

HOUSE BILL NO. 391

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE IVAN

Introduced: 1/5/96

Referred: Community and Regional Affairs, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to succession to assets and liabilities of dissolved municipalities."

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 * Section 1. AS 29.06.520 is amended to read:

4 Sec. 29.06.520. SUCCESSION. (a) When a municipality dissolves, the
5 Local Boundary Commission shall arrange for the assumption of the liabilities
6 and, except as provided in AS 44.47.150(f), the assets of the dissolved municipality
7 by one or more successors. Assets or liabilities may not be transferred to a
8 successor except upon terms approved in writing by the Department of Law. A
9 successor may be

10 (1) the state;

11 (2) a municipality;

12 (3) a Native council organized under federal law that is operating
13 within the entire area of the dissolved municipality; or

14 (4) a nonprofit corporation that is qualified for an entitlement
15 under AS 29.60.140 and that is operating within the entire area of the dissolved

1 **municipality.**

2 **(b) If the state or a** [A] municipality **succeeds** [SUCCEEDING] to **assets or**
3 **liabilities of** a dissolved municipality, **the state or successor municipality** succeeds
4 to all rights, powers, **and** duties [, ASSETS, AND LIABILITIES] of the dissolved
5 municipality **necessary for the management of the assets or liabilities** [.
6 OTHERWISE, THE STATE SUCCEEDS TO THOSE RIGHTS, POWERS, DUTIES,
7 ASSETS, AND LIABILITIES]. If the state succeeds to **assets or liabilities of** a
8 dissolved municipality, the state may enter into a contract for the performance of
9 duties or powers in the area of the dissolved municipality.

10 **(c) Transfer of assets or liabilities of a dissolved municipality to an**
11 **organization under (a)(3) or (4) of this section or** [HOWEVER,] a contract with an
12 organization for the performance of duties or powers entered into under **(b) of** this
13 section does not constitute recognition by the state of governmental powers of that
14 organization.

15 * **Sec. 2.** AS 44.47.150(a) is amended to read:

16 (a) The commissioner

17 (1) shall accept, administer, and dispose of land conveyed to the state
18 in trust by village corporations under 43 U.S.C. 1613(c)(3) (Sec. 14(c)(3) of the Alaska
19 Native Claims Settlement Act) for the purposes specified in that section;

20 (2) may, with the concurrence of an appropriate village entity
21 recognized by the commissioner under (b) of this section or, in the absence of an
22 appropriate village entity, under procedures prescribed by regulations of the
23 commissioner, accept, administer, and dispose of land conveyed in trust by a state or
24 federal agency [AND BY THE DISSOLUTION OF A MUNICIPALITY UNDER
25 AS 29.06.450 - 29.06.530].