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1 IN THE SENATE

BY THE COMMUNITY AND  
REGIONAL AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 348

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. (a)  
11 The commissioner of community and regional affairs may establish boun-  
12 daries other than the boundaries of a regional educational attendance  
13 area for an unorganized borough under AS 29.03.011. Before establishing  
14 boundaries for unorganized boroughs under this section, the commissioner  
15 shall hold at least one public hearing within each regional educational  
16 attendance area. In establishing boundaries under this section, the  
17 commissioner shall consider

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

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

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

24       (b) The commissioner of community and regional affairs may not  
25 establish boundaries so that an unorganized borough includes territory  
26 within more than one Native regional corporation established under the  
27 Alaska Native Claims Settlement Act.

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

29       Sec. 44.47.085. ASSISTANCE FOR REGIONAL PLANS IN THE UNORGANIZED

1 BOROUGH. (a) The commissioner may contract with a municipality, a  
2 group of municipalities, or one or more regional Native corporations  
3 organized as nonprofit corporations under the laws of the state to  
4 prepare a regional plan for an unorganized borough.

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

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

19 (d) A request for proposal for preparation of a regional plan for  
20 an unorganized borough made under (c) of this section shall be adver-  
21 tised. The commissioner shall advertise for a period of not less than  
22 45 days by public notice announcements provided to newspapers and radio  
23 and television stations. The advertisement of a request for a proposal  
24 for the preparation of a regional plan shall

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

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

29 (3) contain other information which the commissioner believes

1 will inform the public of the work to be completed under the contract,  
2 and which will assist him in evaluating proposals received.

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

9 (f) A contract entered into under this section

10 (1) shall require that the regional plan include

11 (A) an analysis and recommendations concerning incor-  
12 poration of a borough government for all or a portion of the un-  
13 organized borough;

14 (B) an evaluation of the economic development potential  
15 of the unorganized borough;

16 (C) a recommendation concerning capital facility needs  
17 of the unorganized borough;

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

20 (E) an examination of

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

25 (ii) the interrelationships between the governments  
26 of cities within the unorganized borough and regional entities  
27 listed in (i) of this subparagraph; and

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

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(2) shall provide

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

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

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

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

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

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

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

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

CHAPTER 19. DIRECT INCORPORATION OF A HOME RULE BOROUGH.

Sec. 29.19.010. INCORPORATION. (a) The residents of an unorganized borough established in accordance with AS 29.03.011 - 29.03.021 may apply for the incorporation of a home rule borough. The petition for borough incorporation shall be filed with the Department of Community and Regional Affairs and shall include the information and signatures

1 required by AS 29.18.050. Petitions for incorporation filed under this  
2 section shall be processed, reviewed and determined in accordance with  
3 AS 29.18.060 - 29.18.090.

4 (b) A petition submitted under (a) of this section shall

5 (1) specify the number of members of the charter commission,  
6 but the number of members may not exceed 15; and

7 (2) describe the manner of election of members of the charter  
8 commission; if election is to be by district, a description of the  
9 boundaries of each district shall be included in or attached to the  
10 petition.

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

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

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

27 (b) Charter commission candidates are nominated by petition signed  
28 by at least 50 registered voters residing within the unorganized  
29 borough. The lieutenant governor shall allow not less than 20 or more

1 than 30 days during which candidates for the charter commission may  
2 present nominating petitions.

3 (c) The election on the question of election of a charter com-  
4 mission and the determination of persons elected to serve on the charter  
5 commission shall be held not less than 60 or more than 75 days after the  
6 date of the election order.

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

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

27 Sec. 29.19.040. RATIFICATION OF CHARTER. The lieutenant governor  
28 shall order an election on the question of whether the unorganized  
29 borough shall be incorporated as a home rule borough in accordance with

1 the charter approved by the commissioner of community and regional  
2 affairs. The proposed charter shall be posted throughout the proposed  
3 borough by the lieutenant governor before the election is held. The  
4 election shall be held not less than 60 or more than 90 days following  
5 the election order.

6 Sec. 29.19.050. RESULTS OF RATIFICATION ELECTION. (a) The votes  
7 cast at an election held under AS 29.19.040 shall be tabulated in two  
8 classifications. One classification shall consist of all votes cast  
9 within cities of the proposed home rule borough. The second classifi-  
10 cation shall consist of all votes cast in the remaining area of the  
11 proposed borough. If a majority of the votes cast in each classifica-  
12 tion by the qualified voters of the proposed borough favors incorporation  
13 of the borough under the proposed home rule charter, the lieutenant  
14 governor shall declare that the unorganized borough in which the  
15 election was held is incorporated as an organized borough and a  
16 municipal corporation in accordance with the provisions of the home rule  
17 charter. The lieutenant governor shall provide for the election of the  
18 officers provided for in the charter.

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

22 Sec. 29.19.060. RESUBMISSION OF CHARTER. If a proposed charter is  
23 rejected, the charter commission shall prepare, adopt and submit a  
24 second proposed charter to the voters in accordance with AS 29.19.030 -  
25 29.19.050. The second proposed charter shall be submitted to the voters  
26 within one year of the date of the charter election held under AS 29.-  
27 19.040. If the second proposed charter is rejected, the charter com-  
28 mission is dissolved.

29 Sec. 29.19.070. VOTERS, ELECTIONS, COSTS, AND VACANCIES. (a) A

1 person is qualified to vote in an election authorized by AS 29.19.010 -  
2 29.19.060 if he is qualified to vote in state elections and if he is a  
3 resident of the unorganized borough proposed for incorporation as a home  
4 rule borough.

5 (b) The lieutenant governor shall conduct elections authorized by  
6 AS 29.19.010 - 29.19.060 substantially in the manner provided in the  
7 Alaska Election Code (AS 15.05 - 15.60), and shall certify the results  
8 of all elections under this chapter. Costs of elections under this  
9 chapter shall be paid by the office of the lieutenant governor.

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

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

16 Sec. 29.19.080. APPLICABILITY OF TRANSITIONAL PROVISIONS. The  
17 provisions of AS 29.18.130 - 29.18.180 apply to home rule boroughs  
18 incorporated under this chapter.

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

22 (b) For purposes of acquisition of areawide powers, the provisions  
23 of AS 29.38.010 apply to a home rule borough incorporated under this  
24 chapter unless otherwise specifically provided in the charter of the  
25 borough.

26 \* Sec. 6. AS 29.03.010 and 29.03.020 are repealed.

27 \* Sec. 7. UNORGANIZED BOROUGH SERVICE AREAS. (a) The commissioner of  
28 education shall recommend to the legislature, not later than January 31,  
29 1981, whether changes should be made in the boundaries of a regional

1 educational attendance area organized under AS 14.08 to conform the bound-  
2 aries of the regional educational attendance area to an unorganized borough  
3 of which it is a part.

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

9 \* Sec. 8. This Act takes effect immediately in accordance with AS 01.10.-  
10 070(c).

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