

**SENATE CS FOR CS FOR SS FOR HOUSE BILL NO. 13(JUD)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE SENATE JUDICIARY COMMITTEE

Offered: 4/10/01

Referred: Rules

Sponsor(s): REPRESENTATIVES BUNDE, Kohring, Dyson, Halcro, Fate, Coghil, Scalzi

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to municipal service areas and providing for voter approval of the  
2 formation, alteration, or abolishment of certain service areas."

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

4 \* **Section 1.** AS 29.10.200 is amended by adding a new paragraph to read:

5 (60) AS 29.35.450 (voter approval of alteration or abolishment of  
6 service areas).

7 \* **Sec. 2.** AS 29.35.450(a) is amended to read:

8 (a) A service area to provide special services in a borough **or unified**  
9 **municipality** may be established, operated, altered, or abolished by ordinance,  
10 **subject to (c) of this section. Special services include services not provided by the**  
11 **unified municipality or a higher or different level of services.** Special services  
12 include services not provided **by a borough** on an areawide or nonareawide basis in  
13 the borough [,] or a higher or different level of **services** [SERVICE] than that provided  
14 on an areawide or nonareawide basis. **A** [THE] borough may include a city in a

1 service area if

2 (1) the city agrees by ordinance; or

3 (2) approval is granted by a majority of voters residing in the city, and  
4 by a majority of voters residing inside the boundaries of the proposed service area but  
5 outside of the city.

6 \* **Sec. 3.** AS 29.35.450 is amended by adding new subsections to read:

7 (c) If voters reside within a service area that provides road, fire protection, or  
8 parks and recreation services, abolishment of the service area is subject to approval by  
9 the majority of the voters residing in the service area who vote on the question. A  
10 service area that provides road, fire protection, or parks and recreation services in  
11 which voters reside may not be abolished and replaced by a larger service area unless  
12 that proposal is approved, separately, by a majority of the voters who vote on the  
13 question residing in the existing service area and by a majority of the voters who vote  
14 on the question residing in the area proposed to be included within the new service  
15 area but outside of the existing service area. A service area that provides road, fire  
16 protection, or parks and recreation services in which voters reside may not be altered  
17 or combined with another service area unless that proposal is approved, separately, by  
18 a majority of the voters who vote on the question and who reside in each of the service  
19 areas or in the area outside of service areas that is affected by the proposal. This  
20 subsection does not apply to a proposed change to a service area that provides fire  
21 protection services that would result in increasing the number of parcels of land in the  
22 service area or successor service area if the increase is no more than six percent.

23 (d) This section applies to a home rule or general law municipality.

24 \* **Sec. 4.** AS 29.35.470 is amended by adding a new subsection to read:

25 (b) The assembly may by ordinance establish, alter, and abolish differential  
26 tax zones within a service area to provide and levy property taxes for a different level  
27 of services than that provided generally in the service area. Taxes levied within a  
28 differential tax zone may only be used for the services provided in that zone.