

LEGISLATIVE COUNCIL

1 IN THE HOUSE

BY MESSRS. FAGERSTROM AND GREUEL

2 HOUSE BILL NO. 12

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to authorize establishment of
7 General Improvement Districts; defining
8 the purpose, organization, general and
9 taxing powers, and debt incurring powers,
10 and limitations of the Districts; making
11 an appropriation; declaring severability;
12 and setting an effective date."

13 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

14 Article I

15 TITLE AND PURPOSE

16 Section 1. Short Title. This Act may be cited as the
17 "General Improvement District Act of 1955."

18 Sec. 2. Purpose. The purpose and intent of this Act is
19 to authorize the establishment of general local government dis-
20 tricts throughout Alaska; to empower said districts to provide
21 roads, harbor and water facilities; public utilities, public
22 health, and other specified functions both within and outside
23 the boundaries of existing local government units; to provide
24 for a local government unit with power coequal but not superior
25 to existing local subdivisions; to levy taxes and, within any
26 limitations imposed by Federal law, to incur general obligation
27 debt for capital improvements and equipment to an amount not to
28 exceed five percent of assessed valuation; and to provide a
29 means whereby the people of Alaska may secure an area-wide

1 local self-government.

2 Article II

3 ORGANIZATION OF DISTRICTS

4 Section 1. Area. All recording districts as established
5 and defined, or as changed and modified, as of the date of
6 Feb. 1, 1952; and as such districts then existed
7 on the basis of court orders establishing, changing, or modify-
8 ing such districts on or before the aforesaid date; and as the
9 boundaries of such districts were then defined in accordance
10 with Section 18-1-1, Alaska Compiled Laws Annotated, 1949
11 (being Section 326, Title 31, U. S. Statutes); are hereby
12 designated as general improvement areas.

13 Sec. 2. Organized and Unorganized Areas. The people who
14 are residents and inhabitants of each general improvement area
15 are hereby empowered to organize a General Improvement District
16 within the boundaries of said general improvement area or to
17 establish boundaries covering less than the whole area in the
18 manner hereinafter set forth. Areas so organized shall be
19 known as "Organized Districts." Any and all general improve-
20 ment areas, or portions of such areas not included within the
21 boundaries of an organized district shall be known as "Un-
22 organized Areas."

23 Sec. 3. Formation; petition. To organize a district a
24 petition shall be filed with the clerk of the district court in
25 the division within which the proposed district shall lie. The
26 petition shall be signed by a number of qualified electors re-
27 siding in the proposed district equal to 10 percent of the votes
28 cast for the office of Delegate to Congress in the last pre-
29 ceding general election.

1 Sec. 4. Petition; Contents. The petition shall state the
2 proposed boundaries of the proposed district and shall be ac-
3 companied by suitable maps or plats showing the suggested
4 boundaries thereof and the cities, public utility districts, and
5 independent school districts, and lands therein at the time of
6 filing the petition.

7 Sec. 5. Petition; elimination of areas. If the petition
8 proposes boundaries that are less than the area embraced by a
9 general improvement area as aforesaid, the petitioners shall
10 state the reasons for elimination of such areas during the
11 hearing thereon; Provided, that the maps or plats accompanying
12 the filing of the petition shall include maps or plats of the
13 area proposed to be excluded.

14 Sec. 6. Petition; declaration. The petition shall ask
15 that the proposed district be declared a body politic and cor-
16 porate, under the name set forth in the petition, with powers
17 to have perpetual succession by such corporate name; to hold
18 personal and real estate necessary for its purposes; to sue and
19 be sued; to make and amend rules, regulations and orders in
20 compliance with law; and to do such other acts and things
21 necessary or desirable to carry its powers into effect.

22 Sec. 7. Bond. The petitioners shall also file a bond
23 with surety or sureties to be approved by the judge of the
24 district court, which bond shall be conditioned to pay all
25 expenses by reason of any proceedings had under such petition
26 in case the district is not formed by the vote of the resident
27 electors; Provided, that the cost of the first election in
28 each general improvement area shall be reimbursed by the Terri-
29 tory of Alaska and there is hereby appropriated out of any

1 moneys in the General Fund, not otherwise appropriated, so much
2 thereof as may be necessary to pay such costs, and payments
3 therefor shall be made by the Territorial Treasurer upon duly
4 executed vouchers signed by the Judge of the District Court of
5 the division in which such election was held.

6 Sec. 8. Official Record. The petition and maps or plats,
7 when filed, shall be set forth in full in the records of the
8 clerk of the district court of the division where it is filed,
9 and all other maps, petitions, resolutions, findings and pro-
10 ceedings had in connection with the hearing shall be made a
11 matter of official record in the district court.

12 Sec. 9. Notice of hearing. Upon the filing of the peti-
13 tion, maps or plats, and bonds, the district court shall set a
14 time and place for a hearing on the petition. The court shall
15 cause the petitioners to publish a notice in a newspaper of
16 general circulation in the proposed district, or, if there be
17 no newspaper, by posting in three public places in the district,
18 of the time and place of such hearing. Such notice shall state
19 the date of filing the petitions, a description of the district,
20 the boundaries of the proposed district, and the prayer of the
21 petition. Any qualified electors residing within the proposed
22 district may file objections to the petition and prayer thereof
23 within thirty days after the publication of the notice and the
24 notice shall state such rights of objections thereto.

25 Sec. 10. Hearing; Boundary changes. From the testimony
26 adduced at such hearing the district court shall determine
27 whether the suggested boundaries are drawn in compliance with
28 this Act and are reasonable and proper to carry out the purposes
29 of this Act.

1 Sec. 11. Order of incorporation; election. If the court
2 shall determine that the district should be incorporated, the
3 court shall enter an order incorporating the district, and
4 fixing the boundaries thereof. The order shall also contain a
5 provision calling an election submitting the question of voting
6 to approve or disapprove the findings and orders of the court
7 incorporating the district. The order shall fix the voting
8 place or places in the district and state the proposition or
9 propositions to be voted on. The election shall be held not
10 less than thirty nor more than sixty days after the order is
11 entered. Notice of such election shall be given by publication
12 in a newspaper or newspapers of general circulation in the dis-
13 trict once each week for three weeks preceding the election, or
14 by posting as aforesaid, and shall contain the proposition and
15 form of the ballot.

16 Sec. 12. Election; laws applicable. The proposition shall
17 be submitted to the qualified voters of each unit in the dis-
18 trict after the manner and subject to the provisions of the gen-
19 eral election laws of Alaska, so far as the same are applicable.

20 Sec. 13. Canvass of returns. Within ten days after the
21 election, the returns of the election shall be certified to the
22 clerk of the district court by the judges of election in the
23 voting precincts of the district. The district court shall,
24 from the canvass and returns, find and determine whether the
25 people of the proposed district have voted for or against the
26 proposition. If the vote has been found to have declared in
27 favor of such general improvement district, the district court
28 shall declare by order the creation of the general improvement
29 district.

1 Sec. 14. Acting board; petition. At the time of filing
2 the petition for incorporation, or at any time prior to the date
3 set for hearing thereon, the qualified electors of the proposed
4 district may file petitions for election of an acting board of
5 five supervisors. Each such petition shall contain one or more,
6 not to exceed five, names of qualified persons and shall be
7 signed by not less than 10 qualified voters of the proposed dis-
8 trict, and the names of all candidates contained in the petition
9 shall be submitted to the voters.

10 Sec. 15. Acting board; election. The court shall order an
11 election of an acting board of supervisors, to be held at the
12 same time and places as the vote on incorporation. The five
13 persons receiving the highest number of votes shall be elected
14 as an Acting Board of Supervisors, if the proposition to estab-
15 lish a district has passed. In such case, the court order de-
16 claring the creation of the general improvement district shall
17 include the names of the persons elected as an acting board of
18 supervisors of the district.

19 Sec. 16. Acting board; powers. The Acting Board of Super-
20 visors shall have the power to exercise each and all powers
21 herein granted to the board of supervisors elected and qualified
22 as provided in this Act. The members of the acting board shall
23 serve until the members elected at a regular general election
24 in the district shall have qualified for office as provided in
25 this Act.

26 Sec. 17. Acting board; special tax powers. Notwithstand-
27 ing any other provisions of this Act the Acting Board of Super-
28 visors shall have power to establish by ordinance for the
29 assessment, levy and collection of a tax on all real and personal

1 property in the district for the period from the date of the
2 court order naming said acting board until the January first
3 following the year in which taxes shall be assessed, levied and
4 collected in compliance with the provisions of this Act; Provi-
5 ded, that the rate of tax so levied shall not exceed one-
6 twentieth of one percent times the number of months from the
7 date of said court order until the January first following the
8 year in which the first regular levy of taxes is made in com-
9 pliance with this Act. Moneys collected from said special levy
10 may be used to pay any and all costs of organization of the
11 district and all proper expenses of the district, whether or
12 not such expenses have been budgeted as hereinafter provided.

13 Article III

14 OFFICES AND ELECTIONS

15 Section 1. Governing body; qualifications. The governing
16 body of a general improvement district shall be a board of five
17 supervisors who are qualified electors and are residents and
18 inhabitants of the district.

19 Sec. 2. Election. The laws governing elections of members
20 of the Alaska House of Representatives shall govern elections to
21 the board of supervisors insofar as such laws are applicable,
22 except that no political party affiliation shall be shown, and
23 except for the specific provisions included in this Act.

24 Sec. 3. Candidacy. Any qualified elector may file a de-
25 claration of candidacy for the office of member of the board of
26 supervisors with the clerk of the board of supervisors, or
27 other employee designated by order of the board, on or before
28 the first day of September before the date of the General
29 Election, which declaration shall contain the name, address and

1 voting precinct of the candidate. The form of the declaration
2 and wording thereof shall be established and copies made avail-
3 able by the board of supervisors.

4 Sec. 4. Filing fee. All declarations of candidacy shall
5 be accompanied by payment of a fee of Two Dollars, which fees
6 shall be covered into the general fund of the district.

7 Sec. 5. Date of election. The election for members of the
8 board shall be held at the time and places for holding general
9 elections for Territorial officials within the district. The
10 cost of such election shall be paid by the district.

11 Sec. 6. Ballot. The clerk of the board shall cause to be
12 printed and delivered or mailed to the judges of election of
13 each voting precinct within the district a sufficient number of
14 ballots, which shall be a separate ballot from that used for
15 election of Territorial officials. The ballot shall contain the
16 names of all candidates. Across the head of each ballot shall
17 be printed in large type the words ".....District Ballot."
18 The names of all candidates who qualify, declare, and file in
19 accordance with the provisions of this Act shall be listed
20 alphabetically, except that the board may provide that the
21 names be rotated alphabetically on the ballots.

22 Sec. 7. Canvass of returns; certificates. The election
23 board at each polling place shall count and canvass the votes
24 cast, and they shall thereupon, under their hands and seals,
25 make out a certificate of the result of said election, specify-
26 ing the number of votes, in words and figures, cast for each
27 candidate, and they shall then immediately carefully and
28 securely seal up in one envelope one certificate and register
29 of voters, all the ballots cast, and all affidavits made, and

1 mail or deliver such envelope, with said papers enclosed, to the
2 clerk of the district board.

3 Sec. 8. Canvass of returns; certification of nominees.

4 As soon as possible after the receipt of the return of the
5 election, and not later than forty-five days thereafter, and as
6 soon as the board of supervisors shall be satisfied that the
7 vote of any missing precinct cannot alter the result of the
8 election, it shall be their duty to canvass the same publicly,
9 and thereupon make out and keep as a permanent record of the
10 district a certificate of the result of said election in the dis-
11 trict, specifying the whole number of votes, in words and
12 figures, cast for each candidate and the number of votes rejected.

13 Sec. 9. Certificate of Election. Within ten days, unless
14 a challenge of the election has been made, a certificate of
15 election shall be mailed or delivered to the five persons re-
16 ceiving the highest number of votes in the election, and such
17 certificates shall be under the hand of the clerk of the board
18 of supervisors and the legal seal of the district.

19 Sec. 10. Challenge of election; recount. At any time
20 before the certificates of election are mailed to the successful
21 candidates, any qualified resident elector may by written re-
22 quest serve upon the clerk of the district board a request for
23 the inspection of the ballots from any particular precinct or
24 precincts and for the recount of the votes cast. When such re-
25 quest is served, it shall be accompanied by a bond executed by
26 the person challenging the vote, conditioned to pay the costs
27 of said recount if the results as to the persons elected shall
28 not be changed thereby. Said bond shall be in an amount suf-
29 ficient to pay the costs of such recount.

1 Sec. 11. Recount. When a recount has been requested, the
2 clerk shall notify the members of the board of such request, and
3 after due notice to interested parties, the board shall recount
4 and inspect the votes cast in the presence of the parties in-
5 terested; Provided that only those precincts named in the re-
6 quest shall be recounted. As soon as practicable after such re-
7 count, certificates of election shall be mailed or delivered to
8 the successful candidates.

9 Sec. 12. Board; oath of office. On the first Monday fol-
10 lowing the first Tuesday in January of the year next succeeding
11 after their election, the newly-elected members of the board
12 shall assemble at the district office of the board and publicly
13 and individually take an oath to uphold and carry out the laws
14 of Alaska. The oath shall be administered by the clerk of the
15 board.

16 Sec. 13. Term. The term of office of the board members
17 shall commence upon and after taking the oath of office and shall
18 continue for a term of four years and until their successors
19 have been elected and qualified by oath as in this Act provided;
20 except that from the members elected at the first election, the
21 two persons receiving the least number of votes shall serve for
22 a term of two years.

23 Sec. 14. Vacancies. Vacancies shall be filled by appoint-
24 ment by the board until the next regular election, and the per-
25 son elected at such election shall serve for the remainder of
26 the unexpired term.

27 Sec. 15. Salary. The members of the board shall receive
28 no salary, but may fix an amount of compensation for time spent
29 in actual attendance at board meetings; and travelling expenses

1 incurred.

2 Article IV

3 GENERAL POWERS

4 Section 1. District name. Each General Improvement Dis-
5 trict, organized under the provisions of this Act, shall be a
6 body politic and corporate, by the name and style of "The
7 General Improvement District of" and by that name
8 may sue and be sued, plead and be impleaded, defend and be de-
9 fended against, in any court having jurisdiction of the subject
10 matter, either in law or equity.

11 Sec. 2. District seal. The district shall procure and
12 keep a seal, with such emblems and devices as it may deem proper,
13 which shall be the seal of the district. The impression of said
14 seal by stamp shall be a sufficient sealing in all cases where
15 sealing is required.

16 Sec. 3. Board; general powers. The powers of the district
17 as a body corporate or politic shall be exercised by the board
18 of supervisors, and the board shall have, but not by way of
19 limitation, the following general powers: (1) to adopt ordi-
20 nances and regulations for the enforcement of the powers of the
21 district; (2) to manage the district funds and district business
22 except as otherwise specifically provided; (3) to make all or-
23 ders respecting the property of the district; (4) to examine all
24 accounts against the district, and accounts concerning receipts
25 and expenditures of the district; (5) to cause the financial
26 records of the district to be audited by a private auditor
27 under contract with the board; (6) to cause to be annually
28 levied and collected property taxes authorized by law for dis-
29 trict purposes, not exceeding three-fourths of one per cent;

1 Provided, that when any bonded indebtedness has been incurred in
2 accordance with law and authorized by vote of the people of the
3 district the board shall have the power to levy an additional
4 annual tax in an amount sufficient to pay the principal and
5 interest on such bonds; (7) to construct or otherwise provide
6 suitable buildings or offices for the use of the board and
7 employees of the district, and to rent or lease offices in any
8 district building to Federal, Territorial, or municipal offi-
9 cials or agencies, when such rental is deemed necessary or de-
10 sirable by the board; (8) to provide suitable office supplies
11 and equipment for the use of employees of the district; (9) to
12 keep district property and equipment insured; (10) to trade pro-
13 perties of the district for other properties or to sell any dis-
14 trict property, equipment or supplies; (11) and to regulate and
15 grant franchises to public utilities; and (12) to perform such
16 other duties and have such other powers as in this Act provided
17 and as may from time to time be imposed or conferred by general
18 law.

19 Sec. 4. Board Meetings. The board shall establish by
20 regulation the times and places for its meetings, Provided that
21 there shall be one meeting of the board at least once each month
22 and the board may provide for other and additional special meet-
23 ings as may be necessary or desirable.

24 Sec. 5. Board meetings; rules; public record. The board
25 shall have power to adopt rules for the organization and officers
26 of the board, and for the conduct of its meetings. The board
27 shall cause to be prepared a brief statement of its proceedings
28 at the close of each regular or special meeting, and such state-
29 ment shall be a public record.

1 Sec. 6. Offices; delegation of appointive power. The
2 board shall have power to create, establish and regulate such
3 offices, departments, units or field sections, as in its
4 opinion will provide for the efficient and economic operation
5 of the district's business; and may by regulations or ordinance
6 delegate its powers of appointment and removal of subordinate
7 employees to the heads of the offices, departments, units, and
8 field sections as will, in its judgment, provide the most ef-
9 fective and efficient administration of the district business.

10 Sec. 7. District manager; when. The board shall have
11 power to provide by ordinance for a manager form of government
12 for the district. If such form shall be adopted, the manager
13 shall be given the authority to appoint and remove all employees
14 of the district; Provided, that the board may retain the power
15 to appoint a legal counsel of its own choosing, and, Provided
16 further, that the board shall retain the power to establish the
17 number and salaries of employees and the organizational units,
18 as in its opinion will best serve the purposes of the district.
19 The manager shall serve at the pleasure of the board. Once
20 adopted, the manager form shall not be discontinued unless the
21 proposition is submitted to and approved by a majority vote of
22 the electors of the district.

23 Sec. 8. Employees; generally. The board or the district
24 manager, as the case may be, (a) shall have power to designate
25 a clerk who shall keep the minutes of proceedings of the board,
26 have custody of the district seal, supervise district elections,
27 and have such other powers and duties as may be conferred or
28 required by the board; and (b) shall have the power to appoint
29 any or all of the following officers: an attorney, an assessor

1 have power to construct, improve, equip, furnish, maintain and
2 operate roads, trails, bridges, maintenance sheds, offices and
3 garages and roadside rests, and shall have and may exercise all
4 powers necessary or convenient for the carrying out of the afore-
5 said purposes, including, but not by way of limitation, the power
6 to acquire by gift, purchase, rent, or lease, equipment under
7 such terms and conditions as it may deem proper.

8 Sec. 3. Harbor and marine facilities. The district shall
9 have power to acquire, by gift, the exercise of the right of
10 eminent domain, purchase, lease, or otherwise; and to construct,
11 maintain, repair and operate wharves, aqueducts, dikes and
12 water courses, and the approaches and appurtenances thereof;
13 and to widen, straighten, strengthen or change the channels for
14 streams and water courses.

15 Sec. 4. Public utilities. The district shall have power
16 to acquire by purchase, gift, the exercise of eminent domain,
17 lease, or otherwise acquire, construct, establish and operate
18 public utilities systems, and plants for the use, sale and dis-
19 tribution of light, water, power, heat, telephone service, and
20 sewerage to or for the residents of the district; Provided, that
21 any district may, also, or in connection with the above-listed
22 powers, only sell and distribute such utility services and for
23 that purpose may construct, purchase, or otherwise acquire, own,
24 maintain and operate extensions, pole lines, mains, pipe lines
25 and other necessary facilities and equipment therefor.

26 Sec. 5. Public Health. The board shall have power to make
27 such rules and regulations as may be necessary or desirable to
28 protect the public health. The board shall have power, but
29 not by way of limitation, to adopt rules and regulations for the

1 control and eradication of preventable or communicable diseases,
2 the regulation and inspection of establishments serving food
3 and drink; the establishment of modern methods of hygiene and
4 sanitation; the regulation and inspection of hotels, lodges,
5 rooming houses and trailer camps; and the education of the public
6 in matters of public health. The board may provide for the in-
7 spection of food, drinks and properties within the district and
8 may impose upon the owners or possessors of such food, drinks,
9 or properties, a reasonable fee to cover the cost of all in-
10 spection necessary to reasonably safeguard the public health.

11 Sec. 6. Exercise of powers. In general the district shall
12 have power to exercise the powers and duties herein conferred
13 and imposed both within and outside of the boundaries of cities,
14 school districts, and public utility districts; Provided, that
15 in any incorporated city the board shall have no power to pro-
16 vide directly a service or exercise any power except the power
17 to levy and collect taxes, when such service or power is already
18 provided by said city, except under contract mutually agreed to
19 by the board and the governing body of the city, in which latter
20 case the board may provide directly the service contracted for,
21 or may make payments or grants-in-aid to the city for the support
22 of said service or power.

23 Sec. 7. Eminent domain. The district shall have the right
24 of eminent domain and shall proceed in the same manner as pro-
25 vided for first class cities; except that the district shall not
26 exercise the right of eminent domain against property of the
27 Territory of Alaska or any political subdivision thereof or
28 properties already devoted to public use; and except that the
29 district shall not exercise the right of eminent domain within

*Address to the
State of Alaska*

1 the boundaries of any incorporated city without the consent of
2 the governing body thereof, which consent may be granted by
3 resolution or ordinance of the city council.

4 Sec. 8. Special improvements. For the performance of any
5 function which the district is empowered by law to provide, the
6 board may establish special improvement subdistricts outside
7 the boundaries of any incorporated city in the district.

8 Sec. 9. Special improvements; inside cities. The board
9 is hereby authorized and empowered, whenever the proper funds
10 of the district will warrant it, to aid in any improvement under-
11 taken within the boundaries of any incorporated city by provid-
12 ing for the payment of not exceeding two-thirds of the cost of
13 such improvement.

14 Sec. 10. Special improvements; outside cities. The board
15 shall be authorized to make any improvement on roads, trails,
16 bridges, harbor and marine facilities, or public utilities out-
17 side of the corporate limits of any city as hereinafter authori-
18 zed and directed.

19 Sec. 11. Improvements; notice to landowners. Whenever the
20 board shall contemplate the making of such improvements outside
21 the corporate limits of any city, it shall cause to be made an
22 examination of the proposed improvements and a report of the
23 estimated cost thereof. If upon the consideration of the report,
24 the board determines to make the improvement, it shall cause
25 personal notice to be served on the owners of property to be
26 benefitted from such improvement, of its intention to make such
27 improvement, and if the owner is a nonresident, then by personal
28 service upon the agent of such nonresident, if he has one re-
29 siding in the district, and in case he has no such agent, by

1 publishing such notice in a newspaper published in, and of gen-
2 eral circulation in the district or by posting on the property.
3 Upon the proof of service or publication or posting of said
4 notice, and after giving the owner an opportunity to be heard,
5 the board shall enter an order upon its records for the construc-
6 tion or reconstruction thereof, unless estopped by a petition
7 against said improvement signed by at least one-half of the land
8 owners affected.

9 Sec. 12. Improvement; cost; payment; assessments; how
10 levied. Not more than one-third of the cost of any such improve-
11 ment shall be paid by the board out of the proper funds of the
12 district, and the remaining costs by special assessment of all
13 real estate abutting on or adjacent to such improvement to a
14 depth not exceeding one thousand feet on each side thereof, in
15 proportion to the special benefits to such real estate by rea-
16 son of such improvements. The benefits to such real estate
17 shall be determined by the board, after publication, in a news-
18 paper of general circulation in the district, of notice to the
19 owners of said real estate at least ten days prior to such
20 determination or by posting the property affected. Such assess-
21 ment may be made according to the front footage of real estate
22 along the line of such improvement or according to such other
23 rule or method as the board may adopt for the distribution and
24 equalization of the cost. An equal portion of the amount so
25 assessed shall be placed upon the tax rolls for up to next
26 succeeding five years and collected in the same manner and at
27 the same time as the taxes on other property, and when collected
28 shall be held in a special fund and used only in payment of the
29 cost of that particular improvement as specified herein.

1 Sec. 13. Contracts. All contracts for the construction
2 of such improvements outside the corporate limits of any such
3 city shall be let to the lowest responsible bidder who will en-
4 ter into a good and sufficient bond for the faithful performance
5 thereof, in such amount and with such sureties as the board may
6 determine.

7 Sec. 14. Incurrence of debt. The district shall not have
8 power to incur bonded indebtedness and pledge the faith and
9 credit of the people of the district, unless the proposition has
10 been submitted to the qualified voters of the district at a
11 general or special election, and unless a majority of those
12 voting shall approve such incurrence of bonded indebtedness.
13 When a question on the incurrence of debt is submitted there
14 shall be submitted the question, together with the aforesaid or
15 separately, of levying an annual tax sufficient to pay the prin-
16 cipal, interest, and charges on such debt; and the district
17 shall, upon approval of the proposition, be empowered to, and
18 the board shall, levy ad valorem taxes on all taxable property
19 within the district for the payment of such principal, interest,
20 and charges, without limitation of rate or amount; Provided,
21 that the total amount of indebtedness shall not exceed five per-
22 cent of the assessed valuation of the district.

23 Sec. 15. Debt; construction of section. The power to in-
24 cur debt and levy taxes for the payment thereof shall not be
25 exercised except in compliance with, and for the purposes
26 authorized by, the Organic Act of Alaska and later acts of
27 Congress relating to the power of public bodies in Alaska to
28 incur debt; Provided, that if any court of competent jurisdic-
29 tion shall determine that the Legislature of Alaska has no

1 authority to empower such districts to incur debt, then sec-
2 tion 14 of this article is specifically declared severable from
3 all other portions of this Act, but the declaration of this
4 section shall not be construed to infer that the other portions
5 of this Act are not severable.

6 Article VI

7 REVENUE AND TAXATION

8 Section 1. Property tax; date of assessment; when due.

9 Within the limitations of this Act, the district shall have
10 power to levy and collect annually a tax on all property situate
11 in the district on April first of each year, except exempt
12 property.

13 Sec. 2. Property taxable; general definitions. Except as

14 otherwise specifically provided, the following terms shall have
15 the meanings listed below: (a) "Property" means every kind of
16 property, tangible or intangible, subject to ownership; (b)
17 "Real property," "real estate," "lands," mean lots and all
18 other lands, and all buildings, fixtures, improvements, mines,
19 minerals, quarries, oil and gas rights, and privileges pertain-
20 ing thereto; (c) "personal property," means all property other
21 than real property; (d) "tangible property" means all personal
22 property possessing a physical existence, but excluding money;
23 (e) "intangible property" means all other personal property,
24 including money and credits; (f) "money" means all kinds of
25 coin and all kinds of paper, issued by or under authority of the
26 United States, circulating as money; (g) "credits" means cor-
27 poration shares of stock, accounts, contracts for cash or labor,
28 bills of exchange, judgments, choses in action, liens of any
29 kind, other than real estate mortgages, securities, debentures,

1 bonds, other than those of the United States, annuities, and
2 all other demands for labor or other valuable thing, whether
3 due or to become due, not otherwise exempt by law; (g) "Actual
4 value" means full and true value in money in the market in the
5 ordinary course of trade; (i) "person" means any number of
6 persons; and any copartnership, association, joint stock com-
7 pany, corporation, or any other entity that may be the owner of
8 property.

9 Sec. 3. Exempt property. The following property shall be
10 exempt from taxes: (a) Property owned by the United States or
11 agency thereof, but only to the extent that such property is
12 exempt by virtue of the constitution and laws of the United
13 States; (b) Property of the Territory and its governmental sub-
14 divisions; (c) Property owned by a non-profit association or cor-
15 poration and used for the purpose of providing a public utility
16 and property incidental to such use; (d) Property used exclu-
17 sively for educational, religious, or charitable purposes; (e)
18 Household goods and other personal property of the value of
19 two hundred dollars to each family; (f) Property of any Veteran's
20 organization, or auxiliary thereof, except property used for
21 business purposes; (g) real property on homesteads upon which
22 entry has been made in accordance with the land laws of the
23 United States until one year after the date upon which patent
24 is granted and final title acquired.

25 Sec. 4. Property taxable; basis of assessment. All pro-
26 perty in the district, not expressly exempt, shall be subject
27 to taxation, and shall be valued and assessed at its actual
28 value; except that the assessed value of unimproved, unpatented
29 mining claims which are not producing, and non-producing

1 patented mining claims upon which the improvements originally
2 required for patent have become useless through deterioration,
3 removal or otherwise, is hereby fixed at one hundred dollars
4 per each twenty acres or fraction of such claim, provided, that
5 if the surface ground of any such claim is used for other than
6 mining purposes and has a separate and independent value for
7 such other purposes, the assessed valuation as pertains to such
8 non-mining uses and improvements and personal property inciden-
9 tal to such uses shall be the actual value thereof.

10 Sec. 5. District assessor; oath; bond. The board shall
11 designate its clerk, assessor, or assessor-collector, herein-
12 after called assessor, as its principal agent in the administra-
13 tion of the property assessment, equalization, review, and levy
14 of taxes. Before entering upon the duties of his office the
15 assessor shall subscribe an oath to perform well and faithfully
16 and impartially such duties, and shall execute a bond to the
17 district, with good and sufficient sureties, to be approved by
18 the board, in such sum as the board shall fix.

19 Sec. 6. Notice of assessment. Once each week for three
20 successive weeks in February of each year the assessor shall
21 cause to be published in one or more newspapers of general cir-
22 culation in the district a notice to all persons having an in-
23 terest in or owning property in the district, or by posting in
24 three public places if there be no newspaper, which notice shall
25 set forth the responsibility of such person to submit a return
26 on said property; and further stating when and where the proper
27 forms for making such return may be obtained. Such notice shall
28 be due and sufficient notice of said responsibility to all such
29 persons.

1 Sec. 7. Forms. On or before February 15 of each year the
2 assessor shall prepare, cause to be printed, and make available
3 at such place or places as may be convenient, a sufficient num-
4 ber of forms for the listing and valuation of property. In-
5 structions as to the manner and requirements for making a return
6 shall be printed on the form or shall be available as a separate
7 or attached sheet. The form shall provide, among other things,
8 for the separate listing of such different classes and types of
9 property as may be deemed necessary or desirable by the assessor.

10 Sec. 8. Return; date for submission. On or before May
11 first of each year every person owning or having control of
12 property in the district on the assessment date shall submit to
13 the district assessor a return of such property which shall in-
14 clude, but not by way of limitation: (1) the name of the per-
15 son making the return; (2) an address to which all individual
16 notices required by this Act may be mailed or delivered; (3)
17 the nature, quantity, amount and value of such property by such
18 items, classes, and totals as may be directed; and (4) the lo-
19 cation of such property.

20 Sec. 9. Additional returns, when. The assessor may re-
21 quire, by notice in writing, any person to submit additional
22 details and particulars, and such additional information shall
23 be supplied within thirty days after receipt of said notice.

24 Sec. 10. Direct Assessment. The assessor may, by personal
25 inspection or by deputy, make an independent or supplemental
26 valuation of any property in the district from actual view; and
27 may enter upon any premises and view property; and shall have
28 access to all property records for the purposes of such exami-
29 nation; and shall have the power to administer oaths and to

1 examine under oath any person for the purposes of such assess-
2 ment; Provided, that the authority herein conferred may be
3 exercised by the assessor at any time during the year either
4 before or after the date for submission of returns; and, provided
5 further, that such personal inspection shall not release any
6 person from responsibility for making the return required by
7 this Act unless the assessor shall in his presence fill out the
8 required form and require his signature, and leave a duplicate
9 with such person.

10 Sec. 11. Direct assessment; alternative; when. Without
11 limiting the right of personal inspection in all cases deemed
12 necessary by the assessor, the board may by ordinance prescribe
13 an alternative method of direct assessment of all real property,
14 or all personal property, or both real and personal property,
15 and dispense with the requirement for self-listed returns. The
16 board may, in its discretion, establish self-listing subdistricts
17 and direct assessment subdistricts for any or all classes of
18 property, when, in its opinion such variations in the method
19 of assessment shall be to the advantage of the whole district.

20 Sec. 12. Property; how listed; penalty. Whether assess-
21 ment is directly by assessor or self listed, the person to whom
22 such property is assessed shall sign an oath that the return is
23 correct and that the values placed thereon are the full and true
24 value of such property, or other basis of assessment as provided
25 by law. If any person shall fail to submit a return, or make a
26 false or fraudulent list schedule or statement required by law,
27 or shall willfully fail or refuse to deliver to the assessor,
28 when called upon for that purpose, a list of the taxable pro-
29 perty, or shall temporarily convert any part of such property

1 into property not taxable, for the fraudulent purpose of pre-
2 venting such property from being listed and of evading the pay-
3 ment of taxes thereon, or shall transfer or transmit any pro-
4 perty to any person with such intent, he shall be guilty of a
5 misdemeanor, and subject to a fine of not less than fifty dollars
6 and not more than two thousand dollars; and if any person shall
7 knowingly swear falsely regarding any matter contained in any
8 schedule, he shall be deemed guilty of perjury and be punished
9 accordingly.

10 Sec. 13. Property; who shall list. Property shall be
11 listed in the manner following: (1) Every person of full age
12 and sound mind, being a resident of the district, shall list
13 all his or her property located in the district; (2) he shall
14 also list all moneys and other personal property invested, loaned
15 or otherwise controlled by him as the agent or attorney, or on
16 account of any other person or persons, company or corporation
17 whatsoever and all moneys deposited subject to his order, check
18 or draft, and credits due from any person or persons, body cor-
19 porate or politic, whether in or out of the district; (3) The
20 property of a minor child shall be listed by his guardian; if
21 he have no guardian, then by the father, if living; if not, by
22 the mother, if living, and if neither father or mother be liv-
23 ing, by the person having such property in charge; (4) the
24 property of any other person under guardianship, by his guardian;
25 (5) the property of a person for whose benefit it is held in
26 trust, by the trustee; of the estate of a deceased person, by
27 the executor or administrator; (6) the property of corporations,
28 by the president or proper agent or officer thereof; (7) the
29 property of corporations whose assets are in the hands of

1 receivers; by such receivers; (8) the property of a firm or
2 company by a partner or agent thereof; (9) the property of manu-
3 facturers and others in the hands of an agent, by and in the
4 name of such agent, as merchandise.

5 Sec. 14. Real property; situs. Real property shall be
6 listed in the city, school district, public utility district, or
7 other local subdivision where the property is located; Provided,
8 that where a single parcel of real estate lies in part outside
9 the boundaries of the general improvement district; or both
10 within and without the boundaries of other local subdivisions,
11 valuations shall apply only to the portions lying within the res-
12 pective subdivisions.

13 Sec. 15. Personal property; where listed. Personal pro-
14 perty shall be listed and assessed in the general improvement
15 district, city, school district, public utility district, or
16 other local subdivision where the owner resides, except that
17 property having a local situs, such as merchandise in stores,
18 shall be listed and assessed at the place of such situs; and
19 except that the capital stock and franchise of corporations and
20 persons shall be listed and taxed in the subdivision where the
21 principal office or place of business of such corporation is
22 located.

23 Sec. 16. Personal property; in hands of agent. The pro-
24 perty of manufacturers and other in the hands of an agent shall
25 be listed and assessed at the place where the business of such
26 agent is carried on. Personal property in transit shall be
27 listed and assessed where the owner or agent resides, but if
28 such property is intended for a business, it shall be listed and
29 assessed at the place where the property of such business is

1 required to be listed.

2 Sec. 17. Personal property; questions over place of list-
3 ing. The board shall have power to provide further and detailed
4 regulations regarding listing and valuation of property.

5 Questions that may arise as to the proper place to list personal
6 property shall be determined as follows: (1) If between sev-
7 eral places in the same district, the place for listing and
8 assessing shall be determined and fixed by the board; (2) If
9 between different districts, or a question whether property is
10 outside the boundaries of an organized district, the place for
11 listing and assessing, or not listing as the case may be, shall
12 be determined by the district court.

13 Sec. 18. Assessor; duties; omitted or undervalued property.
14 Whenever, from examination of returns, personal inspection, or
15 otherwise, it shall appear to the assessor that any property
16 has been improperly omitted from the return made by or for any
17 person for any year, or, if assessed, that the property has been
18 undervalued as compared with like property in the district, so
19 that the assessment for such year is inequitable, he shall make
20 a report thereof to the board of supervisors.

21 Sec. 19. Assessment roll; how prepared. From all infor-
22 mation available to him under oath or signed return, the
23 assessor shall, on or before June fifteenth, make up in a book,
24 or separate books for real and personal property, a list or
25 lists of the taxable property in the district. Such assessment
26 roll shall contain, by significant classes of property, a tabu-
27 lar listing of the name of the persons to whom assessed and on
28 the same line and separate columns, the quantity and value of
29 such person's real and personal property. If the assessor has

1 been charged with the duty of assessing property for any city,
2 school district, public utility district, or other political
3 subdivision, the assessment book or books shall further provide
4 for separate lists for property lying within each subdivision.
5 Each and all such books, lines, and columns shall be numbered
6 and otherwise identified for the convenience of the board and
7 assessor in equalization of the assessment.

8 Sec. 20. Equalization; board as board of equalization. At
9 a regular June meeting in each year the board shall sit as a
10 board of equalization. The assessor shall submit the assessment
11 roll, together with the report required by section 18 of this
12 article, to the board, and the board shall equalize the assess-
13 ment of property as between individual parcels, classes, self-
14 listed and directly assessed properties; and the board may cor-
15 rect any error, omission or invalidity of any return or errors
16 made or arising in the preparation of the assessment roll.

17 Sec. 21. Equalization; how ordered. If the board shall
18 order, for any reason, a change in the assessment of any item of
19 any assessment roll, such order shall be reduced to writing, and
20 shall state the number of such book, line and column; and the
21 assessor shall proceed to enter such changes in the assessment
22 book or books. No such change shall be made by erasure, but the
23 assessor shall draw a single line in red ink through the original
24 item and enter the equalized amount ordered by the board directly
25 above the item changed. If the change shall be an addition to
26 the roll all such items, names, or amounts shall be entered in
27 red ink.

28 Sec. 22. Equalization; notice of change. The assessor
shall mail or deliver a written notice to each and every per-

1 son whose return under oath will be affected by any change made
2 by the equalization board. The date on which said notice is
3 mailed or delivered shall be entered in the assessment book
4 opposite the name of the person to whom mailed, which entry shall
5 be prima facie evidence of the giving of the notice.

6 Sec. 23. Review; notice of hearing. In addition to the
7 individual notice to persons required by section 22 of this
8 article, the assessor shall cause to be published a notice in
9 at least one paper of general circulation in the district, or
10 by posting, which notice shall state the time and place set for
11 the board for hearing appeals from the assessment. Such notice
12 shall be published at least once (or posted for) two weeks prior
13 to the date set for hearings, which date shall not be less than
14 forty-five days after the mailing of notices required by sec-
15 tion 22.

16 Sec. 24. Review; rights of aggrieved. Any person ag-
17 grieved by the action of the board of equalization shall have
18 the right to appear at the hearing for the purpose of presenting
19 evidence that the action taken by the board was erroneous and
20 not in compliance with law, or that the property has been
21 assessed at more than its full and true value. The burden of
22 proof in all cases shall be upon the person appealing. The
23 board may by regulation require written notice of intention to
24 appeal to be filed with the assessor.

25 Sec. 25. Entry of decisions. The board shall enter in
26 the appeal record its decisions upon appeals brought before it,
27 and shall certify to the same. The assessor shall make such
28 changes in the assessment roll as may be necessary to give ef-
29 fect to the decisions of the board, and such changes shall be

1 made in the same manner as provided in section 21 of this article.

2 Sec. 26. Appeal to court. Any person aggrieved by any
3 order of the board shall have the right of appeal on a de novo
4 basis to the District Court for the Territory of Alaska in the
5 division in which the district is situated. Such appeal shall
6 be pursued as nearly as may be in accordance with the procedure
7 proscribed in Sections 68-9-4 through 68-9-14, Alaska Compiled
8 Laws Annotated, 1949. The district court shall have power to
9 make uniform regulations adapting the above-referenced pro-
10 cedure for perfecting such appeals.

11 Sec. 27. Tax collection; budget. After adoption of the
12 budget hereinafter provided, the collector of taxes, or assessor-
13 collector, as the case may be, shall compute the tax rate neces-
14 sary to provide the amount of property taxes required by said
15 budget; and shall prepare and mail on or before November first
16 of each year a tax bill to each and every person having taxable
17 property on the assessment roll.

18 Sec. 28. Tax bills; contents. The tax bill shall be mailed
19 to the address on the return, or the last known address of the
20 person owning the property, and shall contain at least the
21 following: (a) the assessed value of the real and personal
22 property owned or controlled by said person; (b) the amount of
23 the tax rate for current operation and debt retirement stated
24 separately, or, if a combined city, school district, public
25 utility district, and district tax bill, the tax rate for each
26 taxing unit shall be stated separately; (c) the total property
27 taxes due; (d) the delinquent taxes due from levies of former
28 years but not paid, or that will be due on November fifteenth
29 if not paid, together with a statement of the power to foreclose

1 on such property; (e) the total tax obligation of said person;
2 and (f) the amount of special assessments due, if any.

3 Sec. 29. Property taxes; when due; first lien. All taxes
4 levied shall be due and payable on November fifteenth in the
5 year levied, and commencing on that date shall be a first lien
6 on the property taxed until paid.

7 Sec. 30. Delinquent taxes; when. One-half of the taxes
8 due under section 29 of this article shall become delinquent on
9 May fifteenth and the second half on November fifteenth next
10 following the date the taxes become due.

11 Sec. 31. Delinquent taxes; interest. All delinquent taxes
12 shall draw interest at the rate of eight percent per annum from
13 the date they become delinquent, and the interest shall be col-
14 lected the same as the tax upon which the interest accrues.

15 Sec. 32. Special assessments; lien priority. All special
16 assessments, assessed and levied as provided by law, shall be
17 a lien on the real property on which assessed, and shall be
18 collected at the same time and in the same manner as general
19 property taxes; and special assessment liens shall take priority
20 over all other encumbrances and liens except the first lien of
21 general taxes.

22 Sec. 33. Principal's property; agent paying taxes; lien.
23 When property is assessed to any person as agent for another,
24 or in a representative capacity, such person shall have a lien
25 upon the property, or any property of his principal in his
26 possession, for the taxes thereon, until he is indemnified
27 against the payment thereof; or, if he has paid the taxes, until
28 he is reimbursed therefor.
29

 Sec. 34. Tax collections; discount. The board may, by

1 the district manager shall be the budget officer.

2 Sec. 2. Fiscal year. The fiscal year shall begin on the
3 first day of January and shall end on the thirty-first day of
4 December.

5 Sec. 3. Submission of budget. On or before August fif-
6 teenth of each year the budget officer shall submit to the board
7 a budget and an explanatory budget message in the form and with
8 the contents hereinafter provided and required.

9 Sec. 4. Budget message. The budget message shall contain
10 a summary statement of the proposed financial policies of the
11 district for the budget year, including a statement of the major
12 changes from the budget for the current year in appropriation
13 and revenue items.

14 Sec. 5. Budget; supporting schedules. Attached to the
15 budget message shall be such supporting schedules, exhibits and
16 other explanatory materials, in respect to both current opera-
17 tions and capital improvements, as the budget officer shall deem
18 necessary or desirable.

19 Sec. 6. Budget; contents. The budget shall provide a
20 complete financial plan for the budget year. It shall contain
21 in tabular form: (a) a general summary; (b) detailed estimates
22 of all anticipated revenues applicable to proposed expenditures;
23 (c) all proposed expenditures. The total of such anticipated
24 revenues shall equal the total of such proposed expenditures.

25 Sec. 7. Anticipated revenues. Anticipated revenues shall
26 include: (a) estimated unexpended balances that will be avail-
27 able at the beginning of the budget year; (b) miscellaneous
28 revenues including all expected revenues from sources other than
29 the property tax; (c) amount to be received from property taxes.

1 Sec. 8. Anticipated revenues; comparisons. In parallel
2 columns opposite the several items of anticipated revenues there
3 shall be placed the amount of each such item in the budget of
4 the next preceding fiscal year, the amounts of such items ac-
5 tually received during that year, the amount of each such item
6 in the budget of the current fiscal year, and the amount ac-
7 tually received to the time of preparing the budget plus anti-
8 cipated receipts for the remainder of the current fiscal year
9 estimated as accurately as may be.

10 Sec. 9. Expenditures; items in budget. The proposed ex-
11 penditures shall be itemized in such form and to such extent
12 as may be provided by law or regulations of the board. Sepa-
13 rate provision shall be included in the budget for at least:
14 (a) principal, interest and charges on general obligation and
15 revenue debt; (b) statutory expenditures; (c) the payment of
16 all judgments; (d) administration, operation and maintenance
17 of each office, department or agency of the district; (e) con-
18 tingent expense in an amount not more than three per cent of
19 the total amount stated pursuant to subsection (d) of this
20 section.

21 Sec. 10. Budget summary. At the head of the budget there
22 shall appear a summary of the budget which need not be itemized
23 further than by principal sources of anticipated revenue, stat-
24 ing separately the amount to be raised by property tax, and
25 expenditures by departments and functions, in such a manner as
26 to present taxpayers a simple and clear summary of the detailed
27 estimates of the budget.

28 Sec. 11. Budget; a public record. The budget and budget
29 message and all supporting schedules shall be a public record.

1 in the office of the clerk open to public inspection by anyone.

2 Sec. 12. Notice of hearing. At the meeting of the board
3 at which the budget and budget message are submitted, the board
4 shall determine the place and time of a public hearing on the
5 budget, and shall cause to be published, or posted, a notice
6 of the place and time, not less than seven days after date of
7 publication, at which the board will hold a public hearing.

8 Sec. 13. Public hearing. At the time and place so adver-
9 tised the board shall hold a public hearing on the budget as
10 submitted, at which time all interested persons shall be given
11 an opportunity to be heard, for or against the estimate or any
12 item thereof.

13 Sec. 14. Consideration of budget. After the public hear-
14 ing the board may insert new items or may increase or decrease
15 the items in the budget, except items in proposed expenditures
16 fixed by law or prescribed by subsections (a), (b), and (c) of
17 section 9 of this article. Before inserting any additional
18 item or increasing or decreasing any item of appropriation, the
19 board must cause to be published or posted a notice setting
20 forth the nature of the proposed changes and fixing a place and
21 time, not less than five days after publication or posting, at
22 which the board will hold a public hearing thereon.

23 Sec. 15. Amendment of budget. After such further hearing,
24 the board may insert the additional item or items, and make the
25 increases or decreases to the amount in each case indicated by
26 the published or posted notice or to a lesser amount, but where
27 it shall increase the total proposed expenditures, it shall also
28 increase the total anticipated revenue to equal such total pro-
29 posed expenditures.

1 Sec. 16. Adoption of budget. A majority vote shall be
2 required for adoption of the budget. The budget shall be adopted
3 not later than ninety days prior to the beginning of the budget
4 year. Should the board take no final action on or prior to such
5 day, the budget, as submitted, shall be deemed to have been
6 finally adopted by the board.

7 Sec. 17. Effective date. Upon final adoption the budget
8 shall be in effect for the budget year. A copy of the budget as
9 finally adopted, shall be certified by the budget officer, and
10 shall be available to the public.

11 Sec. 18. Budget establishes appropriations. From the ef-
12 fective date of the budget, the several amounts stated therein
13 as proposed expenditures shall be and become appropriated to
14 the several objects and purposes therein named.

15 Sec. 19. Budget establishes tax rate. From the effective
16 date of the budget, the amount stated therein as the amount of
17 property tax required to be levied shall constitute a determina-
18 tion of the amount of the levy for the purposes of the district,
19 in the corresponding tax year.

20 Sec. 20. Approval of expenditures. The board shall have
21 charge of the administration of the financial affairs of the
22 district and to that end shall be responsible for the disburse-
23 ment of all moneys and have control over all expenditures to
24 ensure that appropriations are not exceeded. The board shall
25 cause separate accounts to be kept for the items of appropria-
26 tions, each of which accounts shall show the amount of the ap-
27 propriation, the amounts paid therefrom, the unpaid obligations
28 against it and the unencumbered balance. Unless the board shall
29 certify that there is a sufficient unencumbered balance of

1 appropriation and available cash receipts, no appropriation shall
2 be encumbered and no expenditure shall be made.

3 Sec. 21. Claims; settled monthly. At the regular meeting
4 of the board each month, the clerk, or other employee designated
5 as fiscal officer, shall present to the board all claims filed
6 since the last regular meeting of the board, and the board shall
7 allow all such claims which are valid obligations of the district.

8 Sec. 22. Warrants; how issued. Upon the allowance of any
9 claim or account against the district, the board shall direct
10 the fiscal officer of the board, to draw a warrant in payment
11 thereof. Such warrant shall be signed by the chairman of the
12 board and countersigned by the fiscal officer, and such warrants
13 shall be delivered or mailed to the proper person within five
14 days after signing.

15 Sec. 23. Claims; verification. Before any claim against
16 a district is allowed, the claimant or his agent shall verify
17 the same by his signature, stating that the several items there-
18 in mentioned are just and true, and the services charged there-
19 in, or articles furnished, as the case may be, were rendered or
20 furnished as therein charged, and that the amount claimed is due
21 and unpaid after allowing just credits. All claims against the
22 district must be filed with the fiscal officer within ninety
23 days from and after a time when any materials or labor, which
24 form the basis of the claim, shall have been furnished or per-
25 formed. Claims shall be paid in the order of their filing in
26 the office of fiscal officer.

27 Sec. 24. Claims; disallowance. When the claim of any
28 person against the district is disallowed, in whole or in part,
29 by the board, such person may appeal from the decision of the

1 board to the district court of the same judicial division, after
2 causing a written notice to be served on the fiscal officer of
3 the district within twenty days after the disallowance, and
4 executing a bond to the district court, with sufficient security,
5 to be approved by the clerk of the district court, conditioned
6 for the faithful prosecution of such appeal, and the payment of
7 all costs that shall be adjudged against the appellant. Upon
8 disallowance of any claim, it shall be the duty of the fiscal
9 officer to notify the claimant, his agent or attorney, in writ-
10 ing, of the fact within five days after such disallowance.
11 Notice mailed within said time shall be deemed sufficient.

12 Sec. 25. Claims; allowance. Any taxpayer may likewise
13 appeal from the allowance of any claim against the district by
14 serving a like notice within ten days and giving a bond similar
15 to that provided for in the last preceding section.

16 Sec. 26. Claims; appeal; record. The clerk of the board
17 upon such appeal being taken, shall make out a complete tran-
18 script of the proceedings of the board relating to the matter,
19 shall make out a complete transcript of the proceedings of the
20 board relating to their decision thereon, and shall deliver the
21 same to the clerk of the district court, and such appeal shall
22 be entered, tried, and determined the same as appeals from
23 justice courts, and costs shall be awarded thereon in like
24 manner.

25 Sec. 27. Claims; reconsideration. The provisions of
26 sections 24 to 26 shall not be so construed as to prevent the
27 board from once reconsidering their action on any claim, upon
28 due notice to parties interested.

29 Sec. 28. Actions against district; delinquent taxes. In

1 any suit against a district, any delinquent taxes assessed
2 against the person in whose favor the cause of action accrued,
3 may be set off against any amount claimed in such action.

4 Sec. 29. District officers; interest in contracts pro-
5 hibited. No member of the board, nor any district officer or
6 employee shall in any manner, either directly or indirectly, be
7 pecuniarily interested in or receive the benefit of any contract
8 executed by the district for the furnishing of supplies or any
9 other purpose.

10 Sec. 30. Emergency appropriation. At any time in any
11 budget year, the board may make emergency appropriations to
12 meet a pressing need for public expenditure, for other than a
13 regular or recurring requirement, to protect the public health,
14 safety, or welfare. The total amount of all emergency appro-
15 priations made in any budget year shall not exceed three per
16 cent of the total operating appropriations made in the budget
17 for that year.

18 Sec. 31. Deficiency in revenue; borrowing. In the absence
19 of unappropriated available revenues to meet emergency appro-
20 priations the board may authorize the issuance of notes to meet
21 such casual deficiency in revenue. Each of such notes shall be
22 designated "emergency note" and may be renewed from time to
23 time, but all such notes of any fiscal year and any renewals
24 thereof shall be paid not later than the last day of the fiscal
25 year next succeeding the budget year in which the emergency ap-
26 propriation was made.

27 Sec. 32. Special fund. Whenever a tax is levied for the
28 payment of a specific debt, the amount of such tax collected
29 shall be kept as a separate fund in the district treasury, and

1 expended only in the liquidation of such indebtedness; Provided,
2 any surplus remaining in the treasury after full payment of such
3 indebtedness shall be transferred to the general fund of the
4 district.

5 Article VIII

6 BOUNDARIES: CONSOLIDATION: ANNEXATION

7 Section 1. Boundary streams; effect of change in channel.

8 Where any district is bounded by the middle of the channel of
9 any stream or water course, and by reason of any change of such
10 channel any island or tract of land shall be thrown to the
11 other side of such boundary channel, after the original organi-
12 zation and establishment of boundaries, or after consolidation
13 of districts or annexations, the old channel of the stream or
14 watercourse shall be deemed the channel thereof.

15 Sec. 2. Map of district. The board shall, where possible,
16 secure a copy of the field notes of any survey by the United
17 States, and cause to be constructed in accordance therewith a
18 map on a scale of not less than one inch to a mile, laid off in
19 sections. Such map and field notes shall be deposited in the
20 office of the clerk of the board, and be by him preserved. When-
21 ever the boundaries of any district are changed, the necessary
22 alteration in such map may be made, or a new map of the district
23 may be made if the board so directs.

24 Sec. 3. Consolidation of districts; boundary changes; how
25 effected. Whenever the district boards of adjoining districts
26 shall desire to submit a proposal for consolidation of districts,
27 or a proposal for change in the boundaries between districts,
28 the boards may by resolution entered on their records, submit
29 the question at an election, either general or special, not less

1 than sixty days after the date of the latest such resolution,
2 to the qualified voters.

3 Sec. 4. Consolidation; boundary changes; effective date.

4 If the majority of those voting upon the question in each dis-
5 trict affected thereby shall be in favor of the proposed con-
6 solidation or boundary change then said consolidation or change
7 shall be in effect on and after the first day of January fol-
8 lowing such election; Provided, all assessments and collections
9 of taxes and judicial or other proceedings commenced prior to
10 said first day of January shall be continued, prosecuted, and
11 completed in the same manner as if no change had been made; and,
12 Provided, that, if a consolidation, the two boards shall serve
13 jointly as the governing body of the new district until their
14 successors have been elected and qualified.

15 Sec. 5. Annexation of unorganized area. Whenever the
16 residents of an unorganized area or a portion thereof adjacent
17 to an organized district desire to attach themselves to and be
18 a part of said organized district, they shall submit a petition
19 for annexation signed by a majority of the legal voters residing
20 in the area to be annexed, the board may petition the district
21 court to order such annexation and declare such area a part of
22 the organized district. Prior to filing such petition, the
23 board may submit the question to the legal voters of the district
24 at any general or special election, and the board shall be bound
25 by the result thereof whether for or against.

26 Article IX

27 CONSTRUCTION OF ACT

28 Section 1. Construction of Act; procedural details.

29 Where the substantive provisions of this Act have been complied

1 with, irregularities in procedural details shall not invalidate
2 the action of the board, and in any event the tax levy made
3 hereunder, if within the limitations of the rate of tax allowed
4 by law, shall be the legal levy notwithstanding any equitable
5 action of taxpayer or taxpayers with regard to taxes on parti-
6 cular properties; and not withstanding any provisions of this
7 Act proscribing the fiscal year, dates for assessment, equali-
8 zation, presentation of budgets, review, and dates when taxes
9 levied shall be due, together with any other dates specified
10 in this Act may be changed by ordinance when found necessary by
11 the Board to best accommodate fiscal procedures to those of
12 cities, independent school districts and public utility dis-
13 tricts so long as all elements of cash basis control, notice
14 and hearing are provided for in the manner set forth in this
15 Act.

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