

1 IN THE SENATE

BY THE COMMUNITY AND REGIONAL  
AFFAIRS COMMITTEE

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2 SENATE BILL NO. 532

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal incorporation; and  
7 providing for an effective date."

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

9 \* Section 1. INCORPORATION. (a) At the first statewide election  
10 occurring after the effective date of this Act, the lieutenant governor shall  
11 hold a special election within the area designated in sec. 2 of this Act at  
12 which the qualified voters of the area vote upon the following proposition:

13 "Shall the Eagle River-Chugiak area be incorporated as a second class  
14 organized borough? Yes [ ] No [ ]

15 Shall the Eagle River-Chugiak area be incorporated as a second class  
16 city? Yes [ ] No [ ]"

17 (b) If the plurality of voters voting on the proposition votes "Yes"  
18 on either question, the question receiving the favorable vote, or the  
19 larger favorable vote if both questions receive a favorable vote, results in  
20 the incorporation of the area designated. On the date of certification of  
21 election results by the lieutenant governor, the area designated is incor-  
22 porated as an organized borough of the second class or a city of the second  
23 class having all the rights, powers, privileges and duties provided under  
24 AS 29, and otherwise by the general laws of the state, for the municipality  
25 incorporated, including but not limited to entitlement from the date of  
26 incorporation to transitional assistance and state revenue sharing as  
27 provided under AS 29.18.180 - 29.18.200 and AS 43.18.

28 (c) The lieutenant governor shall provide for and supervise the election  
29 directed in (a) of this section in the general manner prescribed by the

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1 Alaska Election Code (AS 15.05 - 15.60). The state shall pay all election  
2 costs under this section.

3 (d) If, before incorporation under provisions of this Act, the area  
4 designated in sec. 2 of this Act is incorporated by local option as an  
5 organized borough or city, the provisions of this Act are superseded and of  
6 no effect.

7 \* Sec. 2. BOUNDARIES. The boundaries of the area designated for incor-  
8 poration under the provisions of sec. 1 of this Act are as follows: All  
9 that land included on the effective date of this Act in the Greater Anchorage  
10 Area Borough and lying northerly of the following line: commencing in Knik  
11 Arm on the west boundary of the Greater Anchorage Area Borough and on the  
12 south boundary of section 17, T14N, R3W, SM; thence east along the south  
13 boundary of sections 17, 16, 15, 14, and 13, T14N, R3W, SM; thence east along  
14 the south boundary of sections 18, 17, and 16, T14N, R2W, SM; thence south  
15 between sections 21 and 22, thence east along the south boundary of sections  
16 22, 23, and 24, T14N, R2W, SM; thence southeasterly to the southwest protracted  
17 corner of section 1, T12N, R1W SM; thence southeasterly to the southwest  
18 protracted corner of section 34, T12N, R2E, SM; thence east along the south  
19 boundaries of townships 12N, ranges 2E, 3E, 4E and 5E to the east boundary of  
20 the Greater Anchorage Area Borough.

21 \* Sec. 3. BOUNDARY ADJUSTMENTS. Within six months of incorporation of the  
22 municipality as provided in sec. 1 of this Act, the local boundary commission  
23 shall hold public hearings within the area incorporated to determine the  
24 necessity for boundary adjustments and shall submit its recommendations if  
25 any to the legislature in the manner required by law.

26 \* Sec. 4. INITIAL ELECTION OF OFFICERS. (a) If incorporation of an  
27 organized borough or city takes effect as provided in this Act, the  
28 lieutenant governor shall provide for the first election of officers of the  
29 municipal governing body, in accordance with the provisions of AS 29.18.120.

1 (b) Members of the first governing body are elected and serve terms  
2 of office as provided in AS 29.18.120. The first governing body shall select  
3 the official name and the governing seat of the municipality.

4 \* Sec. 5. DIVISION IF INCORPORATION IS AS BOROUGH. Incorporation of an  
5 organized borough of the second class under this Act divides the area desig-  
6 nated in sec. 2 of this Act from the Greater Anchorage Area Borough. Upon  
7 incorporation of the borough as provided in this Act, the local boundary  
8 commission, after due notice and hearing to parties concerned, shall prepare  
9 an order providing for an equitable allocation between the Greater Anchorage  
10 Area Borough and the borough incorporated under this Act of assets and  
11 liabilities attaching to the area incorporated, including but not limited  
12 to bonded or other indebtedness attaching to the area incorporated. The  
13 commission decision may be appealed under the Administrative Procedure Act  
14 (AS 44.62). A final determination under this section is binding on the  
15 municipalities. Not less than all property within the area incorporated  
16 under provisions of this Act remains subject to taxation to amortize bonded  
17 or other indebtedness affecting the area incorporated and existing at the  
18 time of incorporation. The assembly of a borough incorporated under  
19 provisions of this Act is authorized to levy and collect special charges,  
20 taxes, or assessments to amortize the indebtedness.

21 \* Sec. 6. EFFECTIVE DATE. This Act takes effect on the day after its  
22 passage and approval or on the day it becomes law without approval.  
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