

Introduced: 4/1/65  
Referred: Local Govern-  
ment and Finance

1 IN THE SENATE

BY SENATOR PETER

2 SENATE BILL NO. 187

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to refunding of shared  
7 taxes to the service areas from which  
8 collected."

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

10 \* Section 1. AS 07.10.130 is amended to read:

11 Sec. 07.10.130. INTEGRATION OF EXISTING SPECIAL  
12 DISTRICTS AND SERVICE AREAS. Special service districts and  
13 service areas in the unorganized borough existing at the  
14 time of the incorporation of an organized borough and  
15 located within the boundaries of the organized borough shall  
16 be integrated into the organized borough within two years  
17 after the date of the borough's incorporation. An organized  
18 borough shall succeed to all the rights, powers, and duties  
19 of any service area and of any school districts and public  
20 utility districts included within its boundaries, including,  
21 but not limited to, claims, franchises and other contractual  
22 obligations, and liability for bonded and all other indebted-  
23 ness, and shall succeed to all of the right, title, and  
24 interest in the real and personal property held by the  
25 service areas or districts. The borough assembly may levy  
26 and collect special charges, taxes, or assessments including  
27 interest for the purpose of amortizing bonded indebtedness  
28 previously incurred by the service area or special district,  
29 for continuing services in the area, or for the future

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indebtedness in the area. The portion of the taxes shared by the state with the borough which are collected within a service area shall be expended by the borough on behalf of that service area insofar as necessary to maintain area services equivalent to those that were provided in the fiscal year in which the taxes were collected and for the service area debt payments. 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 the bonds for as long as they remain outstanding.

