

**CS FOR SENATE BILL NO. 359(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/30/02

Referred: Rules

Sponsor(s): SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to organization grants for mergers, consolidations, or unifications**  
2 **involving third class boroughs; and relating to identification by the Local Boundary**  
3 **Commission of areas that meet the standards for borough incorporation."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 29.05.190(c) is amended to read:

6 (c) **Except as provided in (d) of this section, this** [THIS] section does not  
7 apply to a borough incorporated by consolidation or to a unified municipality that  
8 occupies the area formerly occupied by a borough.

9 \* **Sec. 2.** AS 29.05.190 is amended by adding a new subsection to read:

10 (d) For the purpose of defraying the cost of government transition, each third  
11 class borough that merges or consolidates with a city after January 1, 2002, and each  
12 municipality that unifies after January 1, 2002, in an area formerly occupied by a third  
13 class borough is entitled to organization grants as follows:

14 (1) \$200,000 for the municipality's first full or partial fiscal year after

1 the merger or consolidation or after unification;

2 (2) \$200,000 for the municipality's second fiscal year after the merger  
3 or consolidation or after unification.

4 \* **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to  
5 read:

6 **NEW BOROUGH INCORPORATION.** The Local Boundary Commission shall  
7 review conditions in the unorganized borough. By the 10th day of the First Regular Session  
8 of the Twenty-Third Alaska State Legislature, the commission shall report to the legislature  
9 the areas it has identified that meet the standards for incorporation and the basis for its  
10 determination and make recommendations for legislative consideration.