, resolutions, and practices
• Strengthen Alaskan local governments’ ability to govern their own affairs and improve the well-being and quality of life of their constituents

AML Principles

• Support the Alaska Constitution’s mandate “to provide for maximum local self-government.”
• Support policies that reduce tax burdens on local government and reimburse for State-mandated exemptions.
• Support State revenue-sharing as an investment in and support for municipal governance.
• Support adequate State funding for basic public services and infrastructure, such as: education, public safety, health, emergency services, and transportation that is necessary for strong and vibrant communities.
• Oppose unfunded and underfunded State or Federal legislative and administrative mandates.
• Oppose any efforts to reduce local revenues and local revenue authorities.
• Oppose State or Federal policies that shift responsibilities to local governments without a negotiated agreement that includes adequate and full annual funding.

Local Government Associations / AML Affiliates

• Alaska Conference of Mayors  http://www.akml.org/alaska-conference-of-mayors/
• Alaska Association of Municipal Clerks  http://www.alaskaclerks.org/
• Alaska Government Finance Officers Association  http://www.agfoa.com/
• Alaska Municipal Management Association  http://www.alaskamanagers.org/
• Alaska Municipal Attorneys Association  http://www.alaskamunicipalattorneys.org/
• Alaska Association of Assessing Officers
• Alaska Association of Harbormasters & Port Administrators  http://www.alaskaharbors.org/
• Alaska Fire Chiefs Association  http://www.alaskastatefirefighters.org/
• Alaska Association of Police Chiefs  http://www.aacop.org/
• American Planning Association – Alaska Chapter  http://www.planning.org/chapters/alaska/
Purpose of Primer

The Alaska Municipal League publishes the local government primer in order to educate policy makers, State and Federal officials, and the public about Alaska’s system of municipal governance. Decisions made by Congress and the State Legislature have a direct impact on local government interests and ultimately on the well-being of citizens. It is critical to understand the roles and responsibilities of local governments, and the differences not only between them but between them and other levels of government.

Introduction to Local Government

Constitutional Basics – Maximum Local Self-Government

The delegates to the state’s Constitutional Convention wanted to avoid overlapping local government jurisdictions and ensure local control. A guiding principle was that they did not want to force a particular form of government on any community or region of the state. At the same time, delegates placed an emphasis on maximizing local self-government, which is the purpose of Article 10 of the Constitution.

The Constitution articulates a system of local government that would be flexible enough to allow local decision-making, while providing ways in which greater regional cooperation might occur. Thus, while the Constitution does not mandate the incorporation of local or regional governments, it requires the establishment of organized and unorganized boroughs that are consistent with geography, economies and common interests.

The Constitution also mandates that an agency be included within the executive branch to advise and assist local governments.

Statutory Authorities – Title 29

Title 29 is State law that describes the classification, roles, responsibilities and other aspects of local government in Alaska. Classifications occur both for boroughs (home rule, first, and second class) and cities (home rule, first, and second class).

All local governments have certain fundamental duties such as conducting elections, holding regular meetings of the governing body, and taxation. Beyond that, the duties of a municipality in Alaska vary greatly based on their classification, inclusion or not in a borough, population size and geographic area.

Title 29 is prescriptive in its delegation of powers to first- and second-class cities and boroughs. Home rule cities and boroughs have all legislative powers that their residents have agreed to, except for those prohibited by law.

While a home rule municipality adopts a charter, subject to voter approval, a general law municipality is often unchartered (a general law city or borough may adopt a charter) and its powers are granted by state law. There are two active classes of general law cities and boroughs – first and second class. The difference between the two classes of cities include taxing authority, responsibility for schools, and the powers and duties of the mayor. The differences between the two classes of boroughs are the manner in which they adopt additional powers.
Alaska has 165 municipalities; 144 cities, 19 boroughs, and one federally incorporated reservation. In all, 97% of Alaskans live within an organized municipality.

Fifteen of the nineteen organized boroughs levy a property tax, and some cities levy a property tax (12 within organized boroughs, 9 within the unorganized borough). Total property tax revenue in FY20 was $1,458,870,819.

The majority of municipalities have implemented a sales tax. Ninety-five (95) cities and nine (9) boroughs have a sales tax, with a total revenue of $260,111,409 in FY20.

Additional taxes and fees include tobacco, raw fish, car rental, alcohol, and bed, and amount to $146,490,249 in FY20.

Municipal governments also receive revenue sharing and PILT funds from the State and Federal government, as well as grant funding from a variety of sources.

In FY20, the total expenditures by local governments in Alaska was $2,498,276,823.00.

Local governments serve 825,106 Alaskans, greater than Alaska’s population because within boroughs some residents are supported by two levels of local government.

Municipalities contribute over 25% of direct education expenditures, totaling $496,571,420. Municipalities contributed an additional $230 million more that year than required.

Municipalities employ approximately 20,000 Alaskans.

Alaska has the nation’s five largest county-equivalents (boroughs). Our largest is equal to the next six largest non-Alaskan counties. Our smallest is bigger than three US states.

In Alaska, municipalities are filling in where gaps appear in federal and state engagement and investment. This extends from public safety and emergency response, to transportation and fisheries management.

The contributions of our municipal government can also be thought of in terms of area served – with more than half the state organized, local government is serving an area of 252,333 square miles. That’s almost 100,000 more than Alaska State land ownership.

The North Slope Borough has more emergency response assets in the Arctic than the State of Alaska and the U.S. Federal government combined.

Alaska’s municipal ports are some of the busiest in the nation, capturing six of the top ten spots in annual commercial fishery landings.

There are 37 municipal-owned public power utilities.

Municipalities operate 47 public libraries in Alaska.

Municipalities collected an estimated $88.5 million in revenues from the out-of-state visitor industry in 2017, and municipal services supported 2,536,000 annual visitors.

### Table 1: Economic and Social Impact of Municipal Government in Alaska

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**Boroughs and Unified Municipalities**

Organized boroughs are municipal corporations and political subdivisions of the state. There are four classifications of organized boroughs:

- **Unified Home Rule (3)** – may exercise all legislative powers not prohibited by law or charter
- **Non-Unified Home Rule (8)** - may exercise all legislative powers not prohibited by law or charter
- **First Class (1)** – may exercise any power not prohibited by law on non-area wide basis
- **Second Class (7)** – must gain voter approval for authority to exercise non-area wide powers

**Powers and Duties**

Organized boroughs may provide services on three levels: areawide (throughout the borough), non-area-wide (that part of the borough that is outside of cities), and service areas (size and make-up vary).

All organized boroughs have three mandatory powers: education, planning and land use regulation, and property assessment and taxation. Additionally, borough powers often include (see classification table for more information):

- Transportation and solid waste
- Water and air pollution control
- Emergency management
- Housing and economic development

**The Unorganized Borough**

The unorganized borough is not a municipal corporation or political subdivision of the State. This classification was intended to decentralize state services and foster local participation in administration within regions not ready (voters rejected it) or suited for organized borough status (namely, those without a tax base). The Alaska Constitution assigns the legislature all powers an assembly would have in the administration of the unorganized borough. The legislature is required to provide the mandatory borough services within the unorganized borough; education is delivered by the state through Regional Educational Attendance Areas (REAAs).
### Table 2: Powers and Duties of Boroughs

<table>
<thead>
<tr>
<th>Power</th>
<th>Unified Municipality &amp; Home Rule Borough</th>
<th>First Class Borough</th>
<th>Second Class Borough</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Education</strong></td>
<td>The borough or unified municipality must provide the service areawide in accordance with AS 14</td>
<td>Same as for a home rule borough</td>
<td>Same as for a home rule borough</td>
</tr>
<tr>
<td><strong>Planning, Platting &amp; Land Use Regulation</strong></td>
<td>The borough or unified municipality must exercise the powers areawide, but not necessarily in accordance with AS 29.40</td>
<td>The borough must exercise the powers areawide; in accordance with AS 29.40; the borough may allow cities to assume such powers within their boundaries</td>
<td>Same as for a first class borough</td>
</tr>
<tr>
<td><strong>Provide Transportation systems, water &amp; air pollution control, animal regulation</strong></td>
<td>Determined by charter or ordinance</td>
<td>May be exercised on an areawide, nonareawide or service area basis by ordinance</td>
<td>May be exercised on an areawide or nonareawide basis by ordinance; approval from voters or property owners required for service area powers</td>
</tr>
<tr>
<td><strong>License Day Care Facilities</strong></td>
<td>Determined by charter or ordinance</td>
<td>May be exercised on an areawide, nonareawide or service area basis by ordinance</td>
<td>May be exercised on an areawide basis by ordinance; voter approval required for exercise on a nonareawide or service area basis</td>
</tr>
<tr>
<td><strong>Regulate Fireworks, provide solid &amp; septic waste disposal, housing rehabilitation, economic development, roads &amp; trails, EMS communications, regulate motor vehicles and development projects</strong></td>
<td>Determined by charter or ordinance</td>
<td>May be exercised areawide upon approval of areawide voters or by transfer of powers from all cities; may be exercised by ordinance on a nonareawide or service area basis</td>
<td>May be exercised areawide upon approval of areawide voters; or by transfer of powers from all cities; may be exercised by ordinance on a nonareawide basis; may be exercised on a service area basis with voter approval</td>
</tr>
<tr>
<td><strong>Hazardous Substance Control</strong></td>
<td>Determined by charter or ordinance</td>
<td>Same as above</td>
<td>Same as above</td>
</tr>
<tr>
<td><strong>Other Powers Not Prohibited</strong></td>
<td>Determined by charter or ordinance</td>
<td>Same as above</td>
<td>May be exercised areawide upon approval of areawide voters; or by transfer of powers from all cities; may be exercised nonareawide upon approval of non-areawide voters; may be exercised on a service area basis with voter approval</td>
</tr>
<tr>
<td>Power</td>
<td>Unified Municipality &amp; Home Rule Borough</td>
<td>First Class Borough</td>
<td>Second Class Borough</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>----------------------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Property Tax</td>
<td>Limited to 30 mills except where a higher levy is necessary to avoid default on debt; voter approval to levy property taxes is required authority established by some charters</td>
<td>Same as home rule except there is no charter; still, some general law boroughs have more limited taxing by local action</td>
<td>Same as for a first class borough</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>The rate of levy may be limited by charter; voter approval required to levy sales tax</td>
<td>No limit exists on the rate of levy; however, voter approval is required to levy sales taxes</td>
<td>Same as for a first class borough</td>
</tr>
<tr>
<td>Assembly composition and apportionment</td>
<td>Flexible; determined according to AS 29.20.060 rule borough</td>
<td>Same as for a home rule</td>
<td>May be exercised on an areawide or nonareawide basis by ordinance; approval from voters or property owners required for service area powers</td>
</tr>
<tr>
<td>Election and term of Mayor</td>
<td>Established by charter or ordinance AS 29.20.120</td>
<td>Elected at large for a 3-year term, unless a different term not to exceed 4 years is provided by ordinance</td>
<td></td>
</tr>
<tr>
<td>Veto Power of the Mayor</td>
<td>Established by charter or ordinance</td>
<td>May vote to break a tie vote only if the borough has a manager form of government</td>
<td></td>
</tr>
<tr>
<td>Ability to attain Home Rule status</td>
<td>Already has home rule status</td>
<td>Voters may adopt home rule charter</td>
<td>Would require adoption of home rule charter</td>
</tr>
</tbody>
</table>

Source: DCCED
Cities

A city can be within an organized borough or within the unorganized borough. All cities are municipal corporations and political subdivisions of the state. Typically, cities do not include large geographical regions or unpopulated areas. Classifications of cities include:

- **Home Rule** – 400+ permanent residents; legislative powers not prohibited by law or charter
- **First Class** – 400+ permanent residents; state law defines powers, duties and functions
- **Second Class** – 25+ permanent residents; state law defines powers, duties and functions

**Powers and Duties**

Important city powers described under Title 29 include (see classification table for more information):

- Public education (Unorganized Borough)
- Planning, platting, land use (Unorganized Borough)
- Property and sales tax authority
- Composition of council
- Election and term of officers
- Eminent domain

**Home Rule**

Cordova • Fairbanks • Kenai • Ketchikan • Kodiak • Nenana • North Pole • Palmer • Seward • Soldotna • Valdez

**First Class**

Craig • Dillingham • Galena • Homer • Hoonah • Hydaburg • Kake • King Cove • Klawock • Nome • Pelican
• Saint Mary’s • Sand Point • Seldovia • Tanana • Unalaska • Utqiaġvik • Wasilla

**Second Class**

Adak • Akhiok • Akiak • Akutan • Alakanuk • Aleknagik • Allakaket • Ambler • Anaktuvuk Pass • Anderson • Angoon • Aniak
• Anvik • Atka • Atqasuk • Bethel • Bettles • Brevig Mission • Buckland • Chefornak • Chevak • Chignik • Chuathbaluk
• Clark’s Point • Coffman Cove • Cold Bay • Deering • Delta Junction • Diomede • Eagle • Eek • Egegik • Ekwok • Elim
• Emmonak • False Pass • Fort Yukon • Gambell • Golovin • Goodnews Bay • Grayling • Gustavus • Holy Cross • Hooper Bay • Houston • Hughes • Huslia • Kachemak • Kaktovik • Kaltag • Kasaan • Kiana • Kivalina • Kobuk • Kotlik • Kotzebue
• Koyuk • Koyukuk • Kupreanof • Kwethluk • Larsen Bay • Lower Kalskag • Manokotak • Marshall • McGrath • Mekoryuk
• Mountain Village • Napakiak • Napaskiak • New Stuyahok • Newhalen • Nightmute • Nikolai • Nondalton • Noorvik
• Nuiqsut • Nulato • Nunam Iqua • Nunapitchuk • Old Harbor • Ouzinkie • Pilot Point • Pilot Station • Platinum • Point Hope • Port Alexander • Port Heiden • Port Lions • Quinhagak • Ruby • Russian Mission • Saint George • Saint Michael
• Saint Paul • Savoonga • Saxman • Scammon Bay • Selawik • Shageluk • Shaktoolik • Shishmaref • Shungnak • Stebbins
• Teller • Tenakee Springs • Thorne Bay • Togiak • Toksook Bay • Unalakleet • Upper Kalskag • Wainwright • Wales
• Whale Pass • White Mountain • Whittier

**Organized Under Federal Law**

Metlakatla Indian Community
### Table 3: Powers and Duties of Cities

<table>
<thead>
<tr>
<th>Power</th>
<th>Home Rule City</th>
<th>First Class City</th>
<th>Second Class City</th>
<th>References</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Education</strong></td>
<td>City in unorganized borough must provide service in accordance with AS 14; city not permitted to do so within organized boroughs</td>
<td>Same as Home Rule City</td>
<td>City not allowed to provide service under any circumstances</td>
<td>AS 29.35.260(b)</td>
</tr>
<tr>
<td><strong>Planning, Platting &amp; Land Use Regulation</strong></td>
<td>Cities in unorganized boroughs must exercise the powers; if in an organized borough, it may be permitted by borough to exercise the powers</td>
<td>Same as for a Home Rule City, except exercised in accordance with AS 29.40 (governance by assembly)</td>
<td>The City is not required to exercise powers, but may be permitted in the manner described for First Class Boroughs</td>
<td>AS 29.35.260(c) AS 29.35.260(c)</td>
</tr>
<tr>
<td><strong>Property Tax</strong></td>
<td>City may tax up to 30 mills, except where a higher levy is necessary to avoid default on debt; some home rule municipal charters require voter approval to authorize the levy of property taxes</td>
<td>The City may tax up to 30 mills except where a higher levy is necessary to avoid default on debt; voter approval is not required by statute, however, some general law municipal governments have more restrictive limitations imposed at the local level</td>
<td>The City may tax up to 20 mills, except where a higher levy is required to avoid default; voter approval is required</td>
<td>AS 29.45.550 AS 29.45.590</td>
</tr>
<tr>
<td><strong>Sales Tax</strong></td>
<td>The rate of levy may be limited by charter; requirements for voter approval may also be set by charter.</td>
<td>There is no limit on the rate of levy sales taxes; however, voter approval is required</td>
<td>Same as for a First Class City</td>
<td>AS 29.45.700</td>
</tr>
<tr>
<td><strong>Other Powers</strong></td>
<td>Possess all legislative powers not prohibited by law or charter</td>
<td>May exercise other powers not prohibited by law</td>
<td>May exercise other powers not prohibited by law</td>
<td>Art. X, S 11, AK Const., AS 29.35.250</td>
</tr>
<tr>
<td><strong>City Council Composition</strong></td>
<td>Determined by charter or ordinance</td>
<td>Six members selected at large, except the council may provide for election other than at-large</td>
<td>Seven members elected at large, except the council may provide for election other than at-large</td>
<td>AS 29.20.130</td>
</tr>
<tr>
<td><strong>Election and Term of Mayor</strong></td>
<td>Determined by charter or ordinance</td>
<td>Elected at large for a 3-year term, unless a different term not to exceed four years is provided by ordinance</td>
<td>Elected from the City Council for a 1-year term, unless a longer term is provided by ordinance; mayor is selected by council (or by voters upon adoption of ordinance)</td>
<td>AS 29.20.230</td>
</tr>
<tr>
<td>Power</td>
<td>Home Rule City</td>
<td>First Class City</td>
<td>Second Class City</td>
<td>References</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------------------------</td>
<td>-------------------------------------------------------</td>
<td>-------------------</td>
<td>--------------</td>
</tr>
<tr>
<td>Vote by Mayor</td>
<td>Determined by charter or ordinance</td>
<td>May vote to break a tie vote on the City Council</td>
<td>Votes on all matters</td>
<td>AS 29.20.250</td>
</tr>
<tr>
<td>Veto Power of Mayor</td>
<td>Determined by charter or ordinance except veto is not permitted on ordinance prohibiting possession of alcohol</td>
<td>Has veto power with the same exception noted for Home Rule Cities</td>
<td>Has no veto power</td>
<td>AS 29.20.270</td>
</tr>
<tr>
<td>Power of Eminent Domain</td>
<td>Permitted by statute</td>
<td>Permitted by statute</td>
<td>Permitted, but requires voter approval</td>
<td>AS 29.35.030</td>
</tr>
<tr>
<td>Ability to Attain Home Rule Status</td>
<td>Already has home rule status</td>
<td>Voters may adopt Home Rule Charter</td>
<td>May not adopt Home Rule Charter without first reclassifying to a First Class City</td>
<td>AS 29.10.010</td>
</tr>
</tbody>
</table>

Source: DCCED
Issues that Impact Alaska's Municipalities

Municipal Governance (Title 29)
State statutes regarding municipal governance should reflect the Constitution’s intent to maximize local self-governance, understood to mean strengthening the capacity and effectiveness of local governments. Further, decision-making at the local level is most responsive to Alaskans’ interests. To this end, AML:

• Supports increased capacity within and professionalization of State tax assessment.
• Supports improvements to records retention, public records access, and public notice.
• Supports issuance of a municipal impact fiscal note within proposed legislation.

Community Assistance and Revenue Sharing
Revenue sharing was originally conceived as a way in which to share state resource wealth with local government, thereby ensuring that all areas of the state have basic public services and reasonably equitable and stable local tax rates. While Alaska has had a revenue sharing program since 1969, it has had numerous changes over the years, including in 2017 to rename the program Community Assistance. Funding has been inconsistent over the years but is a priority for Alaska’s municipalities. To ensure its continued inclusion in the budget, AML:

• Supports a baseline floor of $60 million annually, and encourage a long-term, sustainable solution.
• Supports a method to waive debt, forgive loans, or otherwise bolster “stressed” communities whose revenue sharing funds are withheld.

PERS/TRS Changes
In recognition of the State’s responsibility for the majority of the unfunded pension and health benefit liability, in 2008 the State amended its statutes regarding employer contributions to PERS and TRS, placing a cap on employer contributions at 22% of payroll and TRS contributions at 12.56% of payroll, with the State accepting responsibility for any costs in excess of this amount (the “on behalf” payment). The unfunded liability, and the state’s “on behalf” payment, remains contentious, and a budget line item that is frequently focused on by State officials and legislators. Understanding the history of PERS – and the State’s responsibility – is important in this context. For municipalities, many have become “prisoners of PERS” – unable to leave without a costly termination study and still the unfunded liability to address. Uncertainty related to the PERS pool of participants as well as investment returns is a real concern for most municipalities. AML:

• Supports amendments to termination studies and penalties for leaving PERS/TRS.
• Supports the development of a pathway to decrease overall unfunded liability.
• Opposes any cost shift of the State “on behalf” payment over 22%.

Fiscal Policy
Municipal fiscal health is often a direct reflection of state fiscal health. If the state reduces its overall budget or revenue sharing, or shifts costs or responsibilities to municipalities, local governments either must draw from savings, raise local taxes, or become unable to deliver essential public services. Therefore, it is imperative that the state approach its fiscal policy with the utmost concern for impacts to the economy and political subdivisions of the state. If there is no capital budget, then infrastructure and economic development suffers. Reductions in the state’s budget cannot come at the expense of local government, and AML:

• Supports agency and programmatic efficiency and right-sizing but opposes cost-shifting to municipalities and eliminating essential services.
• Supports the development of a broad-based tax or other mechanisms to increase state revenue.
Public Safety and Emergency Response
Municipal governments play an essential role in delivering public safety to Alaskans. The majority of first responders are municipal employees and volunteers, and municipalities spend more on public safety than the state. The partnership between the federal, state and local governments must be strategic and responsive to threats to public safety, emergency response and the long-term well-being of Alaskans. AML encourages the state to:

• Increase officer recruitment and retention.
• Support and strengthen VPSOs and the VPSO program.
• Decrease access to and impacts from opioids.

Economic Development
Local governments are at the heart of economic development in a community, providing an employee base as well as programmatic and infrastructure investments. Many municipalities have economic development arms, as well, which foster economic activity and support innovation and entrepreneurship. AML:

• Supports increased investment in diversification and small business development.
• Supports increased investment in training and workforce development.
• Supports state responsiveness to local economic development planning.

Education
The state’s constitution requires the legislature to establish and maintain a system of public schools. However, state statute assigns to local government the shared responsibility to contribute to that maintenance. Municipal investment makes up 25% of school funding in Alaska, without which many school districts would struggle to operate. AML:

• Supports early childhood education, career and technical education, and preparing, attracting and retaining qualified educators.
• Supports accountability and assessment that meets federal requirements and maximizes local control.
• Opposes any reduction in school funding and support investment in infrastructure and deferred maintenance.

Fisheries
Alaska’s port and harbors represent critical transportation links and economic drivers for the state, as well as public safety assets. The state transferred ownership of the majority of these facilities to municipalities, who have assumed the operational costs but for whom the maintenance and improvements are challenging. At the same time, Alaska’s coastal communities are dependent on an active and well-managed commercial fishery. AML:

• Supports appropriately funded DF&G and increased investment in fisheries research and outreach.
• Supports continued investment in port and harbor infrastructure.
• Supports an active role in federal fisheries management, and clean water, as well as transboundary negotiations.

Energy
The high costs of heat and power in most of Alaska presents a burdensome transactional cost to doing business or providing public services. While Power Cost Equalization (PCE) is a reliable effort to stabilize and bring down costs for residents, there remains an incredible challenge to increase affordable energy in Alaska. Most local governments have identified the cost of energy as a primary detrimental influence affecting quality of life and economic expansion within their communities. AML:

• Supports vetting of and investing in energy projects, processes and programs that decrease energy costs
Transportation
Alaska’s transportation infrastructure is pivotal to the state’s economy and facilitates access to markets, supplies, and most of all, resources. Improving and investing in Alaska’s air, marine, and ground transportation system will enhance the global competitiveness of Alaska business and economic opportunities for its people. Alaska needs new transportation infrastructure development to provide access to resources, reduce barriers for communities to participate in the economy, allow for safe and efficient transportation for all Alaskans, and to dramatically improve Alaskan’s quality of life statewide. It is equally important to ensure the maintenance of our existing infrastructure. AML:
• Supports the establishment of an Alaska Transportation Fund that can be used to match or supplement federal funding and invest in multi-modal transportation infrastructure.

Minerals
Alaska’s size and complex geology provide immense opportunity for a wide variety of minerals to occur, including coal, gold, copper, silver, molybdenum, zinc, and rare earth minerals. Unfortunately, size and geography present disadvantages, and include the distances from markets, lack of road systems to move the material, and in some cases, the lack of technology to develop and process the mineral. All these factors raise the cost of production and make it harder for the industry to compete with other parts of the U.S. and the world. Municipal governments benefit from mineral development in a variety of ways, but where there is mining, there is a healthy local government. AML:
• Supports responsible resource development and the reduction of investment barriers alongside improved environmental risk management.
• Opposes additional state tax on mineral development and supports robust local government property, or payment in lieu of, taxes.

Water, Wastewater and Sanitation
The delivery of water, wastewater and sanitation are the responsibility of many municipalities, and while improvements have been made in much of the state, more than 30 rural communities have no centralized water or wastewater systems. These are essential functions of local government and are supplemented by state investment and efforts. AML:
• Supports increased State investment in maintenance and infrastructure upgrades.
Federal Priorities

The federal government has created many laws and regulations under which Alaska’s municipalities must operate. Though many of these laws are created with good purpose and may have good reasons behind their implementation, many become challenging for local government because of climate, distance and costs. Blanket nationwide laws, for instance, create additional expenses and work for municipalities.

Unfunded federal (or state) mandates are a threat to municipal governance in Alaska. Additional requirements of a municipality, when not reimbursed, result in a loss of capacity to deliver services to community members.

After federal logging restrictions, municipalities that had historically relied on the timber industry for their economies were provided with funds that helped them keep their schools open and their roads maintained (Secure Funding for Rural Schools Act). Every year Alaskans must make the case for SRS funding to continue through the U.S. Forest Service, roughly $10 million annually.

At the same time, federal lands are tax-exempt, and Alaska municipalities lose a sizeable amount of potential revenue due to the loss of taxable land owned by the federal government. That revenue loss has been reimbursed to municipalities through a Payment in Lieu of Taxes (PILT) program operated through the Department of Interior, which is equal to state revenue sharing payments of $30 million.

Alaska’s municipalities have identified a number of priorities for 2019, including:

- Support full funding for and recalculation of small community population caps for PILT payments to Alaska municipalities.
- Support federal PILT payments, timber receipts, funding for Safe and Secure Rural Schools, and infrastructure investments.
- Oppose underfunding of Federal Assistance Programs including Medicaid, transportation, CDBG, SNAP, Medicare, Head Start, Title 1 Grants, WIC, CHIP, etc.

These programs represent important funding streams for municipalities, which supplement and augment state funding.

Federal Advocacy

NACo - AML belongs to the National Association of Counties (NACo), which represents all 19 Alaska boroughs as it advocates for county interests in Washington, DC. AML and NACo lobby extensively on, especially, public lands issues, including PILT and SRS, as well as broader topics of economic development, emergency response and federal preemption (unfunded mandates).

NLC - AML belongs to the National League of Cities and contributes the perspectives of Alaska’s 146 cities to national policy-making. AML and NLC lobby extensively on issues that include housing, opioid response, public safety, telecommunications, economic development and federal preemption.
Resolution Priorities

2019-01 Alaska Municipal League supports the development of a Community Dividend.

2019-02 Alaska Municipal League requests that the Alaska State Legislature fund the Senior Citizen’s/Disabled Veteran’s property tax exemption as required in AS 29.45.030(g).

2019-03 Alaska Municipal League is in support of full funding from the State of Alaska for school bond debt reimbursement and State aid for construction in Regional Education Attendance Areas.


2019-05 Alaska Municipal League supports increased investment in the Alaska Renewable Energy Fund, and continued support for existing State energy and energy efficiency programs.

2019-06 Alaska Municipal League supports the State’s implementation of a broad-based tax.

2019-07 Alaska Municipal League requests Title 29 be amended to remove the audit requirement for Community Assistance, and provide a one-time waiver of past audit requirements, thereby releasing all outstanding Community Revenue Sharing/Assistance funds.

2019-08 Alaska Municipal League requests that the Governor and Alaska State Legislature provide a one-time payoff of PERS arrearages.

2020-01 Alaska Municipal League encourages the Legislature to meet as the Assembly of the Unorganized Borough, and to take up its governance as required by the Constitution.

2020-02 Alaska Municipal League opposes decisions by DOT&PF to increase their indirect rates; supporting increased funding for the Community Transportation Program; and encouraging policy to enable local-delivered projects and locally managed federal funds.

2020-03 Alaska Municipal League expresses support for rural law enforcement efforts such as the VPO and VPSO program, while recognizing the need for increased investment and the potential for reform to ensure both public safety and the sustainability of law enforcement efforts in rural Alaska.

2020-04 Alaska Municipal League opposes any increase to the required minimum local contribution or decreases to State funding levels; removing the maximum local contribution allowable; and considering Impact Aid as part of the local contribution.

2020-05 Alaska Municipal League expresses support for reform to PERS that includes a complete pay-down of the unfunded liability; conditionally, requesting that the State also conduct termination studies, small or struggling employers be allowed to opt out of the system, and that the high interest rate on non-payment be eliminated.

2020-06 Alaska Municipal League is in support of economic, resource and infrastructure development that benefits local governments, the State of Alaska, and Alaska residents.

2020-07 Alaska Municipal League supports full payment of currently obligated school bond debt reimbursement; opposing an extension to the school bond debt reimbursement moratorium; and supporting a careful and deliberate reform of State support of school construction and maintenance.

2020-08 Alaska Municipal League encourages the State of Alaska to develop a plan to transfer authority to accept federal funds from the State directly to local governments or their designee.

2020-09 Alaska Municipal League supports the effort to maximize local self-government, respect local control, and encourage the State to provide funding for the adoption of powers and incorporation, including borough formation where feasible.

2020-10 Alaska Municipal League supports reform of the USDA Forest Service Secure Rural Schools program to include long-term certainty and sustainability of funding.

2020-11 Alaska Municipal League is in support of reform of the PILT funding formula to extend multipliers to smaller population counties (boroughs), and permanently authorizing the program.

2020-12 Alaska Municipal League supports the Legislature’s efforts toward consensus on the Permanent Fund Dividend.
2020-13  Alaska Municipal League supports the sustainability of the Alaska Universal Service Fund (AUSF) and increased investment in rural infrastructure and affordability.

2020-14  Alaska Municipal League opposes any State action that would diminish the ability of local governments to tax or receive a share of State tax on local economic activity.

2020-15  Alaska Municipal League considers the reductions to funding for the Alaska Marine Highway System in FY20 and the changes to the winter schedule unacceptable; opposes any further reduction to the System’s budget and supports reform that is sustainable and responsive to the needs of coastal communities.

2020-16  Alaska Municipal League opposes any further reductions to Community Assistance and in support of an appropriation to the Community Assistance Fund that would bring the Fund total back up to $90 million.

2020-17  Alaska Municipal League supports Amendments to AS 29.45.500 to Require Municipalities to Pay Reasonable Interest on Tax Refunds.

2020-18  Alaska Municipal League requests that the Alaska State Legislature approve an infrastructure general obligation bond.

2021-01  Alaska Municipal League is in support of a legislative process that recognizes local governments as inherent partners in the delivery of State objectives.

2021-02  Alaska Municipal League requests that the Legislature review and make optional exemptions that are more appropriately decided at the local level.

2021-03  Alaska Municipal League is in support for State policy and budget development that reflects a sustainable draw from the Permanent Fund’s Earnings Reserve.

2021-04  Alaska Municipal League recommends the transfer of PCE endowment assets and distributions responsibilities outside the State’s management and the Legislature’s appropriating authority.

2021-05  Alaska Municipal League encourages collaboration that fosters new approaches to public education, and sufficient and consistent funding.

2021-06  Alaska Municipal League supports a statewide comprehensive health initiative.

2021-07  Alaska Municipal League requests renewed State support and increased funding for local emergency planning committees and preparedness.

2021-08  Alaska Municipal League is in support of a balanced approach to addressing the State of Alaska’s deficit and continuing fiscal challenges.

2021-09  Alaska Municipal League is in support of increased funding for community and regional jails, and a base level of funding for Village Police Officers.

2021-10  Alaska Municipal League is in appreciation for the State’s response to COVID-19, the public health emergency and economic crisis.

2021-11  Alaska Municipal League is in support of full funding ($14,049,988) for the State of Alaska Municipal Harbor Facility Grant Program in the FY22 State Capital Budget.

2021-12  Alaska Municipal League is in support of an Alaska Multi-Modal Transportation System.

2021-13  Alaska Municipal League is in support for establishing standards and regulations for unorganized boroughs.
AML Board

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- NLC Representative, Terry Haines, City of Kodiak
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