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1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 580

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to unorganized boroughs, establishing
7 unorganized boroughs, establishing a program of finan-
8 cial assistance for the preparation of regional plans
9 by unorganized boroughs, permitting adoption of home
10 rule charters by unorganized boroughs, and directing
11 submission of recommendations concerning adjustment of
12 the boundaries of service areas of the unorganized
13 borough; and providing for an effective date."

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

15 * Section 1. PURPOSE. The legislature finds that the single unorganized
16 borough of the state has proven unworkable in accommodating demands from its
17 residents for change and recognizes that a more systematic approach to the
18 planning and delivery of services for residents of this area is necessary.
19 In providing, in this Act, for identifying a common set of boundaries by
20 which to subdivide the state's single unorganized borough into multiple
21 unorganized boroughs, it is the purpose of the legislature to extend the
22 opportunity to residents of unorganized boroughs to assist in planning and
23 program development by

24 (1) preparing regional plans; and

25 (2) broadening the range of methods by which residents may in-
26 corporate a regional government.

27 * Sec. 2. INTENT. In providing for the division of the state's unorga-
28 nized borough into unorganized boroughs, it is the intent of the legislature
29 that all future transfers of functions or services from state agencies to

1 regions within unincorporated areas be made only within the boundaries for
2 unorganized boroughs established under AS 29.03.011 - 29.03.021, added by
3 sec. 3 of this Act.

4 * Sec. 3. AS 29.03 is amended by adding new sections to read:

5 Sec. 29.03.011. ESTABLISHMENT OF UNORGANIZED BOROUGHES. Except as
6 the boundaries are adjusted as provided in AS 29.03.021, the geographic
7 area within each regional educational attendance area established under
8 AS 14.08.031 is, effective 180 days after the effective date of this
9 Act, established as an unorganized borough.

10 Sec. 29.03.021. ADJUSTMENT OF BOUNDARIES BY COMMISSIONER. The
11 commissioner of community and regional affairs may establish boundaries
12 other than the boundaries of a regional educational attendance area for
13 an unorganized borough under AS 29.03.011. If requested by residents
14 of an unorganized borough, the commissioner shall hold at least one
15 public hearing within each regional educational attendance area before
16 establishing boundaries for unorganized boroughs under this section. In
17 establishing boundaries under this section, the commissioner shall
18 consider

19 (1) the standards applicable to the incorporation of boroughs
20 under AS 29.18.030;

21 (2) the regional boundaries adopted by the Native regional
22 corporations established under the Alaska Native Claims Settlement Act;
23 and

24 (3) census divisions of the state used for the 1980 census.

25 * Sec. 4. AS 44.47 is amended by adding a new section to read:

26 Sec. 44.47.085. ASSISTANCE FOR REGIONAL PLANS IN THE UNORGANIZED
27 BOROUGH. (a) The commissioner may contract with a municipality, a
28 group of municipalities, or one or more regional Native corporations
29 organized as nonprofit corporations under the laws of the state to

1 prepare a regional plan for an unorganized borough.

2 (b) The commissioner may contract for the preparation of only one
3 regional plan for each unorganized borough. The commissioner may con-
4 tract only if he is satisfied that the party with whom he contracts is
5 capable of preparing a regional plan that considers the entire popu-
6 lation of the unorganized borough.

7 (c) When a municipality, group of municipalities, or one or more
8 regional Native nonprofit corporations proposes to prepare a regional
9 plan for an unorganized borough, the commissioner shall request pro-
10 posals for preparation of a regional plan. The residents of an un-
11 organized borough may petition the commissioner to request proposals for
12 preparation of a regional plan, and the commissioner shall request
13 proposals if the petition is signed by a number of qualified voters
14 equal to not less than 15 percent of the number of votes cast in the
15 unorganized borough at the last state general election.

16 (d) A request for proposal for preparation of a regional plan for
17 an unorganized borough made under (c) of this section shall be adver-
18 tised. The commissioner shall advertise for a period of not less than
19 45 days by public notice announcements provided to newspapers and radio
20 and television stations. The advertisement of a request for a proposal
21 for the preparation of a regional plan shall

22 (1) invite a municipality, group of municipalities or re-
23 gional Native nonprofit corporation to submit a proposal for the
24 preparation of a regional plan;

25 (2) outline the work to be completed; and

26 (3) contain other information which the commissioner believes
27 will inform the public of the work to be completed under the contract,
28 and which will assist him in evaluating proposals received.

29 (e) After receiving the proposals for preparation of a regional

1 plan, the commissioner shall evaluate them. In evaluating the pro-
2 posals, the commissioner may request advice from residents of an un-
3 organized borough for which the regional plan is proposed. The commis-
4 sioner may refuse all proposals and readvertise, or may accept a pro-
5 posal and enter into a contract as provided in (f) of this section.

6 (f) A contract entered into under this section

7 (1) shall require that the regional plan include

8 (A) an analysis and recommendations concerning incor-
9 poration of a borough government for all or a portion of the un-
10 organized borough;

11 (B) an evaluation of the economic development potential
12 of the unorganized borough;

13 (C) a recommendation concerning capital facility needs
14 of the unorganized borough;

15 (D) an examination of demographic, social and environ-
16 mental factors affecting the unorganized borough;

17 (E) an examination of

18 (i) interrelationships among the regional educa-
19 tional attendance area, the coastal resource service area, and
20 any other regional entity responsible for services in the
21 unorganized borough; and

22 (ii) the interrelationships between the governments
23 of cities within the unorganized borough and regional entities
24 listed in (i) of this subparagraph; and

25 (F) a process for implementing the recommendations made
26 as part of the regional plan;

27 (2) shall provide

28 (A) a mechanism for securing public participation in the
29 preparation of the regional plan;

1 (B) that the regional plan be completed not later than
2 the June 30 following the third anniversary of the date of the
3 contract; and

4 (C) that payment for work performed under the contract
5 is subject to legislative appropriation to the account established
6 in (g) of this section;

7 (3) may permit the contractor to subcontract parts of the
8 work to be performed to one or more subcontractors.

9 (g) There is established in the Department of Community and Re-
10 gional Affairs the unorganized borough regional planning account. The
11 account shall be administered by the commissioner and shall be used to
12 pay for contracts entered into under this section.

13 (h) During each fiscal year, the commissioner may not pay to a
14 contractor under a contract authorized by this section more than \$25,000
15 plus \$25 per capita for each person residing within the unorganized
16 borough for which the regional plan is to be prepared, as determined by
17 the commissioner.

18 (i) In this section, "unorganized borough" means a subdivision
19 established under AS 29.03.011 - 29.03.021.

20 * Sec. 5. AS 29 is amended by adding a new chapter to read:

21 CHAPTER 19. DIRECT INCORPORATION OF A HOME RULE BOROUGH.

22 Sec. 29.19.010. INCORPORATION. (a) The residents of an unorgan-
23 ized borough established in accordance with AS 29.03.011 - 29.03.021 may
24 apply for the incorporation of a home rule borough. The petition for
25 borough incorporation shall be filed with the Department of Community
26 and Regional Affairs and shall include the information and signatures
27 required by AS 29.18.050. Petitions for incorporation filed under this
28 section shall be processed, reviewed and determined in accordance with
29 AS 29.18.060 - 29.18.090.

1 (b) A petition submitted under (a) of this section shall
2 (1) specify the number of members of the charter commission,
3 but the number of members may not exceed 15; and
4 (2) describe the manner of election of members of the charter
5 commission; if election is to be by district, a description of the
6 boundaries of each district shall be included in or attached to the
7 petition.

8 (c) If the petition submitted under (a) of this section requests
9 election of charter commission members on a basis other than at large
10 within the unorganized borough, the manner of election of the members of
11 the commission shall conform to standards applicable to the composition
12 and apportionment of legislative bodies which are imposed by art. I,
13 sec. 1 of the state constitution.

14 (d) The standards applicable to the incorporation of an organized
15 borough under art. X, sec. 3 of the state constitution and AS 29.18.030
16 apply to the incorporation of an unorganized borough under this section.

17 Sec. 29.19.020. CHARTER ELECTION. (a) If the Local Boundary
18 Commission accepts the petition filed under AS 29.19.010, it shall
19 immediately notify the lieutenant governor. Within 30 days after noti-
20 fication, the lieutenant governor shall order an election within the
21 proposed home rule borough to determine whether the voters will elect a
22 charter commission, and to determine the persons elected to serve on the
23 charter commission.

24 (b) Charter commission candidates are nominated by petition signed
25 by at least 50 registered voters residing within the unorganized
26 borough. The lieutenant governor shall allow not less than 20 or more
27 than 30 days during which candidates for the charter commission may
28 present nominating petitions.

29 (c) The election on the question of election of a charter com-

mission and the determination of persons elected to serve on the charter commission shall be held not less than 60 or more than 75 days after the date of the election order.

Sec. 29.19.030. PREPARATION OF CHARTER. (a) If, at the election called by the lieutenant governor under AS 29.19.020, a majority of the voters favors election of a charter commission, the persons receiving the highest number of votes cast at that election constitute the charter commission. The charter commission shall prepare a proposed charter and submit it to the Department of Community and Regional Affairs within one year of the first meeting of the charter commission. The commissioner of community and regional affairs shall review the proposed charter for compliance with laws applicable to home rule municipalities and, if it complies, request the lieutenant governor to submit the proposed borough incorporation petition and proposed home rule charter to residents of the proposed home rule borough. If the proposed charter does not comply with law, the commissioner of community and regional affairs shall return the proposed charter to the charter commission with a statement of the legal deficiencies.

(b) Within 90 days of the receipt of the statement of the commissioner of community and regional affairs indicating that the proposed home rule charter does not comply with law, the charter commission may prepare and submit to the commissioner an amended charter which meets the objections to the original proposed charter.

Sec. 29.19.040. RATIFICATION OF CHARTER. The lieutenant governor shall order an election on the question of whether the unorganized borough shall be incorporated as a home rule borough in accordance with the charter approved by the commissioner of community and regional affairs. The proposed charter shall be posted throughout the proposed borough by the lieutenant governor before the election is held. The

1 election shall be held not less than 60 or more than 90 days following
2 the election order.

3 Sec. 29.19.050. RESULTS OF RATIFICATION ELECTION. (a) If a
4 majority of the votes cast by the qualified voters of the proposed
5 borough favors incorporation of the borough under the proposed home rule
6 charter, the lieutenant governor shall declare that the unorganized
7 borough in which the election was held is incorporated as an organized
8 borough and a municipal corporation in accordance with the provisions of
9 the home rule charter. The lieutenant governor shall provide for the
10 election of the officers provided for in the charter.

11 (b) The election and qualification of officers under (a) of this
12 section shall be completed by the lieutenant governor in accordance with
13 AS 29.18.120 and the provisions of the home rule charter of the borough.

14 Sec. 29.19.060. RESUBMISSION OF CHARTER. If a proposed charter is
15 rejected, the charter commission shall prepare, adopt and submit a
16 second proposed charter to the voters in accordance with AS 29.19.030 -
17 29.19.050. The second proposed charter shall be submitted to the voters
18 within one year of the date of the charter election held under AS 29.-
19 19.040. If the second proposed charter is rejected, the charter com-
20 mission is dissolved.

21 Sec. 29.19.070. VOTERS, ELECTIONS, COSTS, AND VACANCIES. (a) A
22 person is qualified to vote in an election authorized by AS 29.19.010 -
23 29.19.060 if he is qualified to vote in state elections and if he is a
24 resident of the unorganized borough proposed for incorporation as a home
25 rule borough.

26 (b) The lieutenant governor shall conduct elections authorized by
27 AS 29.19.010 - 29.19.060 substantially in the manner provided in the
28 Alaska Election Code (AS 15.05 - 15.60), and shall certify the results
29 of all elections under this chapter. Costs of elections under this

1 chapter shall be paid by the office of the lieutenant governor.

2 (c) Costs of charter preparation under this chapter shall be paid
3 by the Department of Community and Regional Affairs.

4 (d) The commissioner of community and regional affairs shall ap-
5 point a registered voter of the unorganized borough for which a charter
6 is being prepared to fill a vacancy occurring on the charter commission
7 established under this chapter.

8 Sec. 29.19.080. APPLICABILITY OF TRANSITIONAL PROVISIONS. The
9 provisions of AS 29.18.130 - 29.18.180 apply to home rule boroughs
10 incorporated under this chapter.

11 Sec. 29.19.090. STATUS OF HOME RULE BOROUGHES. (a) A home rule
12 borough incorporated under this chapter shall exercise all powers
13 required of a borough under AS 29.33.

14 (b) For purposes of acquisition of areawide powers, the provisions
15 of AS 29.38.010 apply to a home rule borough incorporated under this
16 chapter unless otherwise specifically provided in the charter of the
17 borough.

18 * Sec. 6. AS 29.03.010 and 29.03.020 are repealed.

19 * Sec. 7. UNORGANIZED BOROUGH SERVICE AREAS. (a) The commissioner of
20 education shall recommend to the legislature, not later than January 31,
21 1981, whether changes should be made in the boundaries of a regional
22 educational attendance area organized under AS 14.08 to conform the bound-
23 aries of the regional educational attendance area to an unorganized borough
24 of which it is a part.

25 (b) The Alaska Coastal Policy Council shall recommend to the legis-
26 lature, not later than January 31, 1981, whether changes should be made in
27 the boundaries of an existing coastal resource service area organized under
28 AS 46.40 to conform the boundaries of the coastal resource service area to an
29 unorganized borough of which it is a part.

1 * Sec. 8. This Act takes effect immediately in accordance with AS 01.10.-
2 070(c).

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