

1 IN THE HOUSE BY THE LOCAL GOVERNMENT COMMITTEE  
2 HOUSE BILL NO. 488  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SECOND LEGISLATURE - SECOND SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to organized boroughs;  
7 amending Ch. 146, SLA 1961; and providing  
8 for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 Section 1. Subsec. (8), Sec. 2.02, Ch. 146, SLA 1961 is  
11 repealed and re-enacted to read:

12 (8) the signature and resident address of a percent  
13 of qualified voters in each first class city and a percent of  
14 qualified voters in the area outside first class cities  
15 according to the following schedule:

16 NUMBER OF QUALIFIED VOTERS	PERCENT
17 Over 15,000	15
18 Less than 15,000 but over 7,500	15
19 Less than 7,500	25

20 The percent of qualified voters shall be based on the total  
21 number who voted in person in the area proposed for incorpo-  
22 ration in the last general election.

23 Sec. 2. Sec. 2.04, Ch. 146, SLA 1961 is repealed and re-  
24 enacted to read:

25 Sec. 2.04. STANDARDS FOR COMPOSITION AND APPORTIONMENT.

26 The borough assembly shall be composed and apportioned  
27 according to the following standards:

28 (1) If there is no first class city within the  
29 organized borough, the assembly is composed of the number of

seats shown on the following table:

	POPULATION	ASSEMBLY SEATS
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3	under 6,000	5
4	6,000 - 12,000	7
5	12,001 - 30,000	9
6	over 30,000	11

7 (2) If there is but one first class city in the  
8 organized borough, the assembly is composed of at least two  
9 assemblymen from the first class city and at least three  
10 assemblymen from the area outside the first class city.

11 (3) If there is more than one first class city in  
12 the organized borough, the assembly is composed of at least  
13 one assemblyman from each first class city and at least three  
14 assemblymen from the area outside first class cities.

15 (4) The assembly seats shall be apportioned as  
16 follows:

17 (a) Except as provided in Subsec. (2), each  
18 first class city shall have the number of seats desig-  
19 nated in the following table, unless a lesser number is  
20 approved by a resolution of the city council of the city  
21 concerned:

	POPULATION	ASSEMBLY SEATS
22		
23	under 2,000	1
24	2,000 - 6,000	2
25	6,001 - 12,000	3
26	12,001 - 30,000	4
27	over 30,000	5

28 (b) The area outside first class cities shall  
29 have a number of assemblymen which shall equal one more

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than the total number of all assemblymen who represent first class cities.

Sec. 3. Sec. 2.13, Ch. 146, SLA 1961 is amended to read:

Sec. 2.13. INTEGRATION OF EXISTING SPECIAL DISTRICTS AND SERVICE AREAS. Special service districts and service areas in the unorganized borough existing at the time of the incorporation of an organized borough and located within the boundaries of the organized borough shall be integrated into the organized borough within two years after the date of the borough's incorporation. An organized borough shall succeed to all of the rights, powers, and duties of any service area and of any school districts and public utility districts included within its boundaries, including, but not limited to, claims, franchises and other contractual obligations, and liability for bonded and all other indebtedness, and shall succeed to all of the right, title, and interest in the real and personal property held by the service areas or districts. The borough assembly may levy and collect special charges, taxes, or assessments including interest for the purpose of amortizing bonded indebtedness previously incurred by the service area or special district, for continuing services in the area, or for the future indebtedness in the area. When a service area or special district had a previously incurred bonded indebtedness no less than all property that was within the service area or special district at the time the bonds were issued shall remain subject to taxation to pay the principal of and interest on such bonds for as long as they remain outstanding.

Sec. 4. Sec. 2.14, Ch. 146, SLA 1961 is amended to add a new

1 subsec. d to read:

2 d. Each borough assembly shall determine the future use  
3 of any sales tax levied by an independent school district.  
4 It may make all or any part of the sales tax an areawide sales  
5 tax for areawide functions and all or any part of the sales  
6 tax a tax limited to the area outside cities only for  
7 functions limited to the area outside cities. It may abandon  
8 all or any part of the sales tax. This subsection applies  
9 only to the transition of sales taxes levied by independent  
10 school districts.

11 Sec. 5. Sec. 3.01 (7) and (8), Ch. 146, SLA 1961 are amended  
12 and new subsecs. (8), (9), and (10) are added to read:

13 (7) to levy all taxes and special assessments,  
14 enforce tax liens, and assess and collect penalties in the  
15 manner provided for first class cities. It may levy

16 (a) areawide taxes for areawide functions and

17 (b) taxes limited to the area outside cities

18 for functions limited to the area outside cities; [AND]

19 (8) to prescribe penalties for violations of  
20 borough ordinances in the manner provided for first class  
21 cities;

22 (9) to acquire and dispose of real and personal  
23 property in the manner provided for first class cities;

24 (10) to acquire membership in organizations and to  
25 promote legislation to the good of the borough in the manner  
26 provided for first class cities; and

27 (11) [(8)] the state shall share with the organized  
28 borough those taxes it shares with other units of local  
29 government to the extent that the taxes are collected in the

1 borough but outside any city which receives a share of the  
2 same tax.

3 Sec. 6. Sec. 3.03, Ch. 146, SLA 1961 is amended to read:

4 Sec. 3.03. INDEBTEDNESS. First and second class  
5 boroughs may incur indebtedness in the same manner and to  
6 the same extent as first class cities either

7 (1) on an areawide [AREA WIDE] basis for areawide  
8 functions, or

9 (2) on a non-city basis for functions performed in  
10 the area outside cities only.

11 Sec. 7. Sec. 3.05, subsec. b, Ch. 146, SLA 1961 is amended  
12 and a new subsec. e added to read:

13 b. Special Taxes, Charges, and Assessments. The  
14 assembly may levy or authorize the levying of taxes, charges,  
15 or assessments in service areas to finance the special  
16 services. No special assessment may be levied except as  
17 provided by law for first class cities.

18 e. Powers. The assembly may delegate any of the powers  
19 prescribed by Sec. 3.71 to a service area. In a second class  
20 borough, each delegated power must be approved by a majority  
21 of the qualified voters voting on the question who reside  
22 within the service area. The rate of taxation and the  
23 issuance of bonds shall remain subject to the approval of  
24 the assembly.

25 Sec. 8. Sec. 3.32, Ch. 146, SLA 1961, is amended to read:

26 Sec. 3.32. ASSESSMENT AND COLLECTION. a. The first  
27 and second class boroughs shall assess and collect all  
28 property taxes levied within their boundaries in the manner  
29 provided for first class cities. Taxes levied by the cities

1 and collected by the borough shall be returned in full to the  
2 cities from which collected.

3 b. A first or second class borough may, by ordinance  
4 adopted without weighted voting, adjust its property tax  
5 structure in whole or in part to the property tax structure  
6 of any home rule city within it, including, but not limited  
7 to, excluding personal property from taxation, establishing  
8 exemptions, and extending the redemption period.

9 c. A home rule city shall have the same power to grant  
10 exemptions or exclude property from borough taxes that it has  
11 as to city taxes, provided that the exemptions or exclusions  
12 have been adopted as to city taxes and further provided that  
13 the city appropriate to the borough sufficient monies to  
14 equal revenues lost by the borough because of the exemptions  
15 or exclusions, the amount to be determined annually by the  
16 assembly without weighted voting.

17 Sec. 9. Sec. 3.33, Ch. 146, SLA 1961 is amended to read:

18 Sec. 3.33. EDUCATION. a. Each organized borough  
19 constitutes a borough school district and the [THE] first  
20 and second class borough shall establish, maintain, and  
21 operate a system of public schools on an areawide basis, and  
22 shall do so in the manner provided by law for city school  
23 districts, except as provided otherwise by this Act [THAT THE  
24 SCHOOL BOARD SHALL BE APPORTIONED THE SAME AS THE ASSEMBLY].

25 b. The state law relating to teacher salaries and  
26 tenure, to financial support, to supervision by the Department  
27 of Education, and other general laws relating to schools,  
28 govern the exercise of the functions by the borough.

29 c. The terms of office and membership of the borough

1 school board shall be as provided by law for an independent  
2 school district. All school board members shall be elected  
3 at large, but school board zones for the representation of  
4 separate and distinct areas may be established, altered, or  
5 abolished as provided by Sec. 6.11 of this Act.

6 Sec. 10. Sec. 3.34a, Ch. 146, SLA 1961 is amended to read:

7 Sec. 3.34. PLANNING AND ZONING. a. The first and  
8 second class borough has the responsibility of planning,  
9 platting, and zoning on an areawide basis and shall do so in  
10 the manner provided for first class cities, except that the  
11 planning commission shall also be the zoning commission [,  
12 AND THE COMMISSION SHALL BE APPORTIONED THE SAME AS THE  
13 ASSEMBLY]. Nothing in this section prevents any city from  
14 having a planning and zoning commission in an advisory  
15 capacity. Appointment of borough planning and zoning commis-  
16 sion members from a first class city shall be made from the  
17 city advisory commission membership.

18 Sec. 11. Sec. 3.91, Ch. 146, SLA 1961 is amended to read:

19 Sec. 3.91. TRANSFER BY CITY. A city may transfer to  
20 the first or second class borough in which it is located any  
21 of its powers or functions subject to the approval of [A TWO-  
22 THIRDS VOTE OF] the borough assembly. A city may not revoke  
23 the transfer of any power or function to the borough unless  
24 the revocation is approved by a majority of its council.

25 Sec. 12. Sec. 4.01, Ch. 146, SLA 1961 is amended to read:

26 Sec. 4.01. GENERAL POWER [AND COMPOSITION]. The legis-  
27 lative power of the organized borough is vested in the  
28 assembly [WHICH CONSISTS OF 5 to 13 MEMBERS AS DETERMINED BY  
29 THE INCORPORATION PETITION APPROVED BY THE VOTERS].

1           Sec. 13. Sec. 4.07c, Ch. 146, SLA 1961 is amended to read:  
2           c. Voting. The final vote on each ordinance or resolu-  
3           tion shall be by roll call and the ayes and nays shall be  
4           recorded in the journal. A majority of the members of the  
5           assembly shall constitute a quorum, but a smaller number may  
6           adjourn from time to time and may compel the attendance of  
7           absent members in the manner and subject to the penalties  
8           prescribed by the rules of the assembly. No action of the  
9           assembly is valid or binding unless adopted by a majority vote  
10           of all the votes to which the assembly is entitled on the  
11           question [THE AFFIRMATIVE VOTE OF AT LEAST A MAJORITY OF ALL  
12           THE MEMBERS OF THE ASSEMBLY].

13           Sec. 14. Sec. 4.07, Ch. 146, SLA 1961 is amended by adding a  
14           new subsec. d to read:

15           N           d. Counting votes. Whenever the assembly votes on an  
16           E           ordinance or resolution in exercising one or more of the  
17           W           powers prescribed by Secs. 3.01(7)a, 3.03(1), 3.06, 3.32, 3.33,  
18           3.34, or 3.35, the votes shall be weighted as provided in this  
19           subsec. to enable the assemblymen who represent a majority of  
20           the borough's population to have a majority of the votes.

21                       (1) If one first class city has a majority of the  
22           borough's population, the votes of the assemblymen representing  
23           that city shall be weighted in the manner prescribed by  
24           M           subsec. (3).

25                       (2) If one first class city does not have a majority  
26           T           of the borough's population, but two or more first class cities  
27           T           do have a majority of the borough's population, the votes of  
28           E           the assemblymen representing all the first class cities shall  
29           R           be weighted in the manner prescribed by subsec. (4).

1 N (3) The weight to be given to each vote cast by  
2 E the assemblymen present and voting who represent a first class  
3 W city which has a majority of the borough's population shall  
4 be determined by dividing the number of all other assembly  
5 seats plus one by the number of all assembly seats apportioned  
6 to the first class city which has a majority of the population.

7 (4) The weight to be given to each vote cast by  
8 assemblymen present and voting who represent the first class  
9 cities which have a majority of the borough's population shall  
10 be determined by dividing the number of all assembly seats  
11 M apportioned to the area outside cities plus one by the number  
12 A of all assembly seats apportioned to the first class cities.

13 T (5) If the area outside first class cities has the  
14 T majority of the borough's population, no special weight may  
15 E be used, and the vote of each assemblyman present and voting  
16 R shall count as one vote.

17 Sec. 15. Sec. 5.08, Ch. 146, SLA 1961 is amended to read:

18 Sec. 5.08. RIGHT TO PARTICIPATE IN ASSEMBLY MEETINGS.  
19 The borough chairman shall have the right to take part in the  
20 discussion of all matters coming before the assembly, but may  
21 not vote. He may veto any ordinance or resolution of the  
22 assembly, but his veto may be overridden by two-thirds of all  
23 the votes to which the assembly is entitled on the question  
24 [THE VOTE OF TWO-THIRDS OF THE ASSEMBLY'S MEMBERSHIP].

25 Sec. 16. Sec. 6.10, Ch. 146, SLA 1961 is amended to read:

26 Sec. 6.10. BOROUGH SECTIONS. The borough assembly may  
27 establish, alter, or abolish sections for the election of  
28 assemblymen in order to provide representation to separate  
29 and distinct areas within the borough. If the assembly

1 establishes sections, members representing the area outside  
2 first class cities shall be elected from the sections in which  
3 they reside. Qualified voters resident outside first class  
4 cities may vote upon the candidacy of all the candidates, but  
5 candidates from each section run only against other candidates  
6 from the same section. The number of sections shall equal the  
7 number of assemblymen representing the area outside the first  
8 class city. No section may have a population which is less  
9 than one half that of any other section.

10 Sec. 17. Ch. 146, SLA 1961 is amended to add a new subsection

11 6.11 to read:

12 N Sec. 6.11. BOROUGH ZONES. The borough assembly may  
13 E establish, alter, or abolish zones for the election of school  
14 W board members in order to provide representation to separate  
15 and distinct areas within the borough. If the assembly  
16 establishes zones, school board members shall be elected from  
17 M the zones in which they reside. Qualified voters may vote  
18 A upon the candidacy of all the candidates, but candidates from  
19 T each zone run only against other candidates from the same  
20 T zone. The number of zones shall equal the number of school  
21 E board members. No zone may have a population which is less  
22 R than one half that of any other zone.

23 Sec. 18. Sec. 7.43, Ch. 146, SLA 1961 is amended to read:

24 Sec. 7.43. STANDARDS FOR DISSOLUTION. A borough may  
25 dissolve when (1) it is free of debt, or if in debt, each of  
26 its creditors is satisfied with a method of repayment, and (2)  
27 either it no longer meets the minimum standards prescribed  
28 for incorporation by this Act [,] or it ceases to use each  
29 and every one [EVERYONE] of its powers [, OR ITS POPULATION

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IS NO LONGER WILLING TO ASSUME THE DUTIES ARISING OUT OF  
INCORPORATION].

Sec. 19. EFFECTIVE DATE. This Act takes effect on the day  
after its passage and approval or on the day it becomes law without  
such approval.