

Introduced: 2/13/74
Referred: Community & Regional
Affairs and Judiciary

1 IN THE HOUSE

BY KOPONEN

2

HOUSE BILL NO. 615

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to home rule municipalities,
7 authorizing the incorporation of town meeting home
8 rule cities; and providing for an effective date."

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

10 * Section 1. AS 04.11.090(e) is amended to read:

11 (e) A holder of a beverage dispensary license may not maintain
12 upon the licensed premises more than one room in which there is
13 regularly maintained a fixed counter or service bar at which alcoholic
14 beverages are sold or served to members of the public for consumption
15 unless the holder of a beverage dispensary license [HE] is issued by
16 the board, after investigation, a duplicate of the original license
17 for each of the rooms. The holder of the beverage dispensary license
18 shall pay to the board with each application for a duplicate license
19 an amount equal to the fee payable for the original beverage
20 dispensary license under (b) of this section. If the licensed
21 premises are located within a municipality, a duplicate beverage
22 dispensary license may not be issued unless approved by the local
23 governing body [COUNCIL OR ASSEMBLY, AS APPROPRIATE].

24 * Sec. 2. AS 04.21.080(b)(10) is amended to read:

25 (10) "local governing body" means, as appropriate, a city
26 council, a borough assembly, the voters of a town meeting home rule
27 city acting in a town meeting, or a traditional village council, but
28 does not include a corporation established under the Alaska Native
29 Claims Settlement Act;

1 * Sec. 3. AS 08.60.060 is amended to read:

2 Sec. 08.60.060. CERTIFICATE OF LOCATION. A person using or
3 proposing to use a location for a commercial or public junk yard must
4 obtain a certificate of approval for the location. If the location is
5 in a city of any class, the certificate shall be procured from the
6 governing body [CITY COUNCIL] or its designee. If the location is
7 outside the city limits but within the boundaries of an organized
8 borough, the certificate shall be procured from the assembly of the
9 organized borough or its designee. If the location is outside an
10 incorporated city or borough, the certificate of location shall be
11 obtained from the commissioner of public safety.

12 * Sec. 4. AS 08.60.070 is amended to read:

13 Sec. 08.60.070. STANDARDS FOR LOCATION AND REGULATION. The
14 commissioner of public safety and the governing body of a municipality
15 [, THE CITY COUNCIL, AND ORGANIZED BOROUGH ASSEMBLY], in considering
16 applications and regulations, shall take into account

17 (1) the nature and development of surrounding property;

18 (2) the need to protect the local economy, adjacent land
19 owners, and the motoring public from economically depressing and
20 unsightly roadside locations;

21 (3) the proximity of churches, schools, hospitals, public
22 buildings, recreation areas, or other places of public gathering;

23 (4) the sufficiency in number of other similar business
24 establishments in the vicinity;

25 (5) the adequacy of fences and other types of enclosures to
26 prevent the unsightly display of a junk yard;

27 (6) the health, safety, and general welfare of the public;

28 (7) the suitability of the applicant to establish,
29 maintain, or operate the business under AS 08.60.050 - 08.60.100.

1 * Sec. 5. AS 14.12.010 is amended to read:

2 Sec. 14.12.010. DISTRICTS OF STATE PUBLIC SCHOOL SYSTEM. The
3 districts of the state public school system are as follows:

4 (1) each representative home rule city and each first class
5 city in the unorganized borough is a city school district;

6 (2) each organized borough is a borough school district;

7 (3) the area outside organized boroughs and outside first
8 class cities is divided into regional educational attendance areas.

9 * Sec. 6. AS 15.13.010(a) is amended to read:

10 (a) This chapter applies in every election for governor,
11 lieutenant governor, a member of the state legislature, a delegate to
12 a constitutional convention, or judge seeking electoral confirmation.
13 It also applies to every candidate for election to a municipal office
14 in a city or borough with a population of more than 1,000 inhabitants
15 according to the latest United States census figures or estimates of
16 population certified as correct for administrative purposes by the
17 Department of Community and Regional Affairs. A municipality may
18 exempt its elected municipal officers from the requirements of this
19 chapter if a majority of the voters voting on the question at any
20 regular election, as defined by AS 29.78.010(14), or a special
21 municipality-wide election called for that purpose, vote to exempt its
22 elected municipal officers from the requirements of this chapter. The
23 question of exemption from the requirements of this chapter may be
24 submitted by [THE CITY COUNCIL OR BOROUGH ASSEMBLY BY] ordinance
25 adopted by the governing body or by initiative ordinance. Nothing in
26 this chapter prohibits a municipality from regulating by ordinance
27 campaign contributions and expenditures.

28 * Sec. 7. AS 29.08.010 is amended to read:

29 Sec. 29.08.010. HOME RULE. A home rule municipality is a

1 municipal corporation and political subdivision and is a unified
2 municipality, representative or town meeting home rule city, [OF THE
3 FIRST CLASS] or an organized borough that [WHICH] has adopted a home
4 rule charter. It has all legislative powers not prohibited by law or
5 charter.

6 * Sec. 8. AS 29.13.010 is amended to read:

7 Sec. 29.13.010. MUNICIPAL CHARTER ADOPTION. A first class
8 municipality, [OR] second class borough, or second class city may
9 adopt a charter for its own government in accordance with
10 AS 29.13.025 - 29.13.070. [A HOME RULE MUNICIPALITY MAY AMEND ITS
11 CHARTER OR ADOPT A NEW ONE.] A proposed charter for an existing
12 municipality is framed by a charter commission of seven members chosen
13 by the municipal voters at a regular or special election. A candidate
14 for the commission shall be a qualified voter of the municipality and
15 a resident of the municipality for three years immediately preceding
16 the election. A charter commission election is called by filing a
17 petition with the borough assembly or the city council, or by
18 resolution of the borough assembly or city council. The petition
19 shall be signed by a number of municipal voters equal to 15 percent of
20 the votes cast in the last regular election of the municipality.

21 * Sec. 9. AS 29.13.010 is amended by adding new subsections to read:

22 (b) Upon adoption of a charter a

23 (1) first class city shall become a representative home
24 rule city or town meeting home rule city; and

25 (2) second class city shall become a town meeting home rule
26 city.

27 (c) At an election to incorporate as a city, an unincorporated
28 community may adopt a charter for its own government and incorporate
29 as a town meeting home rule city. The proposed charter for an

1 unincorporated community shall be prepared by the petitioners and
2 filed with the petition to incorporate a town meeting home rule city
3 under AS 29.18.050.

4 (d) A home rule municipality may adopt a new charter.

5 * Sec. 10. AS 29.13.030 is amended to read:

6 Sec. 29.13.030. ELECTION. At the charter commission election
7 the voters of the existing municipality shall consider the question
8 "Shall a charter commission be elected to frame a proposed new
9 charter?" and shall select the members of the commission. If the
10 question is approved, the seven candidates receiving the highest
11 number of votes shall immediately organize as a charter commission.

12 * Sec. 11. AS 29.13.070 is amended to read:

13 Sec. 29.13.070. CHARTER ADOPTION. (a) If a majority of those
14 voting in an existing municipality [ON THE QUESTION] favor the
15 proposed charter or if a majority of those voting in an unincorporated
16 community favor incorporation of a town meeting home rule city, the
17 charter, [IT] becomes the organic law of the municipality. Thereafter,
18 the court shall take judicial notice of the charter. The municipality
19 shall file the indicated number of copies of the charter with the

20 (1) lieutenant governor - two copies;

21 (2) Department of Community and Regional Affairs - two
22 copies;

23 (3) district recorder - one copy;

24 (4) municipal clerk - one copy.

25 (b) If a proposed charter for an existing municipality is
26 rejected, the charter commission shall prepare another proposed
27 charter to be submitted to the voters at a regular or special election
28 to be held within one year after the date of the first charter
29 election. If the second proposed charter is also rejected, the

1 charter commission shall be dissolved and the question of adoption of
2 a charter shall be treated as if it had never been proposed or
3 approved.

4 * Sec. 12. AS 29.13.070 is amended by adding a new subsection to read:

5 (c) If incorporation of a town meeting home rule city is
6 rejected by the voters in an unincorporated community, the proposed
7 charter is rejected.

8 * Sec. 13. AS 29.13 is amended by adding a new section to read:

9 Sec. 29.13.072. CHARTERS FOR TOWN MEETING HOME RULE CITIES. A
10 town meeting home rule city shall be governed as a direct democracy
11 through town meetings. In addition to other requirements for a home
12 rule charter, the charter of a town meeting home rule city shall
13 provide for

14 (1) regular town meetings to be held at least once each
15 year;

16 (2) a procedure for calling a special town meeting by the
17 selectmen or the voters;

18 (3) the preparation of an agenda for each town meeting,
19 including a procedure to enable any voter to insert an item into the
20 agenda;

21 (4) the election and term of office of a moderator to
22 preside over town meetings;

23 (5) procedures for conducting town meetings, including
24 procedures for voting and adopting ordinances and resolutions;

25 (6) preparation and distribution to the voters of a report
26 of actions taken at each town meeting;

27 (7) the election and term of office of at least three
28 selectmen to provide for the administration of the city and carry out
29 the duties prescribed by law or charter; and

1 (8) the appointment or election of a finance committee that
2 shall be responsible for the preparation of the city budget for each
3 fiscal year, submit the budget to the voters at a town meeting for
4 approval, and perform other duties prescribed by charter or ordinance.

5 * Sec. 14. AS 29.13.080 is amended to read:

6 Sec. 29.13.080. CHARTER AMENDMENT. A municipal charter may be
7 amended as provided in the charter or by initiative referendum [AS
8 PROVIDED IN AS 29.28.060 - 29.28.110], except that no amendment shall
9 be effective unless

10 (1) ratified by the voters; or
11 (2) in a town meeting home rule city, approved by the
12 voters at a town meeting.

13 * Sec. 15. AS 29.18.011 is amended by adding a new subsection to read:

14 (c) A community that meets the standards established in (a)(2) -
15 (4) of this section may incorporate as a town meeting home rule city.

16 * Sec. 16. AS 29.18.050 is amended to read:

17 Sec. 29.18.050. PETITION. Municipal incorporation is proposed
18 by filing a petition with the Department of Community and Regional
19 Affairs. The petition shall include the following information about
20 the proposed municipality:

21 (1) class;

22 (2) name;

23 (3) boundaries;

24 (4) unless the proposed municipality is a town meeting home
25 rule city, composition and apportionment of the assembly or council;

26 (5) for a first class borough, a designation of areawide
27 powers to be exercised;

28 (6) for a second class borough, a designation of areawide
29 and nonareawide powers to be exercised;

1 (7) maps, documents, and other information required by the
2 Department of Community and Regional Affairs;

3 (8) for a first class city [INCORPORATION], the signatures
4 and resident address of 50 permanent resident voters or of 15 percent
5 of the permanent resident voters within the proposed municipality,
6 whichever is greater, based on the number who voted in the area in the
7 last general election;

8 (9) for a town meeting home rule city or a second class
9 city [INCORPORATION], the signature and resident address of 25
10 permanent resident voters or of 15 percent of the permanent resident
11 voters within the proposed municipality, whichever is greater, based
12 on the number who voted in the area in the last general election;

13 (10) for a borough [INCORPORATION], the signature and
14 resident address of 15 percent of the permanent resident voters in
15 each first class city and 15 percent of voters in the area outside
16 first class cities based on the number who voted in the respective
17 areas in the last general election;

18 (11) for a first or second class city, a designation of the
19 powers proposed by the petitioners to be exercised;

20 (12) a proposed operating budget for the municipality
21 projecting sources of income and items of expenditure through the
22 first full fiscal year of operation;

23 (13) for a town meeting home rule city, a proposed home rule
24 charter.

25 * Sec. 17. AS 29.18.110 is amended by adding a new subsection to read:

26 (e) A home rule charter included in an incorporation petition
27 under AS 29.18.050(13) is considered part of the incorporation
28 question. The home rule charter is adopted if the voters approve
29 incorporation of the town meeting home rule city.

1 * Sec. 18. AS 29.18.180(a) is amended to read:

2 (a) For the purpose of defraying the cost of transition to
3 borough or city government and in order to provide for development and
4 interim governmental operations, each borough and city incorporated
5 after January 1, 1968, or, in the case of a second class city,
6 incorporated or reclassified after January 1, 1968, other than a
7 unified municipality incorporated under the provisions of AS 29.85, or
8 a municipality otherwise incorporated by consolidation, is entitled to
9 an organization grant equal to \$10 for every voter who voted in the
10 borough or city incorporation election. However, each incorporated
11 borough, [AND EACH] first class city, and town meeting home rule city
12 incorporated or established by reclassification outside an organized
13 borough is entitled to at least \$25,000.

14 * Sec. 19. AS 29.23.210(b) is amended to read:

15 (b) The council shall determine its own rules and order of
16 business and provide for keeping a journal of its proceedings. The
17 council is the judge of the election and qualification of its members
18 and, with the concurrence of two-thirds of its members, may expel a
19 member for a conviction of a violation of AS 15.13 or a felony or
20 misdemeanor described in AS 15.56 as a corrupt practice. The council
21 shall consider that conviction during its first meeting following
22 final determination of the conviction. This subsection applies to
23 representative home rule cities and general law cities.

24 * Sec. 20. AS 29.23.250(a) is amended to read:

25 (a) A voter of a representative home rule or a general law city
26 is eligible to hold the office of mayor, except that a representative
27 home rule city may prescribe additional residency requirements by
28 charter. The council, for all other cities except town meeting home
29 rule cities, may by ordinance establish residence requirements for

1 candidates for mayor not exceeding three years.

2 * Sec. 21. AS 29.23.255 is amended by adding a new subsection to read:

3 (b) This section applies to general law and home rule
4 municipalities except town meeting home rule cities.

5 * Sec. 22. AS 29.23.540(c) is amended to read:

6 (c) A [NO] state employee or school district employee may not
7 be denied the right to serve as an elected municipal official because
8 of [HIS] employment by the state or a school district unless
9 specifically prohibited by charter or ordinance [OF A MUNICIPALITY,]
10 adopted at a special or general election or at a town meeting
11 election. However, a [NO] school district employee may not serve on a
12 school district board in the school district where that person [HE] is
13 employed. [PROVISIONS OF THIS SECTION DO NOT APPLY TO TERM OF OFFICE
14 IN EFFECT ON AUGUST 24, 1976.]

15 * Sec. 23. AS 29.28.010(a) is amended to read:

16 (a) The governing body [BOROUGH ASSEMBLY OR CITY COUNCIL] shall
17 prescribe the general rules for conducting regular and special
18 municipal elections and appoint at least three judges for each polling
19 place. The general rules for conducting town meeting elections shall
20 be prescribed in the charter of a town meeting home rule city. A
21 [THE] municipality may not alter voter qualification requirements of
22 this title.

23 * Sec. 24. AS 29.28.190 is amended to read:

24 Sec. 29.28.190. SUBMISSION OF A RECALL PETITION. Except in a
25 town meeting home rule city, if [IF] a recall petition is sufficient,
26 the clerk shall immediately submit it to the assembly or council. In
27 a town meeting home rule city the clerk shall submit the petition to
28 the selectmen.

29 * Sec. 25. AS 29.28.200(a) is amended to read:

1 (a) If a regular election occurs within 75 days of the
2 submission of a recall petition by the clerk, the assembly, [OR]
3 council, or selectmen shall submit the recall at that election.

4 * Sec. 26. AS 29.28.200(b) is amended to read:

5 (b) If no regular election will occur within 75 days, the
6 assembly, [OR] council, or selectmen shall hold a special election
7 within 75 days of submission of the recall petition by the clerk.

8 * Sec. 27. AS 29.28.250 is amended to read:

9 Sec. 29.28.250. ELECTION OF SUCCESSOR. If the voters recall an
10 officer, the clerk shall conduct an election for a successor to fill
11 the unexpired term. The election shall be held at least 10 but not
12 more than 45 days from the date of the recall election. However, if a
13 regular or special election occurs within 75 days of the recall
14 election, the successor to the recalled official shall be chosen at
15 that regular or special election. Unless the incumbent was elected in
16 a town meeting of a town meeting home rule city, the [THE] procedures
17 and requirements for the regular election for the office from which
18 the incumbent is recalled apply to the election conducted under this
19 section.

20 * Sec. 28. AS 29.43.030 is amended to read:

21 Sec. 29.43.030. EDUCATION. A representative home [HOME] rule
22 and a first class city [CITIES] outside a borough constitutes a
23 [BOROUGHS CONSTITUTE] city school district [DISTRICTS] and shall
24 establish, maintain, and operate a system of public schools as
25 provided by AS 29.33.050 for boroughs.

26 * Sec. 29. AS 29.43.030 is amended by adding a new subsection to read:

27 (b) A town meeting home rule city is not a school district and
28 may not establish a system of public schools.

29 * Sec. 30. AS 29.43.040 is amended to read:

1 Sec. 29.43.040. PLANNING AND ZONING. (a) A representative home
2 [HOME] rule or a [AND] first class city [CITIES] outside a first or
3 [AND] second class borough [BOROUGHES] shall, and a town meeting home
4 rule or second class city [CITIES] outside a first or [AND] second
5 class borough [BOROUGHES] may, provide for planning, platting and
6 zoning, as provided by AS 29.33.070 - 29.33.245 for boroughs.

7 (b) A representative home [HOME] rule or a [AND] first class
8 city [CITIES] within a third class borough [BOROUGHES] shall, and a
9 town meeting home rule or second class city [CITIES] within a third
10 class borough [BOROUGHES] may, provide for planning, platting and
11 zoning, as provided by AS 29.33.070 - 29.33.245 for boroughs.

12 * Sec. 31. AS 29.48.050 is amended to read:

13 Sec. 29.48.050. FRANCHISES AND PERMITS. (a) The assembly
14 acting for the area outside cities and the governing body of the city
15 [COUNCIL] acting for the area within a city may grant franchises,
16 including exclusive franchise privileges, for the construction,
17 operation and maintenance of bus transportation systems and public
18 utilities not regulated under AS 42.05 and may permit them the use of
19 streets and other public places under regulations prescribed by
20 ordinance.

21 (b) No franchise is valid until it has been submitted to the
22 qualified voters of the city or borough area outside cities in which
23 it applies, and at least 55 percent of the votes cast are in favor of
24 the franchise. At least 30 days notice of a franchise referendum
25 election shall be given in the same manner as is provided for notice
26 of regular municipal elections, and the notice shall specify the
27 purpose of the election. The ordinance granting a franchise shall
28 provide for its submission for ratification to the qualified voters of
29 the city or borough area outside cities at either a regular or special

1 election, and the result of the election shall be canvassed publicly
2 by the council or assembly and spread upon the records of the minutes
3 and the result declared and certified in the same manner as in a
4 regular election. This subsection does not apply to town meeting home
5 rule cities.

6 (c) Public utilities regulated under AS 42.05 have the right to
7 use the streets and other public places, upon payment of a reasonable
8 permit fee and on reasonable terms and conditions and with reasonable
9 exceptions the governing body [ASSEMBLY OR COUNCIL] requires. A
10 dispute as to whether fees, terms, conditions, or exceptions are
11 reasonable shall be decided by the Alaska Public Utilities Commission.

12 * Sec. 32. AS 29.48.060 is amended to read:

13 Sec. 29.48.060. PUBLIC UTILITIES RATES. The assembly acting for
14 the area outside cities and the governing body of the city [COUNCIL]
15 acting for the area within a city may regulate, fix, establish and
16 change, as it considers proper, the rates and charges imposed for
17 utilities services given to the municipality or its inhabitants by a
18 municipally owned utility not regulated under AS 42.05.010 - 42.05.721
19 and may regulate and provide what is a reasonable deposit for meters
20 and security for service to be given, provided that interest is paid
21 on the deposit. All rates, charges and regulations shall be
22 reasonable and shall permit a fair and reasonable return on invested
23 capital.

24 * Sec. 33. AS 29 48.070 is amended to read:

25 Sec. 29.48.070. HEARING FOR REGULATION OF UTILITIES RATES. If
26 the governing body [ASSEMBLY OR COUNCIL] considers it advisable to
27 regulate, change, or fix the rates to be charged by a public service
28 corporation, association or individual not regulated under AS 42.05,
29 it shall order a hearing to be held before the governing body at a

1 time and place specified. Notice of the hearing shall be given by at
2 least one publication in a newspaper of general circulation
3 distributed within the municipality or, if no newspaper of general
4 circulation is distributed within the municipality, notice shall be
5 given by posting a notice in three public places within the city or
6 borough area outside cities receiving the utilities services and by
7 serving written notice upon the corporations, associations and
8 individuals whose rates are to be regulated, fixed, or changed in the
9 same manner that summonses are served. The notices shall be published
10 or posted and served at least 15 days before the hearing.

11 * Sec. 34. AS 29.48.090 is amended to read:

12 Sec. 29.48.090. FURTHER PROCEEDINGS. A hearing under AS 29.48.-
13 070 shall begin at the time stated in the notice but may be continued
14 from time to time. Except in a town meeting home rule city, at [AT]
15 least a quorum of the assembly or council shall be present at the
16 hearing. At the conclusion of the hearing the parties interested may
17 make [SUCH] arguments before the governing body [ASSEMBLY OR COUNCIL],
18 either in person or by attorney, as they consider proper, touching the
19 matters at issue, and thereafter the governing body [ASSEMBLY OR
20 COUNCIL] shall proceed to regulate and fix the rates by ordinance.
21 The date upon which the rates fixed or regulated take effect shall be
22 stated in the ordinance and shall be at least 10 days after passage
23 and approval of the ordinance.

24 * Sec. 35. AS 29.48.180(b) is amended to read:

25 (b) Within three years after incorporation of the municipality,
26 the municipal executive or the selectmen in a town meeting home rule
27 city, with the advice and assistance of a legal advisor, shall have
28 prepared a general codification of all municipal ordinances of general
29 applicability having the force and effect of law. The municipal code

1 shall be revised and printed at least every five years, unless the
2 code is kept current by regular supplements.

3 * Sec. 36. AS 29.48.220 is amended to read:

4 Sec. 29.48.220. POST AUDIT. The governing body [ASSEMBLY OR
5 COUNCIL] shall provide for an annual independent audit of the accounts
6 and financial transactions of the municipality or, in the case of a
7 second class city, an audit or statement of annual income and
8 expenditures. To make the audit the governing body [ASSEMBLY OR
9 COUNCIL] shall designate a public accountant who has no personal
10 interest, direct or indirect, in the fiscal affairs of the
11 municipality. Copies of the audit shall be available to the public
12 upon request. This section applies to home rule and general law
13 municipalities.

14 * Sec. 37. AS 29.53.025(a) is amended to read:

15 (a) Except for a town meeting home rule city, a municipality
16 [MUNICIPALITIES] may exclude, [OR] exempt, or partially exempt
17 residential property from taxation by ordinance ratified by the voters
18 at a regular or special election. A town meeting home rule city may
19 exclude, exempt, or partially exempt residential property from
20 taxation by ordinance adopted at a town meeting. An exclusion or
21 exemption authorized by this section may not exceed \$10,000 for any
22 one residence.

23 * Sec. 38. AS 29.63.065(b) is amended to read:

24 (b) An [NO] exemption may not be granted under this section
25 except upon written application for the exemption on a form prescribed
26 by the state assessor for use by local assessors and in accordance
27 with the following requirements:

28 (1) the claimant must file the initial application during
29 the period of time between the date the assessment roll is certified

1 and the time of payment fixed by the governing body [ASSEMBLY OR
2 COUNCIL]. Within one year of the date the assessment roll is
3 certified the governing body [ASSEMBLY OR COUNCIL] for good cause
4 shown may waive the claimant's failure to make timely initial
5 application for the exemption and authorize the assessor to accept the
6 application as if timely filed;

7 (2) a claimant receiving the exemption must file with the
8 department by March 15 of each subsequent year a separate application
9 proving eligibility as of January 1 in order to retain the exemption;
10 within [. WITHIN] the same year the department for good cause shown
11 may waive the claimant's failure to make timely application and
12 approve the application as if timely filed;

13 (3) if an application is filed within the required time
14 under this subsection and is approved by the governing body [ASSEMBLY
15 OR COUNCIL], the exemption shall be allowed in accordance with the
16 provisions of this section; if [. IF] a waiver under this subsection
17 is granted and the application for exemption approved, the amount of
18 any assessment, penalty or interest that [WHICH] the claimant may have
19 already paid on the assessment shall be refunded; the [TO HIM. THE]
20 municipality may at any time require proof in the form considered
21 necessary of the right and amount of an exemption claimed under this
22 section.

23 * Sec. 39. AS 29.78.010 is amended by adding a new paragraph to read:

24 (20) "governing body" means a borough assembly, city
25 council, or the voters of a town meeting home rule city acting in a
26 town meeting.

27 * Sec. 40. AS 29.95.020(a) is amended to read:

28 (a) A municipality qualifying for an entitlement under AS 29.88
29 or AS 29.89.010 - 29.89.100 shall receive a minimum payment of \$25,000

1 plus an area cost-of-living differential for each fiscal year if:

2 (1) during the fiscal year preceding the year for which
3 payment of an entitlement is authorized under AS 29.88 or AS 29.89.-
4 010 - 29.89.100, the municipality has conducted a regular

5 (A) election under AS 29.28.010 - 29.28.050 [DURING
6 THE FISCAL YEAR PRECEDING THE YEAR FOR WHICH PAYMENT OF AN
7 ENTITLEMENT IS AUTHORIZED BY AS 29.88.010 - 29.88.045 or
8 29.89.010 - 29.89.100] and has reported the results of the
9 election to the commissioner of the Department of Community and
10 Regional Affairs; or

11 (B) town meeting if it is a town meeting home rule
12 city;

13 (2) unless it is a town meeting home rule city, regular
14 council meetings are held in the municipality in accordance with the
15 requirements of AS 29.23.210 during the fiscal year preceding the year
16 for which payment of an entitlement is authorized by AS 29.88 or
17 AS 29.89.010 - 29.89.100 and a record of the proceedings is main-
18 tained;

19 (3) a municipal budget has been adopted for the fiscal year
20 during which payment of an entitlement is authorized by AS 29.88 or
21 AS 29.89.010 - 29.89.100 and an audit or financial statement for the
22 preceding fiscal year has been prepared and furnished to the
23 Department of Community and Regional Affairs in accordance with
24 AS 29.23.560(a); and

25 (4) local ordinances adopted by the governing body of the
26 municipality have been codified in accordance with AS 29.48.180.

27 * Sec. 41. AS 35.15.120(2) is amended to read:

28 (2) "governing body" means in the case of a municipality,
29 its assembly or council, or, if it is a town meeting home rule city,

1 the voters acting in a town meeting, and, in the case of a regional
2 educational attendance area, its regional school board;

3 * Sec. 42. AS 39.20.340(a) is amended to read:

4 (a) An employee of the state, or a municipality [POLITICAL
5 SUBDIVISION,] with the approval of the governing body [CITY COUNCIL OR
6 BOROUGH ASSEMBLY], who is a member of a reserve or auxiliary component
7 of the United States Armed Forces is entitled to a leave of absence
8 without loss of pay, time or efficiency rating on all days during
9 which the member [HE OR SHE] is ordered to training duty, as
10 distinguished from active duty, with troops or at field exercises, or
11 for instruction, or when under direct military control in the
12 performance of a search and rescue mission. The leave of absence may
13 not exceed 16 1/2 working days in any 12-month period.

14 * Sec. 43. AS 39.20.350 is amended to read:

15 Sec. 39.20.350. RESTORATION OF RESERVE MEMBERS TO FORMER
16 POSITIONS. A member of a reserve component of the United States Armed
17 Forces employed by the state, [OR] a political subdivision, or a
18 municipal corporation with the approval of the governing body [CITY
19 COUNCIL] who is ordered to duty by proper authority, shall, when
20 relieved from duty, be restored to the position held [BY HIM] when
21 ordered to duty.

22 * Sec. 44. AS 39.50.145 is amended to read:

23 Sec. 39.50.145. PARTICIPATION BY MUNICIPALITIES. A municipality
24 may exempt its municipal officers from the requirements of this
25 chapter if a majority of the voters voting on the question at any
26 regular election, as defined by AS 29.78.010(14), or a special
27 municipality-wide election, vote to exempt its municipal officers from
28 the requirements of this chapter. The question of exemption from the
29 requirements of this chapter may be submitted by the governing body

1 [CITY COUNCIL OR BOROUGH ASSEMBLY] by ordinance or by initiative
2 ordinance.

3 * Sec. 45. AS 42.30.030 is amended to read:

4 Sec. 42.30.030. BOOKS OF ACCOUNT. Every person installing,
5 operating or maintaining a public service plant for the purpose of
6 supplying the city or the inhabitants of the city with telephone
7 service, water, power, lightering, wharfage, dockage, storage, heat or
8 light, or rendering other kindred public service shall keep correct
9 books of account in permanent convenient form showing in detail the
10 volume of business done, the character of the business done, the
11 quantity and kind of service rendered, rates charged, and all expenses
12 incurred in connection with the operation of the enterprise, showing
13 the items of expense in detail. The books shall be open to inspection
14 by the mayor, [AND THE] city council, or selectmen, and [BY] an
15 accredited agent, auditor, or representative appointed by the mayor,
16 [AND] city council, or voters at a town meeting home rule city at a
17 town meeting.

18 * Sec. 46. AS 42.30.040 is amended to read:

19 Sec. 42.30.040. ANNUAL STATEMENT. (a) During April of each
20 year, each person engaged in furnishing a public service, except a
21 rural electrification or telephone cooperative or nonprofit
22 association receiving financial assistance from the federal government
23 under the Rural Electrification Act, shall file with the city council
24 or selectmen a written statement under oath, sworn to by the person
25 having the management and control of the business or other person
26 familiar with all the facts. The statement shall contain a detailed
27 list of all property used in connection with the enterprise and shall
28 give the valuation of each piece of property listed. It shall also
29 contain a statement of the receipts and disbursements during the year,

1 and the profits or losses. The statement of disbursements shall show
2 to whom each item was paid and what for. The statement shall be for
3 the calendar year preceding and shall be for the use of the governing
4 body of the city [COUNCIL].

5 (b) The city council and selectmen are [IS] not bound by the
6 statement but may inquire into its truth.

7 * Sec. 47. AS 44.47.145(d) is amended to read:

8 (d) Before a grant is made under this section, the governing
9 body [CITY COUNCIL] or, if the community is not incorporated, a
10 reasonable representative body in the community shall agree in writing
11 to maintain and operate the bulk storage facility to be constructed
12 with the proceeds of the grant.

13 * Sec. 48. AS 44.88.220(4) is amended to read:

14 (4) "governing body of a political subdivision" means, when
15 used with respect to the location of a project, the council or the
16 voters of a town meeting home rule city acting in a town meeting if
17 the project is to be located in a city in the unorganized borough, or
18 the assembly if the project is to be located in an organized borough
19 or a unified municipality;

20 * Sec. 49. AS 46.40.130(a) is amended to read:

21 (a) Organization of a coastal resource service area may be
22 initiated

23 (1) by submission to the council of a petition signed by a
24 number of registered voters equal to 15 percent of the number of votes
25 cast within the coastal resource service area at the last state
26 general election;

27 (2) by submission to the council of a resolution approved
28 by the governing body [CITY COUNCIL] or traditional village council of
29 not less than 25 percent of the number of cities and villages within

1 the coastal service area; or

2 (3) at the direction of a majority of the members of the
3 council in the manner set out in AS 46.40.160.

4 * Sec. 50. AS 46.40.180(a) is amended to read:

5 (a) Before adoption by a coastal resource service area board, or
6 by the Department of Community and Regional Affairs under AS 46.40.-
7 170, a district coastal management program shall be submitted for
8 review to each city or village within the coastal resource service
9 area. The governing body [COUNCIL] of a city or traditional village
10 council shall consider the program submitted for review. Within 60
11 days of submission, the governing body [COUNCIL] of a city or tra-
12 ditional village council shall either approve the program or enter
13 objections to all or any portion of the program.

14 * Sec. 51. AS 46.40.180(c) is amended to read:

15 (c) Objection by a city [COUNCIL] under (b) of this section is
16 limited to objection to elements of the program affecting resources or
17 the use of resources within the corporate limits of the city.
18 Objection by a traditional village council under (b) of this section
19 is limited to objection to elements of the program affecting resources
20 or the use of resources within the village or within two miles of the
21 village.

22 * Sec. 52. This Act takes effect on the effective date of an amendment
23 to the Constitution of the State of Alaska authorizing the legislature to
24 provide that cities be governed as direct democracies.