

**HOUSE BILL NO. 217(title am)**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE HARRIS**

Amended: 5/2/05  
Introduced: 3/14/05

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the determination of full and true value of taxable municipal  
2 property for purposes of providing planning assistance to the Department of Education  
3 and Early Development and the legislature, calculating funding for education,  
4 calculating school district participating shares for school construction grants, and  
5 calculating tax resource equalization payments and excluding from that determination  
6 the value of property in certain areas detached from a municipality and the value of  
7 certain property involved with oil and gas that is not taxed by a municipality."

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

9 \* **Section 1.** AS 14.17.510(a) is amended to read:

10 (a) To determine the amount of required local contribution under  
11 AS 14.17.410(b)(2) and to aid the department and the legislature in planning, the  
12 Department of Commerce, Community, and Economic Development, in consultation  
13 with the assessor for each district in a city or borough, shall determine the full and true

1 value of the taxable real and personal property in each district in a city or borough. If  
2 there is no local assessor or current local assessment for a city or borough school  
3 district, then the Department of Commerce, Community, and Economic Development  
4 shall make the determination of full and true value from information available. In  
5 making the determination, the Department of Commerce, Community, and Economic  
6 Development shall be guided by AS 29.45.110. **However, the full and true value of**  
7 **taxable real and personal property in any area detached shall be excluded from**  
8 **the determination of the full and true value of the municipality from which the**  
9 **property was detached for the two years immediately preceding the effective date**  
10 **of the detachment. Also, in making the determination for a municipality that is a**  
11 **school district, or for a city that is within a borough school district, the assessed**  
12 **value of property taxable under AS 43.56 shall be excluded if a tax is not levied**  
13 **under AS 29.45.080 by the municipality that is the school district.** The  
14 determination of full and true value shall be made by October 1 and sent by certified  
15 mail, return receipt requested, on or before that date to the president of the school  
16 board in each city or borough school district. Duplicate copies shall be sent to the  
17 commissioner. The governing body of a city or borough that is a school district may  
18 obtain judicial review of the determination. The superior court may modify the  
19 determination of the Department of Commerce, Community, and Economic  
20 Development only upon a finding of abuse of discretion or upon a finding that there is  
21 no substantial evidence to support the determination.