

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 133(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 4/4/05

Referred: Judiciary

Sponsor(s): REPRESENTATIVES COGHILL, Harris, Salmon, Thomas

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to incorporation of boroughs, to annexation by local action, and to
2 regulations of the Local Boundary Commission to provide standards and procedures for
3 municipal incorporation, reclassification, dissolution, and certain municipal boundary
4 changes; and providing for an effective date."

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

6 * **Section 1.** AS 29.05.100(a) is amended to read:

7 (a) The Local Boundary Commission may **not** amend the petition **or** [AND
8 MAY] impose conditions on the incorporation. If the commission determines that the
9 incorporation [, AS AMENDED OR CONDITIONED IF APPROPRIATE,] meets
10 applicable standards under the state constitution and commission regulations, meets
11 the standards for incorporation under AS 29.05.011 or 29.05.031, and is in the best
12 interests of the state, it may accept the petition. Otherwise it shall reject the petition.

13 * **Sec. 2.** AS 29.05 is amended by adding a new section to read:

14 **Sec. 29.05.115. Incorporation with legislative review.** (a) If the Local

1 Boundary Commission submits a proposal for borough incorporation to the legislature
 2 under art. X, sec. 12, Constitution of the State of Alaska, AS 29.05.060 - 29.05.110 do
 3 not apply. However, before the proposal is submitted to the legislature, the Local
 4 Boundary Commission shall hold at least two public hearings in the area proposed for
 5 incorporation and shall notify the director of elections of the incorporation proposal.
 6 Within 30 days after notification, the director of elections shall order an election in the
 7 proposed borough area to determine whether the voters desire incorporation. Only if
 8 the voters approve the incorporation may the Local Boundary Commission submit the
 9 proposal to the legislature.

10 (b) This section may not be construed as granting authority to the Local
 11 Boundary Commission to propose a borough incorporation under art. X, sec. 12,
 12 Constitution of the State of Alaska.

13 * **Sec. 3.** AS 29.06.040(c) is amended to read:

14 (c) In addition to the regulations governing annexation by local action adopted
 15 under AS 44.33.812, the Local Boundary Commission shall establish procedures for
 16 annexation and detachment of territory by municipalities by local action. The
 17 procedures established under this subsection must include a provision that

18 (1) **a proposed annexation must be approved by a majority of votes**
 19 **on the question cast by voters residing in the annexing municipality;**

20 (2) a proposed annexation **or** [AND] detachment must be approved by
 21 a majority of votes on the question cast by voters residing in the area proposed to be
 22 annexed or detached;

23 (3) [(2)] municipally owned property adjoining the municipality may
 24 be annexed by ordinance without voter approval; and

25 (4) [(3)] an area adjoining the municipality may be annexed by
 26 ordinance without an election if all property owners and voters in the area petition the
 27 governing body.

28 * **Sec. 4.** AS 44.33.812(a) is amended to read:

29 (a) The Local Boundary Commission shall

30 (1) make studies of local government boundary problems;

31 (2) adopt regulations providing standards and procedures for municipal

1 incorporation, annexation, detachment, merger, consolidation, reclassification, and
 2 dissolution; **the regulations providing standards and procedures are subject to**
 3 **AS 29.04 - AS 29.10;**

4 (3) consider a local government boundary change requested of it by the
 5 legislature, the commissioner of commerce, community, and economic development,
 6 or a political subdivision of the state; and

7 (4) develop standards and procedures for the extension of services and
 8 ordinances of incorporated cities into contiguous areas for limited purposes upon
 9 majority approval of the voters of the contiguous area to be annexed and prepare
 10 transition schedules and prorated tax mill levies as well as standards for participation
 11 by voters of these contiguous areas in the affairs of the incorporated cities furnishing
 12 services.

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

15 **APPLICABILITY.** A municipal incorporation, annexation, detachment, merger,
 16 consolidation, reclassification, or dissolution proposal that has not taken effect on or before
 17 the effective date of this Act and that has been initiated or considered under regulations that
 18 do not meet the requirements of AS 44.33.812(a)(2), as amended in sec. 4 of this Act, or
 19 under procedures that do not meet the requirements of AS 29.05.115, added by sec. 2 of this
 20 Act, is void. The proposal may be initiated again under regulations that do meet the
 21 requirements of AS 44.33.812(a)(2) or under procedures that do meet the requirements of
 22 AS 29.05.115.

23 * **Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).