

Original sponsor: Community and
Regional Affairs Committee

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Regional Affairs

1 IN THE SENATE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 SS FOR 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. LEGISLATIVE FINDING. The legislature finds that the incor-
10 poration of an organized borough provided for in this Act accords with
11 standards governing borough incorporation under art. X, sec. 3 of the state
12 constitution and that this Act further conforms to the requirements of
13 art. II, sec. 19 of the state constitution governing local acts.

14 * Sec. 2. INCORPORATION (a) At the first statewide election occurring
15 after the effective date of this Act, the lieutenant governor shall hold a
16 special election within the area designated in sec. 2 of this Act at which
17 the qualified voters of the area vote upon the following proposition:

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

20 (b) If the question receives the affirmative vote of a majority of
21 qualified voters voting on the question, the area designated in sec. 2 of
22 this Act, on the date of certification of election results by the lieutenant
23 governor, is incorporated as an organized borough of the second class having
24 all the applicable rights, powers, privileges and duties provided under
25 AS 29, and otherwise by the general laws of the state and this Act, including
26 but not limited to entitlement from the date of incorporation to transitional
27 assistance and state revenue sharing in accordance with this Act, AS 29.18.-
28 180 - 29.18.200 and AS 43.18.

29 (c) If the question voted on at the election provided for in (a) of

1 this section fails to receive the affirmative vote of a majority of the
2 qualified voters voting on the question, at the following statewide election
3 the lieutenant governor shall hold a special election within the area designa-
4 ted in sec. 2 of this Act at which the qualified voters of the area vote upon
5 the following proposition:

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

8 (d) If the question receives the affirmative vote of a majority of the
9 qualified voters voting on the question, the area designated in sec. 2 of this
10 Act is incorporated as a second class city having all the applicable rights,
11 powers, privileges and duties conferred under AS 29, and otherwise by the
12 general laws of the state, for a second class city, including but not limited
13 to entitlement from the date of incorporation to transitional assistance and
14 state revenue sharing as provided under AS 29.18.180 - 29.18.200 and AS 43.18.

15 (e) The lieutenant governor shall provide for and supervise the elections
16 provided for in this section in the general manner prescribed by the Alaska
17 Election Code (AS 15.05 - 15.60). The state shall pay all election costs
18 under this section.

19 * Sec. 3. BOUNDARIES. The boundaries of the area designated for incor-
20 poration under the provisions of sec. 1 of this Act are as follows: All that
21 land included on the effective date of this Act in the Greater Anchorage Area
22 Borough and lying northerly of the following line: commencing in Knik Arm
23 on the west boundary of the Greater Anchorage Area Borough and on the south
24 boundary of section 17, T14N, R3W, SM; thence east along the south boundary
25 of sections 17, 16, 15, 14, and 13, T14N, R3W, SM; thence east along the
26 south boundary of sections 18, 17, and 16, T14N, R2W, SM; thence south between
27 sections 21 and 22, thence east along the south boundary of sections 22, 23,
28 and 24, T14N, R2W, SM; thence southeasterly to the southwest protracted
29 corner of section 1, T12N, R1W, SM; thence southeasterly to the southwest

1 protracted corner of section 34, T12N, R2E, SM; thence east along the south
2 boundaries of townships 12N, ranges 2E, 3E, 4E and 5E to the east boundary of
3 the Greater Anchorage Area Borough.

4 * Sec. 4. BOUNDARY ADJUSTMENTS. Within six months of incorporation of the
5 municipality as provided in sec. 1 of this Act, the local boundary commission
6 shall hold public hearings within the area incorporated to determine the
7 necessity for boundary adjustments and shall submit its recommendations if any
8 to the legislature in the manner required by law.

9 * Sec. 5. EFFECT OF ACT. Incorporation of an organized borough of the
10 second class under this Act divides the area designated in sec. 2 of this Act
11 from the Greater Anchorage Area Borough. Incorporation of a second class
12 city under this Act constitutes the city as a second class city within the
13 Greater Anchorage Area Borough.

14 * Sec. 6. INITIAL ELECTION OF OFFICERS. (a) If incorporation of an
15 organized borough or city takes effect as provided in this Act, the lieu-
16 tenant governor shall provide for the first election of officers of the
17 municipal governing body, in accordance with the provisions of AS 29.18.120
18 and this section. Members of the initial municipal governing body are elected
19 and serve terms in accordance with AS 29.18.120 and this section.

20 (b) The initial assembly of a borough incorporated as provided in this
21 Act shall be comprised of seven members who shall be elected according to
22 an apportionment consistent with the equal representation standards of the
23 Constitution of the United States and set by the local boundary commission
24 after due notice and hearing in the area incorporated. Assembly composition
25 and apportionment as established in this section may be changed, and shall
26 otherwise be governed, as provided in AS 29.23.020.

27 (c) If incorporation under this Act is as a borough, at the election
28 called to choose the initial assembly under (a) of this section the school
29 board of the borough shall also be elected. The board shall be comprised of

1 five members elected for terms as provided in AS 14.12.050, except that the
2 terms of the initial school board members shall be measured for the purpose
3 of compliance with AS 14.12.050 as if election were on the date of the regular
4 borough election date, as set by law or otherwise designated by the assembly,
5 preceding the election of the board. School board composition under this
6 section may be changed as provided in AS 14.12.050.

7 * Sec. 7. NAME AND GOVERNING SEAT OF MUNICIPALITY. The initial
8 municipal governing body of a municipality incorporated as provided in this
9 Act shall select the name and governing seat of the municipality.

10 * Sec. 8. BOROUGH POWERS. In addition to exercising the areawide
11 powers required to be exercised within the borough by law, the second class
12 organized borough incorporated under provisions of this Act shall have and
13 may exercise areawide or otherwise the powers necessary to provide the
14 following facilities and services within the borough, other provisions of
15 law governing acquisition of borough powers notwithstanding: health services,
16 sewers, dog control, transportation systems, libraries, and other powers
17 and functions being exercised on the effective date of this Act by the
18 Greater Anchorage Area Borough within the area incorporated under provisions
19 of this Act, whether exercised by the Greater Anchorage Area Borough is on
20 an areawide basis or otherwise. Other powers and functions may be acquired
21 and exercised by the borough incorporated under provisions of this Act as
22 provided by law.

23 * Sec. 9. SUCCESSION AND TRANSITION. (a) Upon incorporation of a
24 municipality under provisions of this Act, the municipality incorporated
25 succeeds to the rights, powers, privileges, duties and functions which are
26 by law applicable to it as a municipality and which are being exercised by
27 the Greater Anchorage Area Borough on the effective date of this Act within
28 the area incorporated. The municipality succeeds also to the assets and
29 liabilities of the Greater Anchorage Area Borough, whether real or intangible.

1 and including but not limited to bonded or other indebtedness, respecting
2 the area incorporated as a power or function succeeded to by the municipality,
3 upon final determination of allocation of assets and liabilities between
4 the Greater Anchorage Area Borough and the municipality incorporated as
5 provided in (b) of this section.

6 (b) Upon incorporation of a borough or city as provided in this Act,
7 the local boundary commission, after due notice and hearing to parties con-
8 cerned, shall prepare an order providing for an equitable allocation between
9 the Greater Anchorage Area Borough and the municipality incorporated of
10 assets and liabilities, whether real or intangible, and including but not
11 limited to bonded or other indebtedness, respecting the area incorporated
12 as to a power or function succeeded to by the municipality. The commission
13 decision may be appealed under the Administrative Procedure Act (AS 44.62).
14 A final determination under this section is binding on the municipalities.
15 Not less than all property within the area incorporated under provisions of
16 this Act remains subject to taxation to amortize bonded or other indebtedness
17 affecting the area incorporated and existing at the time of incorporation.
18 The assembly of a borough incorporated under provisions of this Act is
19 authorized to levy and collect special charges, taxes, or assessments to
20 amortize the indebtedness.

21 (c) The provisions of this Act or other law notwithstanding, a power
22 or function which is being exercised on the effective date of this Act by the
23 Greater Anchorage Area Borough within an area incorporated under this Act
24 and which is succeeded to by the borough or city incorporated shall continue
25 to be exercised by the Greater Anchorage Area Borough until the borough or
26 city incorporated under this Act assumes the power or function, which shall
27 not be later than the close of the fiscal year of the Greater Anchorage Area
28 Borough during which incorporation occurs. However, in the case of incor-
29 poration of a borough under provisions of this Act, the Greater Anchorage Area

1 Borough shall continue to assess and collect borough taxes levied within the
2 municipality for the fiscal year in which incorporation occurs until the
3 close of that year, and thereafter as necessary to enforce collection of the
4 taxes, and shall also collect, or receive, other revenues pertaining to the
5 area incorporated for that fiscal year; the taxes and other revenues collected
6 or received shall be remitted as promptly as possible, consistent with this
7 subsection, to the new municipality on a basis fairly reflecting the division
8 of powers and functions during transition between the Greater Anchorage Area
9 Borough and the municipality.

10 (d) The local boundary commission shall by order determine the alloca-
11 tion of tax and other revenues under (c) of this section. The commission
12 decision may be appealed under the Administrative Procedure Act (AS 44.62).
13 A final determination under this subsection is binding on the municipalities.

14 (e) Ordinances, rules, resolutions, procedures and orders in effect
15 before the transfer of powers and functions under this section remain in
16 effect until superseded by action of the governing body of the new munici-
17 pality.

18 (f) Written notice of intention to assume powers and functions by the
19 new municipality under this section shall be given the Greater Anchorage
20 Area Borough, and officials of the respective municipalities shall arrange
21 for an orderly transfer.

22 (g) After incorporation of a municipality under provisions of this Act,
23 the Greater Anchorage Area Borough may not authorize new bonded indebtedness
24 or transfer assets with respect to the area incorporated without consent of
25 the governing body of the new municipality.

26 (h) Hearings, litigation, and other official proceedings relating to
27 an area incorporated under provisions of this Act continue in effect and may
28 be continued and completed in the name of the new municipality as appropriate.

29 (i) Records, ledgers, and other documents and papers held by the

1 Greater Anchorage Area Borough and pertaining to the area incorporated
2 under provisions of this Act shall upon request of the governing body of
3 the municipality incorporated be transferred or otherwise furnished the new
4 municipality. Officials of the Greater Anchorage Area Borough shall assist
5 the officials of the new municipality in collecting and reviewing documents
6 and papers to be transferred or otherwise furnished under this section.

7 * Sec. 10. EFFECTIVE DATE. This Act takes effect on the day after its
8 passage and approval or on the day it becomes law without approval.
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