

that a person is not meeting the requirements, the department may institute proceedings under AS 44.62.330 - 44.62.630. On a finding of a violation of sec. 20 of this chapter, the department shall order the respondent to cease conferring diplomas until the requirements are met.

(b) If a respondent is the subject of an order under (a) of this section, the respondent may confer no diploma without the approval of the department showing that the respondent has complied with the regulations enacted under sec. 20 of this chapter.

Sec. 14.47.040. **Exemptions.** The following are exempt from secs. 10 - 30 of this chapter:

(1) school maintained by the United States, the state, or its political subdivisions;

(2) schools chartered, licensed, regulated, or approved by the United States or by the state, provided that tax licenses or incorporation shall not be considered to be charters or licenses;

(3) schools approved by the Northwest Association of Secondary and Higher Schools or listed in the Educational Directory of the United States Office of Education;

(4) schools maintained or classes conducted by employers for their own employees where no fee or tuition is charged;

(5) courses of instruction on religious subjects given under the auspices of a religious organization;

(6) courses of instruction given by a fraternal society or benevolent order to its members or their immediate relatives when the courses are not operated for profit.

Sec. 14.47.050. **Penalty.** A person who violates an order of the department issued under sec. 30(b) of this chapter is guilty of a misdemeanor, and upon conviction is punishable by imprisonment in a jail for not more than 30 days, or by a fine of not more than \$1,000, or by both. Each diploma conferred in violation of sec. 30(b) of this chapter is a separate violation.

Sec. 14.47.060. **Definitions.** As used in secs. 10 - 50 of this chapter, "diploma" means a degree, certificate, transcript, document, or other writing in any language representing that a person has completed a course of study beyond high school or is honored for achievement, and includes but is not limited to a diploma purporting to be a degree of bachelor, master, doctor, or fellow in any field of knowledge or endeavor. Graduation from high school or its equivalent need not be nor purport to be a prerequisite for undertaking or completing such course of study.

Approved March 27, 1964

CHAPTER 34

AN ACT

Relating to property subject to local taxation.

(S.C.S.H.B. 135)

Be it enacted by the Legislature of the State of Alaska:

Section 1. AS 29.10 is amended by adding a new section to read:

Sec. 29.10.335. **General Property Tax.** The council may assess, levy, and collect a general tax for school and city purposes not to exceed three per cent of the assessed valuation upon all

real and personal property, and enforce collection by foreclosure, levy, distress, and sale.

Sec. 2. AS 29.10.336 is repealed and re-enacted to read:

Sec. 29.10.336. **Limit on Taxing Power.** (a) Property owned by the city or the state, the household furniture of the head of a family or a house-

holder not exceeding \$200 in value, all property used exclusively for nonprofit religious, charitable, cemetery, hospital, or educational purposes, the property of an organization, not organized for business purposes, whose membership is composed entirely of the veterans of a war of the United States, or the property of the auxiliary of any such organization, and all money on deposit are exempt from taxation.

(b) The term "property used exclusively for religious purposes" includes the following types of property owned by a religious organization:

(1) the residence of the pastor, priest, rabbi, minister, or religious order, which residence is owned by a recognized religious organization;

(2) any structure, and the land it stands on, which is used for public worship, solely charitable purposes, religious education, or a nonprofit hospital;

(3) the furniture and fixtures in a structure used exclusively for religious purposes;

(4) lots adjacent to a structure or residence mentioned in (1) or (2) of this paragraph, and which are reasonably necessary to the convenient use of the structure;

(5) lots required by local ordinance for parking in connection with the structure as defined in (2) of this paragraph.

(c) Property or part of the property described in (a) or (b) of this section

from which rentals or income are derived is not exempt from taxation under (a) of this section, unless the rentals or income are derived from the rentals of the property by religious or educational groups for classroom space.

(d) The laws excepting certain property from levy and sale on execution do not apply to taxes or to the collection of taxes or to taxes levied by a city.

Sec. 3. AS 29 is amended by adding a new chapter to read:

Chapter 8. Home Rule Cities
Article 1. Taxation

Sec. 29.08.010. **Limit on Home Rule Taxing Power.** AS 29.10.336, which limits taxing power, applies to home rule cities.

Sec. 4. AS 29.15.220 is repealed and re-enacted to read:

Sec. 29.15.220. **General Tax for Educational and Municipal Purposes.** The board of trustees may assess, levy, and collect a general tax for school and municipal purposes under the same procedure, and subject to the same limitations as the council of a first-class city under AS 29.10.333 - 29.10.354.

Sec. 5. AS 07.15.320 is amended by adding a new subsection to read:

(d) AS 29.10.336, which limits taxing power, applies to first- and second-class boroughs.

Sec. 6. This Act shall apply retroactively from January 1, 1964.

Law without signature March 30, 1964

CHAPTER 35

AN ACT

Relating to the election of members of the borough assembly.

(H.B. 304)

Be it enacted by the Legislature of the State of Alaska:

Section 1. AS 07.30.100(b) is amended to read:

(b) If more than 40,000 people, as

determined by the Local Affairs Agency on the basis of the best available information, reside in the area to be included in the proposed organized borough, the Local Affairs Agency shall, as soon as possible and in