

Byron Mallott
Lieutenant Governor
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**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Micaela Fowler
Department of Commerce, Community, and Economic Development

FROM: Scott Meriwether, Office of the Lieutenant Governor 
465.4081

DATE: February 28, 2018

RE: Filed Permanent Regulations: Department of Commerce, Community, and Economic Development

Department of Commerce, Community, and Economic Development regulations re:
payment in lieu of taxes for cities in the unorganized borough (3 AAC 152.100)

Attorney General File:	2017200804
Regulation Filed:	2/28/2018
Effective Date:	3/30/2018
Print:	225, April 2018

cc with enclosures: Linda Miller, Department of Law
Judy Herndon, LexisNexis

ORDER ADOPTING CHANGES TO REGULATIONS
OF DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT


The attached 2 pages of regulations, dealing with the Payment in Lieu of Taxes Program, 3 AAC 152.100, are adopted and certified to be a correct copy of the regulation changes that the Department of Commerce, Community, and Economic Development adopts under the authority of AS 44.33.020 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

Although no public comments were received, the Department of Commerce, Community, and Economic Development paid special attention to the costs to private person of the regulatory action being taken.

The regulation changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor as provided in AS 44.62.180.

Date: 2.6.18


Micaela Fowler, Special Assistant

Claire Richardsmfor FILING CERTIFICATION

I, Byron Mallott, Lieutenant Governor for the State of Alaska, certify that on

Feb. 28, 2018, at 11:21 a.m., I filed the attached regulations according to the provisions of AS 44.62.040 – 44.62.120.


Lieutenant Governor

Effective: March 30, 2018

Register: 225, April 2018



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**
OFFICE OF THE COMMISSIONER

P.O. Box 110800
Juneau, AK 99811-0800
Main: 907.465.2500
Fax: 907.465.5442

In accordance with AS 44.17.010, the authority and responsibility for adopting regulations, outside of the Division of Corporations, Business and Professional Licensing (CBPL), but for the Department of Commerce, Community, and Economic Development (DCCED), under the Alaska Administrative Procedure Act, is hereby delegated to:

Micaela Fowler
Legislative Liaison
Office of the Commissioner
DCCED
P.O. Box 110800
Juneau, AK 99811-0800
907-465-2503
micaela.fowler@alaska.gov

In accordance with AS 44.17.010, the authority and responsibility for adopting regulations of the Division of Corporations, Business and Professional Licensing, under the Alaska Administrative Procedure Act, is hereby delegated to:

Janey Hovenden
Director
CBPL
DCCED
P.O. Box 110806
Juneau, AK 99811-0806
907-465-2538
janey.hovenden@alaska.gov

This Delegation of Authority will remain in effect until modified or revoked by a subsequent delegation. This Delegation supersedes and revokes all delegations preceding it.

Dated the 6th day of November, 2017

A handwritten signature in blue ink, reading "Mike Navarre".
Mike Navarre
Commissioner
Department of Commerce, Community,
and Economic Development


FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

I, BYRON MALLOTT, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA, designate the following state employee to perform the Administrative Procedures Act filing functions of the Office of the Lieutenant Governor:

Claire Richardson, Special Assistant

IN TESTIMONY WHEREOF, I have signed and affixed the Seal of the State of Alaska, in Juneau, on January 7th 2015.




.....

**BYRON MALLOTT
LIEUTENANT GOVERNOR**

3 AAC 152.100. Eligibility requirements. To be eligible to receive a distribution under the payment in lieu of taxes for cities in the unorganized borough program, a city must

3 AAC 152.100 is amended to read:

clone more 0.5"
tail!!!

(1) be located within the circumference of the boundaries of a federally designated area in the unorganized borough; and

clone more 0.5"
tail!!!

(2) be incorporated as a city under AS 29.04.010 - 29.04.020 before July 1 of the state fiscal year in which the distribution is requested;

(3) SUBMIT A RESOLUTION TO THE DEPARTMENT THAT REQUESTS THE DISTRIBUTION AND VERIFIES THAT

(A) THE CITY HAS CONDUCTED A REGULAR ELECTION DURING THE STATE FISCAL YEAR PRECEDING THE STATE FISCAL YEAR IN WHICH THE DISTRIBUTION IS REQUESTED AND HAS REPORTED THE RESULTS OF THE ELECTION TO THE COMMISSIONER;

(B) REGULAR MEETINGS OF THE CITY'S GOVERNING BODY ARE HELD IN THE CITY AND A RECORD OF THE PROCEEDINGS IS MAINTAINED; AND

(C) LOCAL ORDINANCES ADOPTED BY THE CITY HAVE BEEN CODIFIED IN ACCORDANCE WITH AS 29.25.050;

(4) ADOPT AND SUBMIT TO THE DEPARTMENT A COPY OF THE CITY'S BUDGET FOR ITS FISCAL YEAR IN WHICH THE DISTRIBUTION IS REQUESTED;

(5) FOR A HOME RULE OR FIRST CLASS CITY, FILE WITH THE DEPARTMENT A COPY OF THE CITY'S AUDIT FOR THE CITY'S SECOND FISCAL YEAR PRECEDING ITS FISCAL YEAR IN WHICH THE DISTRIBUTION IS REQUESTED; AND

(6) FOR A SECOND CLASS CITY, FILE WITH THE DEPARTMENT A COPY OF THE CITY'S AUDIT OR CERTIFIED STATEMENT OF ANNUAL INCOME AND EXPENDITURES FOR THE CITY'S SECOND FISCAL YEAR PRECEDING ITS FISCAL

Register 225, April 2018 COMMERCE, COMMUNITY, AND EC. DEV.

YEAR IN WHICH THE DISTRIBUTION IS REQUESTED]. (Eff. 10/4/97, Register 144; am
7/12/2009, Register 191; am 3/30/2018, Register 225)

Authority: AS 44.33.020

MEMORANDUM


State of Alaska Department of Law

To: Hon. Byron Mallott
Lieutenant Governor

Date: February 23, 2018

File No.: 2017200804

Tel. No.: 465-3600

From: Steven C. Weaver 
Sr. Assistant Attorney General
and Assistant Regulations Attorney
Legislation and Regulations Section

Re: Department of Commerce,
Community, and Economic
Development regulations re: payment
in lieu of taxes for cities in the
unorganized borough (3 AAC
152.100)

We have reviewed the attached regulations from the Department of Commerce, Community, and Economic Development against the statutory standards of the Administrative Procedure Act. I have reviewed this project under a specific delegation dated February 23, 2018 from the Regulations Attorney. The regulations streamline procedures and requirements for payment in lieu of taxes for cities in the unorganized borough.

We find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations.

The December 12, 2017 public notice and the February 6, 2018 adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

Hon. Byron Mallott, Lieutenant Governor
Our file: 2017200804

February 23, 2018
Page 2

We have made some technical corrections to the regulations in accordance with AS 44.62.125, as shown on the attached copy.

SCW

cc w/enc: (via email)

Hon. Mike Navarre, Commissioner
Department of Commerce, Community, and Economic Development

Micaela Fowler, Regulations Contact
Department of Commerce, Community, and Economic Development

Katherine Eldemar, Director
Division of Community and Regional Affairs
Department of Commerce, Community, and Economic Development

Robin Park
Division of Community and Regional Affairs
Department of Commerce, Community, and Economic Development

Michael A. Stanker, Assistant Attorney General
Labor and State Affairs Section

MEMORANDUM

State of Alaska Department of Law

TO: Hon. Byron Mallott
Lieutenant Governor

DATE: February 23, 2018

FILE NO.: 2017200804

TELEPHONE NO.: (907) 465-3600

FROM: Susan R. Pollard *SRP*
Chief Assistant Attorney General
and Regulations Attorney
Legislation/Regulations Section

SUBJECT: Specific delegation of authority
regarding regulations review on
Department of Commerce,
Community, and Economic
Development regulations re:
payment in lieu of taxes for cities
in the unorganized borough
(3 AAC 152.100)

By this memorandum, I am delegating my authority as Regulations Attorney under AS 44.62 to Assistant Attorney General Steven C. Weaver for the above-referenced regulations project. Under this delegation of authority, Steven Weaver has my full authority under AS 44.62 to conduct the legal review under AS 44.62 and take necessary actions on this regulations project.

If you have questions, please let me know.

SCW

cc w/enc: Scott C. Meriwether, AAC Coordinator
Office of the Lieutenant Governor

Steven C. Weaver
Sr. Assistant Attorney General and
Assistant Regulations Attorney
Legislation/Regulations Section

NOTICE OF PROPOSED CHANGES TO THE PAYMENT IN LIEU OF TAXES FOR CITIES IN
THE UNORGANIZED BOROUGH PROGRAM IN THE REGULATIONS OF THE DEPARTMENT
OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

The Department of Commerce, Community, and Economic Development proposes to amend regulations in 3 AAC 152 dealing with the Payment in Lieu of Taxes for Cities in the Unorganized Borough Program (PILT), including the following:

- (1) 3 AAC 152.100 will be amended to reflect the Alaska State Legislature, Division of Legislative Audit, Recommendation No. 2016-043. The intended effect of this amendment is to eliminate the requirement for cities to submit a resolution to the department that requests the distribution of PILT payments, verify that a city conducted an election and reported the results to the commissioner of DCCED, that regular meetings of the city's governing body are held and records are maintained, that local ordinances are codified, to remove the requirement for cities to submit a budget, to remove the requirement for home rule and first class cities to submit an audit, and to remove the requirement that second class cities submit an audit or certified statement of annual income and expenditures.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to Robin Park, Department of Commerce, Community, and Economic Development, DCRA, Attn: PILT Regulations Review, P.O. 110809, Juneau, AK, 99811-0809. Additionally, the Department of Commerce, Community, and Economic Development will accept comments by facsimile at 907-465-4761 and by electronic mail at robin.park@alaska.gov. Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. **The comments must be received not later than 4:30 p.m. on January 31, 2018.**

You may submit written questions relevant to the proposed action to Robin Park by email at robin.park@alaska.gov, or by mail at Department of Commerce, Community, and Economic Development, DCRA, Attn: PILT Regulations Review, P.O. 110809, Juneau, AK, 99811-0809. **The questions must be received at least 10 days before the end of the public comment period.** The department will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and on the website of the Division of Community and Regional Affairs at <https://www.commerce.alaska.gov/web/dcra/>.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Robin Park at email robin.park@alaska.gov and phone number 907-465-4731 not later than January 25, 2018, at 4:30p.m. to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System, on the website of the Division of Community and Regional Affairs at <https://www.commerce.alaska.gov/web/dcra/> and by contacting Robin Park at email robin.park@alaska.gov and phone number 907-465-4731.

After the public comment period ends, the Department of Commerce, Community, and Economic

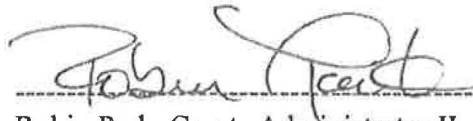
Development will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected.

Statutory authority: AS 44.33.020.

Statutes being implemented, interpreted, or made specific: AS 44.33.020

Fiscal information: The proposed regulation changes are not expected to require an increased appropriation.

Date: December 5, 2017

A handwritten signature in black ink, appearing to read "Robin Park", is written over a horizontal dashed line.

Robin Park, Grants Administrator II
Division of Community and Regional Affairs
Department of Commerce, Community, and
Economic Development

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Department of Commerce, Community, and Economic Development (DCCED)
2. General subject of regulation: Payment in Lieu of Taxes for Cities in the Unorganized Borough
3. Citation of regulation (may be grouped): 3 AAC 152.100 – 3 AAC 152.900
4. Department of Law file number, if any: _____

5. Reason for the proposed action:

- () Compliance with federal law or action (identify): _____
- () Compliance with new or changed state statute
- () Compliance with federal or state court decision (identify): _____
- () Development of program standards
- (X) Other (identify): Compliance with Recommendation No. 2016-043 of the Alaska State Legislature, Division of Legislative Audit.

6. Appropriation/Allocation: none

7. Estimated annual cost to comply with the proposed action to:

A private person: none

Another state agency: none

A municipality: none

8. Cost of implementation to the state agency and available funding (in thousands of dollars): The cost associated with the administration of the payment in lieu of taxes program will continue to be paid from DCCED and the cost of implementation of changes made to the current regulations to DCCED will not increase.

	Initial Year FY _____	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>

1005 General fund/program \$ 0 \$ 0
Other (identify) \$ 0 \$ 0

9. The name of the contact person for the regulation:

Name: Robin Park

Title: Grants Administrator II, Division of Community and Regional Affairs

Address: PO Box 110809 Juneau, AK 99811-0809

Telephone: 907-465-4731

E-mail address: robin.park@alaska.gov

10. The origin of the proposed action:


☐ Staff of state agency

☒ Federal government

☐ General public

☐ Petition for regulation change

☒ Other (identify): Alaska State Legislature, Division of Legislative Audit,
Recommendation No. 2016-043

11. Date: November 15, 2017 Prepared by: 

[Signature]

Name (printed): Robin Park, Grants Administrator II

Title (printed): Deputy Director, Division of Community
and Regional Affairs

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION
AND FURNISHING OF ADDITIONAL INFORMATION

I, Micaela Fowler, Special Assistant to the Commissioner of the Department of Commerce, Community, and Economic Development, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to 3 AAC 152.100, regulations regarding the payment in lieu of taxes program has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to interested persons;
- (3) furnished to appropriate state officials;
- (4) furnished to the Department of Law, along with a copy of the proposed regulation;
- (5) furnished electronically to incumbent State of Alaska legislators;
- (6) furnished to the Legislative Affairs Agency, Division of Legal and Research Services;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1);
- (8) furnished electronically, along with a copy of the proposed regulation, to the Legislative Affairs Agency, the chair of the Community and Regional Affairs Committee of the Alaska Senate and House of Representatives, the Administrative Regulation Review Committee, and the legislative council.

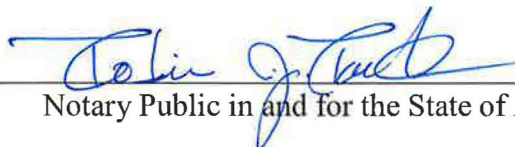
As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (5) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: 2.6.18


Micaela Fowler, Special Assistant

Subscribed and sworn to before me at Juneau, Alaska, on February 4, 2018.




Notary Public in and for the State of Alaska

AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT


I, Micaela Fowler, Special Assistant to the Commissioner of the Department of Commerce, Community, and Economic Development, being duly sworn, state the following:

In compliance with AS 44.62.215 The Department of Commerce, Community and Economic Development did not receive any factual or other substantive information that, was submitted in writing or orally as public comment and that was relevant to the accuracy, coverage, or other aspect of the Department of Commerce, Community, and Economic Development regulation on the Payment In Lieu of Taxes Program.

Date: 2.6.18


Micaela Fowler, Special Assistant

Subscribed and sworn to before me at Juneau, Alaska on February 6, 2018.


Notary Public in and for the State of Alaska



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AFFIDAVIT OF PUBLICATION

STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Joleesa Stepetin
being first duly sworn on oath deposes and
says that he/she is a representative of the
Alaska Dispatch News, a daily newspaper.
That said newspaper has been approved
by the Third Judicial Court, Anchorage,
Alaska, and it now and has been published
in the English language continually as a
daily newspaper in Anchorage, Alaska, and
it is now and during all said time was
printed in an office maintained at the
aforesaid place of publication of said
newspaper. That the annexed is a copy of
an advertisement as it was published in
regular issues (and not in supplemental
form) of said newspaper on

December 12, 2017

and that such newspaper was regularly
distributed to its subscribers during all of
said period. That the full amount of the fee
charged for the foregoing publication is not
in excess of the rate charged private
individuals.

Signed

Joleesa Stepetin

Subscribed and sworn to before me
this 12th day of December, 2017

Britney Thompson

Notary Public in and for
The State of Alaska,
Third Division
Anchorage, Alaska
MY COMMISSION EXPIRES

2/23/2019

Notary Public
BRITNEY L. THOMPSON
State of Alaska
My Commission Expires Feb 23, 2019

NOTICE OF PROPOSED CHANGES TO THE PAYMENT IN LIEU OF TAXES FOR CITIES IN THE UNORGANIZED BOROUGH PROGRAM IN THE REGULATIONS OF THE DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT

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If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Robin Park at email robin.park@alaska.gov and phone number 907-465-4731 not later than January 25, 2018, at 4:30p.m. to ensure that any necessary accommodation can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System, on the website of the Division of Community and Regional Affairs at <https://www.commerce.alaska.gov/web/dcra/> and by contacting Robin Park at email robin.park@alaska.gov and phone number 907-465-4731.

After the public comment period ends, the Department of Commerce, Community, and Economic Development will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. You should comment during the time allowed if your interests could be affected.

Statutory authority: AS 44.33.020.

Statutes being implemented, interpreted, or made specific: AS 44.33.020

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

Date: December 5, 2017

Robin Park, Grants Administrator II
Division of Community and Regional Affairs
Department of Commerce, Community,
and Economic Development

Published: December 12, 2017