

Original sponsor: Binkley

1 IN THE SENATE BY THE RULES COMMITTEE

2 CS FOR SENATE BILL NO. 50 (Rules)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to dissolution of a municipality."

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

8 \* Section 1. AS 29.06.470(a) is amended to read:

9 (a) Except as provided in (b) of this section, voters of a  
10 municipality may petition for dissolution when the municipality is  
11 free of debt, or, if in debt, each of its creditors is satisfied with  
12 a method of repayment and

13 (1) the municipality [IT] no longer meets the minimum  
14 standards prescribed for incorporation by AS 29.05, or former AS 29.-  
15 18.030 if it is a third class borough; [OR]

16 (2) the municipality ceases to use each of its mandatory  
17 powers; or

18 (3) dissolution is requested by petition on a form provided  
19 by the department signed by a number of voters of the municipality  
20 proposed to be dissolved greater than 50 percent of the number of  
21 votes cast in the last general election in that municipality.

22 \* Sec. 2. AS 29.06.500(a) is amended to read:

23 (a) If the Local Boundary Commission determines that a munic-  
24 ipality fails to meet the standards for dissolution, it shall reject  
25 the petition. If the commission determines that the municipality  
26 meets the standards under AS 29.06.470(a)(1) or (2), it shall accept  
27 the petition. If the commission determines that the municipality  
28 meets the standards under AS 29.06.470(a)(3) and that dissolution of  
29 the municipality is in the best interest of the state, it shall accept

1 the petition.

2 \* Sec. 3. AS 29.06.510(a) is amended to read:

3 (a) The Local Boundary Commission shall immediately notify the  
4 director of elections of its acceptance of a dissolution petition.  
5 Within 30 days after notification, the director of elections shall  
6 order an election in the municipality to determine whether the voters  
7 desire dissolution. The election must be held at least 30 and not  
8 more than 90 days after the election order unless such timing would  
9 cause the election to be held between May 1 and November 1. If the  
10 director of elections receives notification after April 1, but before  
11 October 1, the election shall be held within 60 days after November 1.  
12 A person who is a voter of the municipality may vote in the dissolu-  
13 tion election.

14 \* Sec. 4. AS 29.06.510(c) is amended to read:

15 (c) The director of elections shall certify the election re-  
16 sults. If dissolution is approved by a number of voters greater than  
17 50 percent of the number of people registered to vote in the munici-  
18 pality, the director of elections shall declare that the municipality  
19 is dissolved effective on the date of certification.

20 \* Sec. 5. AS 29.06.520 is amended to read:

21 Sec. 29.06.520. SUCCESSION. A municipality [THE GOVERNMENT]  
22 succeeding to a dissolved municipality succeeds to all [ITS RIGHTS,  
23 POWERS, DUTIES,] assets [,] and liabilities of the dissolved munici-  
24 pality. Otherwise, the state succeeds to those assets and liabili-  
25 ties. If the state succeeds to a dissolved municipality, the state  
26 may enter into a contract for the performance of duties or powers in  
27 the area of the dissolved municipality. However, a contract with an  
28 organization for the performance of duties or powers entered into  
29 under this section does not constitute recognition by the state of

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governmental powers of that organization.