

EVENTS HAUNT SLOPE BOROUGH

Sen. Hensley Believes Egan's Tax Plan Could Complicate Slope Plan

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How close is the North Slope Borough to becoming a reality?

Recent developments have complicated the matter.

In his State of the State message Governor William A. Egan proposed legislation which would divide the

unorganized borough area of the state into administrative units and provide a uniform taxation on these units.

Democratic State Senator Willie Hensley of Kotzebue believes Egan's proposals may have an adverse effect on the outcome of the petition for incorporation of the proposed North Slope Borough.

He took the floor of the Senate on January 21 to ask the Alaska State Legislature to "defer any consideration of a tax bill for the unorganized borough, if and when it is presented by the Administration," until after the Local Boundary Commission hearing in Anchorage on February 24, 25 and 26.

Byron Mallott, head of the Local Affairs Agency told the Tundra Times that the Local Boundary Commission "may or may not make a final decision at that time."

Proposed legislation could have an impact on any action that the commission might take, he said.

Mallott said that the Local Affairs Agency has reported to the commission that "in the judgment of the Local Affairs

Agency the proposed North Slope Borough meets the standards for incorporation," but that his agency has made no official recommendation to the Commission.

"We will leave that to the judgment of the Local Boundary Commission," he said.

"We can't tell at this time," Mallott said, what effect legislation might have on the future of the proposed North Slope Borough.

Willie Hensley might not agree with him.

Hensley told the Senate, "I am vitally concerned about the effect the Administration's proposed plan might have on the deliberations of the Local Boundary Commission next month when they meet to consider approval or disapproval of the incorporation of the North Slope Borough.

"I am also concerned about the levy as a possible prelude of things to come in Native economic investment in future years," he added.

He quoted from Article X of the state constitution that "The

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purpose of this Article is to provide for maximum local self-government with a minimum of local government units, and to prevent duplication of tax levying jurisdictions."

Section 2 of Article X, he said, provides that "All local government powers shall be vested in boroughs and cities. The State may delegate powers to organized boroughs and cities only."

In view of this, Hensley said, he feels the Governor's proposals "would be unconstitutional" and are "an attempt to undermine the North Slope Borough petition."

Why?

He gave, in part, the following explanation:

"1. The figures used by the State to estimate total assessable property in the unorganized borough includes the Arctic Slope area.

"2. Without the Arctic Slope

estimated revenues would now be only \$3 million rather than \$7 1/2 million. . .

"Mr. President," Hensley continued, I have a duty to represent my constituents. I also can see the intent of the State in this matter.

"But I am disturbed greatly when I see a perfectly valid Borough Petition pending—which, in the written opinion of the Local Affairs Agency, meets all the Constitutional requirements, and the Administration throws in a proposal which obviously can have an effect on the Local Boundary Commission's decision."

But, aside from the hurdles of proposed legislation, how close is the North Slope Borough to becoming a reality?

The process—spelled out in Title 7 of the Alaska Statutes—is as follows:

First, qualified voters of the area present a formal petition to

the Local Affairs Agency. This agency reviews the petition to determine whether or not it is in proper form and signed by the correct percentage of qualified voters in the area—15 per cent for areas with over 7,500 qualified voters, and 25 per cent for those with less than 7,500.

If the petition is in order, the Local Affairs Agency conducts an investigation to determine whether or not the area in question meets the standards for incorporation. These standards, briefly, are as follows:

—The population of the area "shall be interrelated and integrated as to its social, cultural and economic activities," shall be "qualified and willing to assume the duties arising out of incorporation, shall have a clear understanding of the nature of the undertaking . . . and shall be large enough and stable enough to warrant and support the operation of organized borough government;"

—The boundaries shall conform to "the natural geography of the area" and shall include areas necessary for full development of local government services . . . ;

—The economy of the area "shall encompass a trading area with the human and financial resources capable of providing an adequate level of governmental services . . . ;"

—And the transportation facilities "shall be of such a unified nature as to facilitate the communication and exchange necessary for the development of integrated local government and a community of interests . . ."

When the Local Affairs Agency has completed its investigation, on the basis of these standards, it submits its report to the Local Boundary Commission.

It is at this stage in the process that the petition for the North Slope Borough lies.

Then the Local Boundary Commission holds at least one hearing in the area to be incorporated, and, on the basis of the evidence given at the hearing and the findings of the Local Affairs Agency, determines whether or not the petition is to be accepted.

If the commission accepts the petition for incorporation, it notifies the Lieutenant Governor of its decision.

He, in turn, sets an election date in the area to determine whether or not the qualified voters wish to have the proposed borough incorporated, and, if they do, to elect members of the first borough assembly.

After that, it's up to the voters.