

IN THE SUPREME COURT FOR THE STATE OF ALASKA

STATE OF ALASKA; MICHAEL HANLEY,
COMMISSIONER OF ALASKA
DEPARTMENT OF EDUCATION AND
EARLY DEVELOPMENT, in his official
capacity,

Appellants/Cross-Appellees,

v.

KETCHIKAN GATEWAY BOROUGH;
AGNES MORAN, an individual, on her own
behalf and on behalf of her son; JOHN COSS,
a minor; JOHN HARRINGTON, an
individual; and DAVID SPOKELY, an
individual,

Appellees/Cross-Appellants.

Supreme Ct. No. S-15811

Superior Court No. 1KE-14-00016 CI

FILED
FEB 23 2015
APPELLATE COURTS
OF THE
STATE OF ALASKA

NOTICE OF CROSS-APPEAL

Plaintiffs/cross-appellants Ketchikan Gateway Borough, Agnes Moran, John Coss, John Harrington and David Spokely, give notice of cross-appeal to the Alaska Supreme Court from the January 23, 2015 Final Judgment of the Ketchikan Superior Court in 1KE-14-00016 CI. A copy of the judgment, a completed docketing statement, a statement of points on appeal, and certificate of service are also submitted.

DATED at Anchorage, Alaska this 23rd day of February, 2015.

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Gateway Borough, Agnes Moran, John
Coss, John Harrington and David Spokely

KETCHIKAN GATEWAY BOROUGH

By: L. W. Cutler for
Scott Brandt-Erichsen, ABA #8811175
Attorney for Appellee Ketchikan Gateway
Borough

NOTICE OF CROSS-APPEAL

State of Alaska v. Ketchikan Gateway Borough, Supreme Ct. No. S-15811

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IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FIRST JUDICIAL DISTRICT AT KETCHIKAN

KETCHIKAN GATEWAY BOROUGH,)
an Alaska municipal corporation and)
political subdivision; AGNES MORAN,)
an individual, on her own behalf and on)
behalf of her son; JOHN COSS, a minor;)
JOHN HARRINGTON, an individual;)
and DAVID SPOKELY, and individual,)

Plaintiffs,)

v.)

STATE OF ALASKA; MICHAEL)
HANLEY, COMMISSIONER OF)
ALASKA DEPARTMENT OF)
EDUCATION AND EARLY)
DEVELOPMENT, in his official)
capacity,)

Defendants.)

Case No. 1KE-14-00016 CI

FINAL JUDGMENT

IT IS ORDERED that judgment is entered as follows:

1. Plaintiffs Ketchikan Gateway Borough, Agnes Morgan, John Coss, John
Harrington and David Spokely collectively shall recover from and have judgment against
Defendant State of Alaska, as follows:

a. Attorney's fees \$ _____

Date awarded: _____

Judge William B. Carey: _____

b. Costs \$ _____

Ketchikan Gateway Borough v. SOA, et al.
FINAL JUDGMENT

Case No. 1KE-14-00016 CI
Page 1 of 2

JAN 22 2015

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Date awarded: _____

Clerk: _____

c. TOTAL JUDGMENT \$ _____

d. Post Judgment Interest Rate: 3.75%

2. As set out in the Order on Motion and Cross Motion for Summary Judgment dated November 21, 2014 (“Order”), the court rules that the required local contribution (“RLC”) imposed on the Ketchikan Gateway Borough pursuant to AS 14.17.410(b) and AS 14.12.020(c) qualifies as “proceeds of any state tax or license” and is thus subject to the restrictions of the dedicated funds clause (art. IX, §7) of the Alaska Constitution. The court further finds that the RLC is a “dedicated fund” within the meaning of the Constitutional prohibition. It is therefore unconstitutional for the State of Alaska to require the payment of the RLC, or to penalize the Ketchikan Gateway Borough (“Borough”) (including but not limited to reducing State funding for the Ketchikan Gateway Borough School District (“District”) under AS 14.17 *et seq.* or AS 14.12 *et seq.*) based on the Borough’s non-payment of an RLC in the future.

3. As of the date of the Order, the State of Alaska shall not require any further payment of the RLC by the Borough, and shall not penalize the Borough or the District for the non-payment of the RLC.

4. As set out in the Order, all other claims in Plaintiffs’ Complaint are dismissed.

Dated this 23 day of January, 2015.

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CERTIFICATION

Copies Distributed

Date 1-22-15

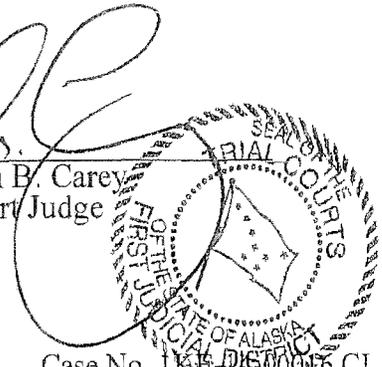
To S. Brandt-Erichsen / L. Cutler

M. Paton Walsh

A. Broker

R. Hattan

Hon. William B. Carey
 Superior Court Judge



Ketchikan Gateway Borough v. SOA, et al.
 FINAL JUDGMENT

Case No. 14-110016 CI