

FCC Notebook

Volume 1

FCC Bill, Report

& Supplemental

Report

VOLUME 1

JOINT SENATE AND HOUSE  
FREE CONFERENCE COMMITTEE MEETINGS

(CS for SENATE CS for CS for HOUSE BILL NO. 208)

ALASKA LOCAL GOVERNMENT

ACE 585002

" FREE CONFERENCE COMMITTEE REPORT  
ON  
SCS CSHB 208 am S AND CSHB 208 am  
(municipal code)

May 22, 1972

Mr. President  
Mr. Speaker

The Conference Committee, with powers of free conference, which has had SCS CSHB 208 am S and CSHB 208 am (municipal code) under consideration, recommends that the bills be replaced by FREE CONFERENCE CS FOR SENATE CS FOR CS FOR HOUSE BILL NO. 208. The Conference bill incorporates the Senate amendments to the House bill, integrates substantively laws pertaining to local government enacted into law in 1971 and enacted or adopted in both houses during the current legislative session. These relate to historic preservation, eminent domain proceedings by fourth class cities, i.e. second class cities under the code, required assembly membership on boards of equalization, borrowing powers of third class boroughs, involvement of young persons in local government, land subdivisions (CSHB 290), and enabling legislation for development cities (CSSB 405 (Res.)). In addition, the Conference bill makes a number of limited substantive changes in the combined legislative product represented by SCS CSHB 208 am S and CSHB 208 am. A brief summary of the changes, keyed to chapter headings of the Conference bill, follows. This report is intended to reflect legislative intent where the intent expressed and the pertinent code provisions are consistent.

**ELECTIONS.**

Election Dates. The Conference bill broadens the discretion available to municipalities on the setting of election dates. As with the bills under consideration, the first Tuesday of October is set as the date of the regular municipal election, but the Conference bill authorizes a local government to set a different regular election date by ordinance if it chooses to do so.

Similarly, an annual regular election is set, with the option left to local governments to choose a different interval of years for holding regular elections. In the bills under consideration the same option is made available but an election every two years on the first Tuesday of October is prescribed unless different provision is made by ordinance.

Terms of Elected Officials. Terms of assemblymen, councilmen, and city and borough mayors are set at three years, rather than two years as provided in the bills under consideration; different terms not exceeding four years may be set by ordinance. (Under present law terms of assemblymen and borough chairmen are the same as those of city councilmen and mayor, respectively, of the largest first class city within the borough, or otherwise three years; different terms not exceeding three years may also be set by ordinance. City council and mayoralty terms in general law cities may vary from one to three years at local option.)

Terms of incumbents holding office at the time the code takes effect, or in office when an ordinance setting different terms is adopted, are expressly preserved from alteration as a result of the three-year term code provision or local action setting different terms.

Runoffs. The Conference bill provides for automatic runoffs between candidates in municipal elections when no candidate for the respective office receives more than 40 per cent of the vote cast for the office. At the same time, authority is retained in the code for a municipality at its option to require runoffs when a higher plurality is not obtained. Rather than requiring the costs of recount elections to be borne in all cases by the contestant unless the recount reverses the election result, the Conference bill provides for municipal assumption of the cost in cases in which the difference between the winning and losing vote on the result contested is less than two per cent, irrespective of whether or not the election result is reversed.

Municipal Voters. Taking into account the United States Supreme Court's recent opinion on residency for voting purposes, the Conference bill removes the code requirement that a qualified voter for purposes of municipal elections must have been a resident of the state for one year; instead, the bill sets no definite period of required residency but declares that a voter who is eligible to vote in state elections is qualified as well to vote in municipal elections, if he has been a resident of the municipality for at least 30 days immediately preceding the election. (The municipal 30-day requirement is considered invariable under art. V, sec. 1 of the state constitution.)

In addition, the Conference bill removes authority for municipal voter registration systems separate from state voter registration. Registration with the state to vote in state elections will also serve as registration for voting in local elections. In the bills under consideration either state registration or registration under a municipal system would suffice as municipal registration.

Other Provisions. In other Conference bill changes relating to elections, a simple majority rather than two-thirds majority is set as the vote needed to recall an elected municipal official, and with respect to local initiative or referendum petitions, the bill makes clear that, in the event a petition is rejected as insufficient, the petitioners have ten days after the date of rejection to supplement or amend the petition.

Of the election provisions described above, only those relating to municipal voter eligibility and registration are made binding upon home rule municipalities, in both the bills under consideration and the Conference bill.

#### MUNICIPAL ASSESSMENT AND TAXATION.

Property Tax Assessment. The Conference bill expressly confers the right to trial de novo in the superior court, with jury trial if demanded, of the decision of a borough or city board of equalization on a taxpayer's property assessment. (It thus incorporates the substance of HB 332 and SB 159 pending before the legislature which is not already encompassed in the code.)

The bill also makes limited revisions in the definition of full and true value for tax assessment purposes, requires that revaluations of property, whether of specific classifications or in specific areas of the municipality, be made only in accordance with a systematic plan of revaluation for all taxable property within the municipality, permits mobile homes to be classified as personal rather than real property at local option, and increases from three to seven the number of days allowed for the municipal board of equalization to certify its actions on tax assessment appeals to the assessor. A definition of real property and personal property is added to the code under general provisions (ch. 78), primarily for purposes of the assessment and taxation chapter.

Exemptions. The Conference bill incorporates the substance of CSHB 296, exempting from city and borough real property taxation the place of abode of residents 65 years age or over who have an annual net taxable income of less than \$10,000. Broader senior citizen exemptions granted by local ordinance are not superseded by the provision, but state reimbursement authorized to a local government under the provisions is limited to the amount of tax revenues lost to the local government because of the state-conferred local tax exemption only. As incorporated in the Conference bill, the exemption provided makes clear that mobile homes occupied as a place of abode are within the exemption, whether classified as real or personal property under municipal tax ordinances.

Modified somewhat is a provision in the bills under consideration that municipalities may by ordinance approved by the voters exclude or exempt property from taxation in addition to exclusions or exemptions authorized or permitted in the code. The provision as set out in the Conference bill expressly authorizes partial as well as full exemptions in such cases and limits the exclusions or exemptions to residential property.

Like the bills under consideration, provisions of the chapter relating to property taxation are, with a few exceptions, made binding upon home rule as well as general law cities and boroughs

#### AREAWIDE BOROUGH POWERS AND DUTIES.

The Conference bill modifies the provisions of present law on addition of an areawide power by a home rule or general law borough. Rather than overall majority approval of addition of a power areawide, two separate majorities are required: (1) a majority of votes cast in the home rule and first class cities of the borough, taken as a voting unit; and (2) a majority of votes cast in the remaining borough area.

The Conference bill clarifies authority of planning commissions, platting boards, and boards of adjustment in general law cities and boroughs to delegate part or all of their functions to hear and decide cases. Authority is retained from the bills under consideration to delegate to one or more members of the board or commission or to hearing officers, with required review by the full commission or board upon appeal of a decision, these hearing and decision-making functions. In addition, the Conference bill authorizes the governing body to delegate to separate

boards or commissions such functions by ordinance or in any other manner authorized by ordinance. The required review by the full commission or board in case of appeal continues to apply under any delegation.

With respect to design of school buildings, the Conference bill calls for consideration in design of multiple uses for community purposes.

#### MUNICIPAL OFFICERS AND EMPLOYEES.

Borough Assembly Composition and Apportionment. In anticipation of possible legislative action to amend the state constitution or of a state supreme court decision to invalidate existing provisions of law which apportion borough assemblies between city and outside-city assemblymen and require use of the weighted vote under that apportionment, the Conference bill inserts a conditional section binding upon home rule and general law boroughs and having the following features:

(1) a borough assembly may provide by ordinance (or home rule borough charter may provide) for a number of assemblymen and assembly apportionment in any manner consistent with the equal representation standards of the federal constitution;

(2) the proposed borough apportionment ordinances must be submitted for separate voter approval by two majorities: (a) a majority of votes cast in all first class and home rule cities, and (b) a majority of votes cast in the borough area outside those cities.

(3) within six months of the effective date of the section and thereafter within six months of each federal decennial census, as well as at any other time when equal representation standards may no longer be met, the assembly must make a finding as to compliance with the equal representation apportionment standards and, if indicated, prepare and submit to the voters in the manner described in (2) an ordinance revising the apportionment and, if the assembly chooses, the number of members composing the assembly;

(4) the Local Affairs Agency is directed to make a reapportionment when a proposed reapportionment ordinance is not approved by the voters;

(5) the right to judicial review of both assembly and agency determinations is expressly provided for under the section.

The apportionment section is to take effect only upon condition that the provisions of art. X, sec. 4 of the state constitution relating to assembly representation are compatibly amended or that those provisions as they relate to city representation on the borough assembly are held to be in violation of the federal constitution by the state supreme court.

While the section sets out specific times at which the assembly is required to examine its apportionment, the section is intended as well to permit an assembly at its option to propose a change in assembly composition or apportionment, notwithstanding that existing apportionment may satisfy equal protection standards. All changes in assembly composition and apportionment, whether by ordinance or Local Affairs Agency action under the section, are effective beginning with the next regular assembly election. In the event the conditions upon which the provisional section is to become effective do not occur, the code retains the present provisions of borough law relating to assembly composition and apportionment.

Borough and City Executive. In boroughs which adopt a manager plan, the code establishes an office of borough mayor, paralleling in concept the retention in the code and present law of the office of mayor in cities which have adopted city manager plans. The borough mayor's official functions are the same as those of the mayor as city chief executive in manager cities, i.e. presiding at governing body meetings, serving as municipal ceremonial head, and signing official documents. Under present law, manager plan boroughs have no elected executive office, and the office of manager combines the executive and administrative roles. Like present borough chairmen in boroughs which have not adopted a manager plan, the borough mayor is elected areawide, and has no vote on the assembly but may veto most assembly actions. Unlike the borough chairman, who serves as both executive and chief administrator of the borough, the borough mayor is designated as executive of the borough, with the functions noted above, but functions as chief administrator remain with the manager.

While preserving the differences in functions between borough chairmen in non-manager plan boroughs and borough mayors in manager plan boroughs, the Conference bill substitutes the title "borough mayor" for "borough chairman" in non-manager plan boroughs as well as employing the same title to describe the newly established office for manager plan boroughs. Use of the identical term in both cases is intended to avoid confusion in reference to borough executives.

In manager plan cities, as with manager plan boroughs, the Conference bill denotes the mayor as chief executive and the manager as chief administrator; the bills under consideration designate the manager as both, while assigning functions to preside at council meetings, serve as ceremonial head, and sign documents, to the mayor.

It should be noted the designation of the mayor as executive and the manager as administrator, as with the borough mayor and manager, is not intended to confer powers upon the respective officials independently of those otherwise expressly conferred in the bill. Moreover, a number of code sections have required amendment, with the term "administrator" or "chief administrator" being added to, or substituted for, the term "executive". These changes are intended in all cases but one to be technical changes only, reflecting the separation in roles of executive and chief administrator which the Conference bill formalizes in manager plan cities and boroughs. The exception concerns sec. 29.48.150 in which the power to introduce ordinances, conferred in the bills

under consideration to assembly or council members or committees and the municipal executive, is broadened to include the borough or city chief administrator. The addition has the effect of preserving the authority of borough and city managers, as the "municipal executive" under existing law, to introduce ordinances and extends the authority as well to the elected mayors in manager plan boroughs and cities.

Another modification of the Conference bill authorizes the borough executive (mayor) with assembly approval to designate a person to serve as mayor in case of his temporary absence or disability. Current law and the bills under consideration require the assembly presiding officer (or his designee, under current law) to act as temporary chairman in all cases.

The changes noted above relating to the city and borough executive and administrator are binding on general law, but not home rule, municipalities.

#### ALTERATION OF BOUNDARIES.

In relation to unification of a borough and cities within it as a single unit of home rule local government, the Conference bill rewords the question submitted to voters at the first election to determine whether a unification commission should be elected to prepare a proposed unification charter for voter approval at a second election. Rather than submit the question, as under current law and the bills under consideration, "Shall the .....Borough and all cities within it unite into a single unit of home rule government after the election of a Charter commission by the voters and the adoption of recommendations of the charter commission by a majority vote from the area of the borough outside first class and home rule cities and a majority vote from the remaining area composed of all first class and home rule cities of the borough?", the Conference bill poses to the voters the simpler and more limited question, "Shall a charter commission be formed (and charter commission members be elected as elsewhere provided on this ballot) to prepare, adopt and submit to the voters for their approval or rejection a proposed charter uniting the ..... Borough and all cities within it as a single unit of home rule government having the powers, duties and functions of a unified government as authorized by law?".

The revised wording of the ballot question for the first election reflects the conclusion that as a practical matter the question of unification is decided at the time of the second election, i.e. the election on the charter prepared by the elected unification charter commission. The preference poll, authorized under current law and the bills under consideration, as to the name of the unified government should one be formed is omitted as a ballot question in the Conference bill.

The Conference bill, in addition, authorizes an assembly resolution as an alternative means to a petition for placing the question of formation of a unification charter commission on the ballot.

The Conference bill expressly provides that boundary changes made by the state Local Boundary Commission under its direct constitutional authority (art. X, sec. 12 of the state constitution) prevail over boundary changes initiated by local action. Both under current statutes and the bills under consideration this principle seems presumed but is not expressly stated.

#### MUNICIPAL DEBT.

The Conference bill specifies the municipal governing body or its designee in both home rule and general law municipalities as the sole contracting authority for bond attorneys, bond consultants and financial consultants engaged in long-range municipal financial planning which leads to the sale of bonds. The provision does not affect the governing body's authority to contract, or to delegate its authority to contract, the services of other professional consultants.

Other provisions of the Conference bill broaden code provisions on issuance of tax anticipation notes to include notes issued in anticipation of revenues generally (the power to borrow money to meet appropriations for any fiscal year in anticipation of the collection of revenues for that year being specifically conferred upon political subdivisions under art. IX, sec. 10 of the state constitution). The specific revenue anticipation note authority conferred in the bill derives from SB 316 currently before the legislature.

#### INCORPORATION.

Boroughs. The Conference bill eliminates the requirement that an area proposed for borough incorporation must encompass a trading area. The reference was not considered clear as to meaning or necessary in the context of other broad standards of incorporation set out in the code.

#### POWERS APPLICABLE TO ALL MUNICIPALITIES.

The Conference bill adds several powers to those which general law cities and boroughs are authorized to exercise under this chapter. Like most other powers listed in the chapter, the powers are designated in general terms; a liberal construction is subsequently provided for (in accordance with art. X, sec. 1 of the state constitution). Specifically, animal control and water pollution control powers are added. Also added are consumer protection powers, intended to include regulatory as well as other methods of consumer protection services, without restricting powers to regulate particular activities elsewhere in the code, particularly at sec. 35 of the chapter.

Unlike consumer protection and most other powers enumerated in the chapter as to boroughs, the animal control and water pollution control powers are added to a limited category of powers which under existing law may be exercised in the borough area outside cities, or areawide, at the option of the borough and without the usual prerequisites of petition and voter approval

for exercise of the power. As under existing law, city exercise of the powers once they are exercised areawide by the borough is preempted unless the borough ordinance assuming the powers provides otherwise or subsequently the borough ceases to exercise the power. Dog control powers are presently authorized areawide and in the borough areas outside cities in the manner described; the Conference bill expands the present authority to include animal control generally. As to water pollution control, the Conference Committee considered authorizing water pollution control facilities and services on an areawide basis (under sec. 29.48.030) but decided exercise of such authority by the borough should be subject to prior petition and vote of the people, in the usual manner for acquisition of areawide powers; the water pollution authority granted, accordingly, is only regulatory in nature. The grant of water pollution authority to second class boroughs in the area outside cities encompasses both regulatory functions and authority to provide public facilities and services.

With respect to existing authority in the bills under consideration for municipal transportation system facilities and services, the Conference bill adds that power to the limited category of powers which may be exercised areawide or in the borough area outside cities at the option of the borough and makes areawide exercise of the power exclusive of city exercise within the borough. However, with respect to general law boroughs which are not exercising the power on the effective date of the code, a city objecting to assumption of the power areawide is entitled to review of the question by the Alaska Transportation Commission, and the commission is to decide in the particular case whether or not borough exercise of the power areawide is in the public interest. Should the commission decide in the negative, city exercise within the city and borough exercise in the area outside cities would be authorized, subject to areawide assumption by the borough of the power in the usual manner of petition and areawide vote. The power conferred to provide transportation systems and facilities is in addition to power conferred elsewhere in the code for municipal franchising of bus transportation systems.

The bills under consideration incorporate provisions of existing law which give some detail on municipal powers relating to establishment, maintenance and operation of garbage collection and disposal systems. The Conference bill retains those provisions and adds solid waste collection and disposal to their terms. Garbage and solid waste collection and disposal are viewed as largely interrelated activities.

The Conference bill makes special provision on areawide exercise of building, housing or related code powers, but only with respect to flood control, so as to preserve eligibility for federal flood control aid in those boroughs presently exercising areawide flood control powers.

In code transitional provisions, the Conference bill increases from 90 to 180 days after the effective date of the code the time period assigned to local governments for conforming local ordinances as necessary with the code, except for the provisions of

AS 29.28.040 relating to runoff elections in general law cities and boroughs; these supersede conflicting provisions of local ordinances at the time the code takes effect as law.

In addition to the substantive changes summarized above, the Conference bill incorporates technical changes to coordinate the substantive changes made with other code sections affected, to insure that existing provisions of law not substantively changed by the code are retained, and otherwise to refine wording of code provisions.

Senate members

s/ Terry Miller  
Senator Terry Miller, Chmn

s/ Edward Merdes  
Senator Edward A. Merdes

s/ Clifford J. Groh  
Senator Clifford Groh

House members

s/ Mike Miller  
Representative Mike Miller, Chmn.

s/ Ed Naughton  
Representative Edward Naughton

s/ Jess Harris  
Representative Jess Harris

Supplemental Report  
to  
Free Conference Committee Report  
on  
SCS CSHB 208 am S and CSHP 208 am  
(Revised Municipal Code)

June 15, 1972

COMPARISON OF THE REVISED MUNICIPAL CODE  
(FCCS SCS CSHB 208) AND EXISTING LAW

The Free Conference Committee Report on SCS CSHB 208 am S and CSHB 208 am (revised municipal code) submitted to the legislature on May 22, 1972 notes the substantive changes which the Conference bill (FCCS SCS CSHB 208) makes in provisions of the bills referred to the committee. Most of the changes noted are changes of existing law as well as the bills referred. This supplemental report notes mainly additional changes of existing law represented overall by the Conference bill. In addition to serving as a useful comparison of existing law and the revised code, the report is offered to reflect legislative intent where the intent expressed and the pertinent code provisions are consistent.

Foreword

The need for revision of the local government laws of the state, many of them in the case of cities dating back to territorial days, has long been recognized by the legislature. By concurrent resolution adopted in 1963, the Third Legislature characterized the bulk of state law relating to cities as "disjointed" and not serving the best interest of the state. After a two-year revision effort conducted by the Local Affairs Agency, the Department of Law, and the Legislative Affairs Agency, a proposed revised code was introduced into the First Session of the Fourth Legislature and since then has been continually before the legislature in various modified forms of the original bill. Its adoption in the current session of the legislature follows some seven years of review and subsequent revision by committees of the legislature as well as by the Alaska Municipal League, the public through hearings, municipal and school officials, staffs of the legislative and executive branches of the government, and many other interested parties.

The final form of the code derives largely from a draft prepared and submitted in 1971 by a committee of the Alaska Municipal League comprised of municipal attorneys and administrators. The League draft in turn is based on earlier versions of the code but reflects extensive updating and adjustment of provisions to emphasize a technical revision rather than large-scale substantive changes in existing areas of law.

Like any overall revision of titles of the Alaska Statutes, of course, the code incorporates changes from existing law both in form and in substance, albeit the substantive changes are relatively limited considering the scope of the revision and the technical revision made. Inasmuch as the code is an entire recodification of the laws relating to cities and boroughs now

found in Titles 7 and 29, it is virtually impossible to specify every change that has taken place between the code and existing law, but this comparison is intended to indicate the major impact of the revision represented by the Conference bill.

### Chapter 3. The Unorganized Borough

The law relating to the unorganized borough is unchanged. The present provisions of Title 7 granting authority to the division of lands to adopt zoning regulations for federal lands in the unorganized borough at the request of the Secretary of the Interior and only for purposes of facilitating federal land sales in the unorganized borough is placed in Title 38 (Sec. 6 of the Conference bill).

### Chapter 8. Classification of Municipalities (Cities and Organized Boroughs)

The code simplifies classification of cities by providing for two instead of four classes of general law cities (Sec. 29.08.-030). A population minimum of 400 permanent residents is set as the number necessary to incorporate a first class city under the code, as under present law. A minimum of 25 permanent residents is set for second class city incorporation (Secs. 29.-18.010 and 29.18.020).

The distinction between the two classes of cities relates primarily to property-tax and school powers and reflects the basic distinction under present law between first, second and third class cities, which have property taxing power and, in the unorganized borough, are school districts, and fourth class cities, which have neither the school powers nor property taxing powers for general municipal purposes. That distinction is maintained under the new classification, except that second class cities under the code, i.e. present fourth class cities, are accorded power to provide for a limited property tax upon referendum vote, as noted further under municipal assessment and taxation.

The status of existing home rule cities, and existing first class cities with populations of 400 or more, remains unaffected by the code. Existing second and third class cities with populations of 400 or more automatically become first class cities, retaining their school and tax powers. The revision takes into account the fact that certain existing first, second and third class cities with populations under 400 and located outside boroughs may not have sufficient population or tax base to carry the school function. Therefore, those cities are given the option of becoming either first class or second class, depending upon their abilities and preferences, as assessed by the Local Boundary Commission and subject to legislative review. Existing fourth class cities automatically become second class cities under the code, with generally the same powers and responsibilities which they now possess (except for the limited property-tax levying power if conferred by referendum) (Secs. 29.08.010 through 29.08.050 and Secs. 29.18.010 and 29.18.020).

The code provides for reclassification of cities and boroughs to a higher class. Upon reclassification of a third class borough to a second or first class borough, the borough may retain a combined assembly-school board or may separate the

functions between an assembly and a board, depending upon the wishes of the voters (Sec. 29.08.040).

### Chapter 13. Home Rule Municipalities

The code standardizes the procedures for adopting a charter in either a first class city or borough. The power of home rule municipalities to amend an existing charter or adopt a new one is expressly recognized in the chapter (Sec. 29.13.010), and, insofar as the provisions of Article 1, Charters are concerned, only the general requirements governing charter amendment (Sec. 29.13.080) apply to municipalities having home rule charters when the code takes effect as law.

Home rule limitations are gathered together and listed in one place in Article 2 of the chapter (Sec. 29.13.100). The listing makes explicit the legislative intent as to which provisions of the code apply to home rule municipalities, as prohibitions on acting otherwise than as provided, and which do not. Additionally, the provisions themselves contain a specific reference making them applicable to home rule municipalities. The listing and specific references in the provisions are intended to coincide. (As additional provisions of law are enacted subsequent to the time the code takes effect, provisions which are intended to apply to home rule as well as to general law municipalities as prohibitions on acting otherwise than as provided should make a specific reference to home rule municipalities within the provision and should, under the form of the new code, also be included in the listing under Sec. 29.13.100, so as to maintain clearly the legislative distinction as to which code provisions apply to home rule municipalities and which do not.)

### Chapter 18. Incorporation

Incorporation procedures are made uniform for all municipalities (Secs. 29.18.050 - 29.18.110). Special restrictions of existing law on incorporation of fourth class cities are thus removed as to incorporation of these cities as second class cities under the code. As noted in the Conference report, standards for borough incorporation are revised in a very limited sense for clarity. An additional change separates the election of initial municipal officers from the incorporation election itself (Sec. 29.18.120).

Present law provides for transitional assistance upon the incorporation of a new borough. In the revision, such transitional assistance is also made available to cities which are incorporated, or reclassified as first class cities, after January 1, 1968. Organizational money grants based on an allocation of \$10 per voter are authorized. A minimum grant of \$25,000 is authorized for communities assuming the school function for the first time, either by incorporation as boroughs or first class cities outside organized boroughs or by reclassifying from second class to first class cities outside boroughs (Sec. 29.18.180).

Under the revision boroughs and cities of all classes may also select 10 per cent of the vacant, unappropriated, unreserved state land within their boundaries (Secs. 29.18.190 - 29.18.200). Previously, only boroughs and, as of 1970, first and second

class cities, enjoyed this right of selection. The code provisions declare that the policy of the state in making land selections under the Statehood Act is to make available the maximum land area for borough and city selections under the code, consistent with the best interests of the state.

### Chapter 23. Municipal Officers and Employees

The law relating to borough assemblies, city councils and local officers is gathered into this chapter. Provisions respecting the borough and city executive have been revised as described in the Conference report. In addition, the veto power of borough chairmen (to be designated borough mayors in the revision) and mayors of first class cities has been broadened and clarified. In the past there has been a question of whether a veto could be used for motions and other actions of the assembly or council. That it may be is expressly provided (Secs. 29.23.170(a) and 29.23.270(s)). In the same subsections authority for the line item veto in municipal budgets has been added. This line item veto is expressly stated not to apply to the school budget (since the executive may veto only that which governing body may enact, and the only power the governing body has with respect to the school budget is to approve or disapprove the total budget).

The code provides that the mayor of a first class city is elected directly by the voters, has the veto power, but votes only in case of a tie. The mayor of a second class city is elected as a councilman, and is then selected as mayor by the council; he may vote but has no veto power (Secs. 29.23.250(b) - (c), 29.23.260 and 29.23.270). The borough mayor does not vote on matters before the assembly but has the veto power (Secs. 29.23.160 and 29.23.170).

The revision makes clear that city councils may be elected from election districts within the city as well as citywide or partly at large and partly by districts, the choice being left to the local governments (Sec. 29.23.200(a)). Election sections for election of borough assemblymen in the borough area outside cities are permitted, as under present law, with sections to be of approximately equal population (Sec. 29.23.100).

Utility boards elected by the voters or appointed by the municipal executive and confirmed by the governing body are permitted for boroughs and cities (Sec. 29.23.340). (Elected boards only are authorized to general law municipalities under existing statutes.)

Either a borough or a city may adopt or repeal a manager form of government, as under existing law. However, a standard procedure is established for both types of municipality. Under this procedure, either the voters by petition, or the assembly or council by its own motion, may initiate an election on the manager plan (Secs. 29.23.410 - 29.23.480).

The code requires certain reports to be made to the Local Affairs Agency, including up-to-date maps, tax assessment figures, a financial report, and reports relating to long-term debt as already required under AS 44.19.205. The financial report takes the form of the annual audit for boroughs and first class cities, but second class cities may submit a statement of income and expenditures. Furnishing the reports is made a condition of receipt of authorized shared revenues under AS 43.18 (Sec. 29.23.560).

Provisions of existing law requiring disclosure by a borough officer or employee of any direct or indirect financial interest in contracts with, or sales made to, the borough are not retained in the code as adopted; however, assemblymen in general law boroughs are prohibited in the code from voting on questions in which they have a substantial direct or indirect financial interest (Sec. 29.23.060(d)).

#### Chapter 23. Elections

The major revisions with respect to municipal elections are outlined in the Conference report. In addition, the section on recall has been changed from existing law to eliminate the requirement that a successor to the office affected by the recall run at the same election as the recall election. Should the recall be successful, a subsequent election is required to elect a successor (Secs. 29.28.130 - 29.28.250).

The powers of initiative and referendum are reserved to municipalities and the procedure for exercise of the powers by municipal residents is outlined (Secs. 29.28.060 - 29.28.110). (All provisions of the initiative and referendum article are intended to govern within general law cities and boroughs both.)

Municipal elections are nonpartisan for all municipalities as under existing law (Sec. 29.28.010).

#### Chapter 33. Areawide Borough Powers and Duties

Boroughs retain their basic areawide responsibilities prescribed by current law: (1) assessment and collection of taxes, (2) education, and (3) planning, platting and zoning. Under present law, however, the borough is charged only with assessment and collection of real and personal property taxes. The assessment and collection provision of the code broadens this to include the collection of use and sales taxes authorized by the voters (Sec. 29.33.030).

The relationships between school boards and borough assemblies are retained substantively as under present law, except, as noted in the Conference report, consideration in the design of school buildings for multiple use for community purposes is specified. The provisions are transferred to Title 14, Education, rather than being retained, as under existing law, in the municipal statutes (Secs. 8 and 9 of the Conference bill).

There has been considerable smoothing out in the planning, platting and zoning article (Secs. 29.33.070 - 29.33.245), with a number of substantive changes. Among them, provision is made to insure membership from cities on borough planning commissions (the reference to first class cities in the provision, Sec. 29.23.080, is intended to encompass home rule as well as first class cities not having adopted a charter). The planning commission itself is authorized to decide on variances subject only to appeal to the board of adjustment. (Secs. 29.33.080(d) and 29.33.110(b)). Under the current procedure all variances, no matter how routine, go to the board of adjustment. Another change, noted in the Conference report, expressly authorizes delegations of planning commission, platting board and board of

adjustment functions to hear and decide cases (Sec. 29.33.245), and the provisions of CSHB 290, relating to land subdivisions and adopted by both houses during the current session, are incorporated in the revision. A further change of existing law places power to adopt and enforce building, housing, and related codes clearly within the jurisdiction of cities within boroughs rather than in the boroughs as part of the areawide planning, platting and zoning responsibility. Boroughs may exercise the powers in the area outside cities or areawide by acquiring the power in the same manner as they obtain other powers in those areas. However, a borough exercising the powers within cities when the code takes effect may continue to exercise the powers upon agreement between a city and the borough; if there is no agreement, the city is required to exercise the powers within the city and the borough is required to continue exercising the powers outside the city (Sec. 29.48.035). A limited exception, noted in the Conference report, reserves the powers to boroughs for flood control purposes only, if the powers are being exercised areawide for those purposes when the code takes effect. (Existing borough law has been interpreted to vest boroughs with areawide building code powers as part of the required areawide planning and zoning function.)

Under the code the planning commission must prepare and recommend an official map (Sec. 29.33.080(b)), but this brief reference to an official map is not intended to require municipal adoption of an official map or to imply legal effects of an official map if adopted. (Former proposed provisions of the code required map adoption and prescribed its effects, but those provisions were not retained in the code.)

Under existing laws relating to acquisition of additional areawide powers, it is unclear whether second class boroughs may, like first class boroughs, acquire additional areawide powers by transfer from cities. The revision explicitly authorizes this method (Sec. 29.33.250). The same section also makes explicit the power of first class boroughs to acquire additional areawide powers by means of an areawide election on the question, as well as by transfer from cities. Elections on the question of adding areawide powers are authorized by petition of the voters as well as by assembly proposal (Sec. 29.33.270).

Moreover, the Local Affairs Agency is no longer required to pass upon the acquisition of additional areawide powers; the evaluation is to be made by the assembly after public hearing (Sec. 29.33.280). (Petitions for acquisition of powers pending before the Local Affairs Agency or the Local Boundary Commission at the time the code takes effect as law are presumably preserved under the transitional provision of Sec. 3 of the Conference bill.)

Other substantive changes relating to areawide borough powers and duties are noted in the Conference report, under the discussion of powers applicable to all municipalities. (The conditions on city exercise of the areawide powers noted in the Conference report are intended to include home rule as well as general law cities in all cases.)

#### Chapter 38. Borough Powers and Duties in the Area Outside Cities

This chapter is designed to encourage areawide or joint city-borough exercise of powers by requiring the borough to explore

those alternatives before exercising powers in the area outside cities only. If transfer or joint exercise is not acceptable, a first class borough may exercise any general law municipal power outside cities (Sec. 29.3b.010).

A second class borough requires an election in the area outside cities in order to add additional powers in that area (Sec. 29.-38.020), except with respect to certain special matters specified in Sec. 29.48.020, including regulation of fireworks, animals, vehicles, snow machines, garbage and solid waste, and water pollution. The latter two powers are newly conferred in the code for second class borough exercise in the area outside cities without a vote of the area; the others are already conferred for such exercise under existing law (with animal control limited to dog control). Acquisition of additional powers and duties in the area outside cities again may be proposed by voters' petition as well as by the assembly and no longer requires review by the Local Affairs Agency (Sec. 29.38.040).

#### Chapter 41. Powers of Third Class Boroughs

Third class borough powers are unchanged. Acquisition of powers in the borough area outside cities is intended, as under present law, to be governed by provisions of law applying to second class boroughs. The borough assembly continues to function as the school board in third class boroughs, and the borough executive serves as presiding officer of the assembly. The requirement of present law that the executive be appointed from and by the assembly is not retained in the code. (Under the transitional provisions of Sec. 3 of the Conference bill authorizing local ordinances to remain in effect for a period of 180 days from the date the code takes effect as law, a third class borough ordinance providing for an executive to be appointed from and by the assembly presumably would preclude election of an executive by the voters until the first regular election following expiration of the 180-day period, unless the ordinance is earlier amended to conform with the code.)

#### Chapter 43. Powers of Cities Outside Boroughs

Authority is provided for home rule and first class cities outside boroughs to assess, levy and collect a general property tax within city boundaries. Sales and use tax authority within boundaries of all cities is also conferred. Taxes are to be assessed, levied and collected in the manner set forth for boroughs in the code (Sec. 29.43.020). (The limited property tax power of second class cities is not expressly stated in this provision but is authorized through Sec. 29.53.410.)

First class cities outside boroughs continue to comprise city school districts, with relationships between school boards and city councils to be governed in the same manner as those between borough school boards and assemblies. (Sec. 29.43.030).

Home rule and first class cities outside boroughs must, and second class cities may, provide for planning, platting and zoning in the manner provided in the code for boroughs under the code (Sec. 29.43.040) (present law does not expressly require home rule or first class city exercise of planning, platting or zoning authority).

The chapter makes borough laws incorporated by reference under the chapter applicable to home rule cities only in those cases in which they are made applicable to home rule boroughs in the provisions incorporated.

#### Chapter 48. Powers Applicable to All Municipalities

The major changes with respect to this code subject are summarized in the Conference report. As the report notes, an entirely new approach from that of existing law has been taken to delineation of municipal powers, facilities and services. Under existing law these are in many cases spelled out in substantial detail. This detail often serves no useful purpose. The revision merely lists the powers and provides for liberal construction of the powers, as required by the constitution (Secs. 29.48.010, 29.48.030, and 29.48.310). The listings the code provides are not intended to be all-inclusive but rather illustrative of the object or purpose intended to be accomplished (Secs. 29.48.320 and 29.48.330).

The procedure for enactment of ordinances has been simplified and streamlined without changing substantive rights. The code, however, changes the time between publication and hearing from one week to five days. The change permits special meetings for final consideration of a proposed ordinance to be held on the same day as regular meetings (Sec. 29.48.140). The provision also eliminates the present requirement for a new hearing should there be an amendment as to substance, since the original hearing is viewed as providing the public the opportunity to propose changes to improve the ordinance.

In addition to requiring copies of ordinances to be made available, the code requires municipalities to codify ordinances and resolutions (Sec. 29.48.180). This section bears some specific comment on meaning. Subsections (a) and (c) of Sec. 29.48.180, requiring that ordinances and resolutions be codified by one of two methods, is intended to apply to cities, as is indicated by the definition in (a)(2). However, as to cities incorporated after the code takes effect, (b) of the section also applies and requires adoption and retention of a general codification of ordinances within three years of incorporation. (In effect, a similar type of codification to that of (c)(2) is required; resolutions continue subject to the optional methods of codifying under (a)). Also, (b) applies to boroughs which are incorporated after the code takes effect, and the provision is intended as well to carry over as a requirement on existing boroughs; notably, it appears in current borough law in almost identical form. (While official responsibility for preparation of a codification is assigned the municipal executive, it is anticipated that supervision of preparation in manager plan cities and boroughs will fall to the municipal administrator, i.e. the manager.)

Authority to establish centralized purchasing for the municipality and its departments (but not including schools) is expressly conferred under the code (Sec. 29.48.250).

Under existing law, emergency disaster powers are applicable only to certain municipalities. The code authorizes all municipalities, regardless of classification, to exercise emergency disaster powers (Sec. 29.48.270), on the reasoning that should a disaster strike the classification of city is not relevant.

## Chapter 53. Municipal Assessment and Taxation

This chapter grants municipalities the power to provide for property, sales and use taxes. Boroughs and home rule and first class cities may utilize all the taxes. Second class cities may provide for sales and use taxes. Second class cities, both within and outside organized boroughs, may also tax property for general municipal purposes at a rate not to exceed one-half of one per cent of the assessed valuation of the property taxed, if authority to do so is conferred by municipal referendum (Sec. 29.53.410).

Within a borough the borough collects all the taxes, provided the borough itself levies a sales or use tax. (Under existing law boroughs are required to assess and collect only the property taxes levied by cities.) Within a borough, a city collects sales or use taxes if the borough does not itself levy and collect such taxes (Sec. 29.53.450). If a borough levies and collects sales or use taxes on an areawide basis, cities within the borough which levy such taxes within their boundaries must levy upon the same sources as are taxed by the borough and in the same manner as the borough (Sec. 29.53.440). (The uniformity requirement is an addition to present law.) Outside boroughs the city collects its own taxes. (The power of second class cities to levy a limited property tax, under Sec. 29.53.-410, is intended to include, in the case of second class cities outside boroughs, the power to assess and collect the taxes as well.)

The sales and use tax provisions of the code are made binding only on general law cities and boroughs, but provisions governing assessment, levy, and collection of property taxes are applied uniformly to all municipalities, home rule as well as general law. Under present law only selected provisions of the taxing statutes, relating to required exemptions from property tax and collections of penalties and interest on property and sales taxes, are made expressly applicable to home rule municipalities, but there has been doubt under existing law whether other taxing provisions (as well as many other provisions of current local government law) apply.

In addition to certain exemptions from property tax required or authorized under present law, the code authorizes additional optional exemptions or exclusions as to residential property to be made by ordinance ratified by the municipal voters (Sec. 29.53.025(a)). Any exemptions or exclusions granted by home rule municipalities and in effect on the date the code takes effect as law are not affected by enactment of the code (Sec. 29.53.025(d)).

Property assessment procedures for tax purposes are consolidated and simplified under the code. A provision of former law, repealed some years ago and establishing a limited value for certain unimproved or nonproducing mining claims, is restored (Sec. 29.53.030).

The code continues provisions of present law imposing a municipal tax limitation on all municipalities of three per cent of the assessed valuation of property within the municipality and excepting taxes for the payment of bond obligations from the limitation (Secs. 29.53.050 and 29.53.055). (As noted above, a more restrictive limitation is imposed as to the newly

conferred power of second class cities to levy a property tax upon referendum approval, i.e. a limitation of one-half of one per cent of the assessed valuation of the property taxed. That limit may be exceeded in a second class city which has authorized a property tax by referendum, but only if levy of the tax is necessary to avoid a default in payment of bond or other debt obligations (Sec. 29.53.410). Authority for a levy to meet bond obligations is provided fourth class cities under present law.)

There are several changes concerning the enforcement of tax liens. One is that the foreclosure list no longer must be presented to the court on the day of publication. This requirement has created substantial difficulty where the newspaper of publication is not located within the same city as the borough seat or within the city which is foreclosing the taxes.

Under existing law, tax-foreclosed property is deeded to the borough. Under the new code, tax-foreclosed property lying within a city is deeded to the city while tax-foreclosed property lying within the borough but outside the city is deeded to the borough. The code further provides that should property within the city not be needed for public use by the city but be needed for public use by the borough, the borough may obtain such property. The same holds true for unredeemed property in the area outside the city needed by the city. When property is taken for public use by any governmental unit, the amount of taxes owing to the other governmental units will be paid by the governmental unit taking title (Secs. 29.53.360 and 29.53.385).

Under present law, general law municipalities are allowed to levy a sales tax on voter approval but are not allowed to levy a use tax. Under the code, as noted, both may be levied. The use tax being a correlative of the sales tax, no election is required to authorize the use tax (Secs. 29.53.415, 29.53.-420, 29.53.440 and 29.53.450). (Municipalities in which sales taxes have been authorized by municipal voters before the date the code takes effect as law are intended to be included within the code authority for levy of a use tax.)

The code expressly authorizes differential property tax zones within cities to provide services not provided throughout a city or provided at a different level than in the remainder of the city (Sec. 29.53.405).

Other provisions relating to municipal assessment and taxation are noted in the Conference report. (With reference to the code exemption of the place of abode of residents 65 years of age or over from city and borough real property taxation, the Conference report should correctly read that the exemption applies to such residents whose gross annual income totals less than \$10,000, rather than, as stated in the report, whose annual net taxable income is less than \$10,000.)

#### Chapter 58. Municipal Debt

There is now no express statutory authority for issuance of revenue anticipation notes by general law municipalities. Such notes as a matter of practice are issued despite specific statutory authority (presumably on the basis of authority conferred to the state and political subdivisions under art. IX,

sec. 10 of the state constitution relating to the borrowing of money in anticipation of revenue collections). The code specifically authorizes revenue anticipation notes in anticipation of tax or other revenues (Secs. 29.58.010 - 29.58.060).

As under present law, municipalities are permitted to issue general obligation bonds as approved by the voters after proper notice; the notice includes a statement of total current bond indebtedness, the cost of current debt service, and the total assessed valuation (Sec. 29.58.160).

Under existing law an election is required to authorize issuance of revenue bonds in general law municipalities. This requirement is modified in the code to require no election unless an election is required by local ordinance (Sec. 29.58.205). In boroughs, if the full faith and credit of the borough is pledged to guarantee payment of principal and interest on bonded debt incurred on behalf of the borough area outside cities or a service area only, majority voter approval must be obtained both boroughwide as well as in the area outside cities or the service area (Sec. 29.58.340(d)); under present law, a boroughwide pledge is expressly authorized for bonds of a service area only.

Further provisions on municipal debt are outlined in the Conference report.

#### Chapter 63. Special Assessments and Service Areas

The code revises provisions of existing law governing special assessments. Procedural fairness requirements for making assessments are retained, but much of the unnecessary cumbersome of existing provisions is removed.

Significantly, the revision also provides that special assessments may be levied against property owned by other governmental units (Sec. 29.63.010). The state is required to pay the assessment, subject to its right of protest. A governmental unit other than the state which refuses to pay the assessment is denied the benefit of the improvement.

#### Chapter 68. Alteration of Boundaries

Procedures for review of all municipal boundaries are consolidated in the code. The Local Boundary Commission is required to establish procedures for annexation and exclusion by local action (Sec. 29.68.010(b)). As noted in the Conference report, a boundary change made directly by the Local Boundary Commission is recognized as prevailing over a change initiated by local action (Sec. 29.68.010(c)).

Merger and consolidation is made uniform for all municipalities under the code and is authorized by either petition to the Local Boundary Commission under regulations adopted by the commission or by local election after approval of a merger or consolidation petition by the commission. (Under present statutes, essentially the second method only is authorized for borough merger and consolidation, and city consolidation is conditioned on adoption of ordinances calling for an election by the governing bodies of cities concerned and approval of proposed consolidation by the respective city voters.)

Unification of a borough and cities within it is authorized as under present law (Secs. 29.68.240 - 29.68.440), with modifications as noted in the Conference report and with more specific provisions made than those of present law concerning authority of the unified government to allocate preunification debt (Secs. 29.68.350(a)(1) and 29.68.410).

Dissolution of municipalities under the code is made uniform for all municipalities and may be proposed by either petition to the Local Boundary Commission under regulations adopted by it or by local option election (Sec. 29.68.500(a)). Essentially the same procedures are available to cities seeking dissolution under present law. Borough dissolution is authorized by local election after approval of a dissolution petition by the Local Boundary Commission. The Local Affairs Agency is required under the code to investigate municipalities which it considers inactive and to report on their status. The commission may recommend to the legislature that an inactive municipality be dissolved (Sec. 29.68.500(c)). The recommendation is made in the same manner as boundary change recommendations are made under art. X, sec. 12 of the state constitution.

#### Chapter 73. Miscellaneous Provisions

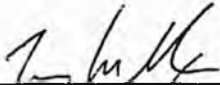
Municipalities are authorized powers of eminent domain and declaration of taking in the performance of an authorized municipal power or function (Sec. 29.73.020). In second class cities, as with fourth class cities under present law, exercise of eminent domain and declaration of taking in the performance of an authorized city power or function is subject to approval of the Local Affairs Agency and voter approval of an ordinance for the purpose.

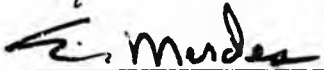
#### Conclusion

Additional revisions of existing law represented by the Conference bill are noted in the Conference report. Several technical corrections in citations and provisions, largely to coordinate related code provisions after recent changes, remain to be made in a separate bill. If not adopted at the current session of the legislature, these technical corrections will be submitted to the revisor of statutes for recommended inclusion in the forthcoming revisor's bill.

In general, the revised code is presented primarily as a series of technical changes which reconcile inconsistent provisions in existing law, modernize the archaic language found throughout the present Title 29 and provide a more workable and immensely more understandable basic framework for local government. Substantive changes are necessary in many areas. The revised code provides a better framework for existing law. It also provides a better framework from which to develop proposals for substantive changes which may be added after individual consideration of each change on its own merits.

Senate Members

  
\_\_\_\_\_  
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Chairman

  
\_\_\_\_\_  
Senator Edward A. Merdes

  
\_\_\_\_\_  
Senator Clifford J. Groh

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\_\_\_\_\_  
Representative Jess Harris

T A B L E O F C O N T E N T S

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(Recently adopted legislation incorporated by the Free Conference Committee in the municipal code and relating to involvement of young people in local government and development cities appears beginning at page 137 and page 139, respectively.)

Original sponsor: Local Government Committee

Offered: 5/22/72

1 IN THE HOUSE BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR SENATE CS FOR CS FOR HOUSE BILL NO. 208

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to revise and codify the law relating to  
7 cities and boroughs."

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

9 \* Section 1. The following laws are repealed: AS 07.05 - 07.40;  
10 AS 18.75.010 - 18.75.030, 18.75.050 - 18.75.060; AS 29.05 - 29.95; AS 37.30;  
11 AS 40.15.100 - 40.15.180.

12 \* Sec. 2. AS 29 is amended by adding new chapters to read:

13 TITLE 29. MUNICIPAL GOVERNMENT.

14 CHAPTER 3. THE UNORGANIZED BOROUGH.

15 Sec. 29.03.010. ESTABLISHMENT. Areas of the state which are not  
16 within the boundaries of an organized borough constitute a single  
17 unorganized borough.

18 Sec. 29.03.020. SERVICE AREAS. Allowing for maximum local par-  
19 ticipation, the legislature may establish, alter, or abolish service  
20 areas within the unorganized borough to provide special services, which  
21 may include but are not limited to schools, utilities, land use regula-  
22 tions and fire protection. A new service area may not be established  
23 if the new service can be provided by an existing service area, by  
24 incorporation as a city, or by annexation to a city.

25 CHAPTER 8. CLASSIFICATION OF MUNICIPALITIES.

26 Sec. 29.08.010. HOME RULE. A home rule municipality is a munici-  
27 pal corporation and political subdivision and is a borough of the first  
28 class or city of the first class which has adopted a home rule charter.  
29 It has all legislative powers not prohibited by law or charter.

1           Sec. 29.08.020. GENERAL LAW. A general law municipality is a  
2 municipal corporation and political subdivision and is an unchartered  
3 borough or city. It has legislative powers conferred by law.

4           Sec. 29.08.030. CLASSES OF GENERAL LAW. General law municipali-  
5 ties are of five classes:

- 6           (1) first class boroughs;
- 7           (2) second class boroughs;
- 8           (3) third class boroughs;
- 9           (4) first class cities;
- 10          (5) second class cities.

11          Sec. 29.08.040. RECLASSIFICATION. (a) A second class city may  
12 be reclassified as a first class city by holding an election on the  
13 question as provided in this subsection, if the Local Affairs Agency  
14 determines from the best figures available that the population of the  
15 city has reached 400 permanent residents.

16          (b) An election on the question of reclassification may be  
17 initiated in two ways:

- 18           (1) a number of voters equal to 15 per cent of the number  
19 of votes cast in the city at the preceding regular election may file  
20 a petition with the council; or
- 21           (2) the council may propose reclassification.

22          (c) The council shall hold at least one public hearing within the  
23 city on the question. The council shall then evaluate the ability of  
24 the city to assume first class status and make its findings public.

25          (d) The council shall, within 30 days after its findings have  
26 been made public, order an election to be held on the question. The  
27 election shall be held at least 30 days after the order and not later  
28 than the next regular election occurring after the 30-day period.

29          (e) If more than one question is to be voted on at the election,

1 each appears separately on the ballot.

2 (f) The council shall certify the election results to the Local  
3 Affairs Agency. If the majority of votes cast on the question is  
4 favorable, the city shall be considered reclassified to first class  
5 status 30 days after certification of the election results.

6 (g) A second class borough may reclassify as a first class or  
7 third class borough, and a third class borough may reclassify as a  
8 first class or second class borough, in the manner provided by AS 29.-  
9 33.270 - 29.33.290 for the addition of powers by boroughs, except  
10 the petition or proposal requests reclassification instead of requesting  
11 addition of powers.

12 (h) At the time of voting on reclassification of a second class  
13 borough to third class status, borough voters in conformity with  
14 AS 29.41 shall elect an assembly to serve as the combined assembly and  
15 school board of the third class borough if reclassification is approved.

16 (i) At the time of voting on reclassification of a third class  
17 borough to second class or first class status, borough voters shall  
18 vote also on the question whether the borough shall upon reclassifica-  
19 tion retain a combined assembly and school board or a separate assembly  
20 and board as otherwise provided for first and second class boroughs.  
21 If the majority of votes cast on the question favors retention of the  
22 combined assembly and board, the assembly serving at the time of the  
23 reclassification election continues to serve as the assembly and board  
24 upon voter approval of reclassification and until terms of assemblymen  
25 expire as provided before reclassification. If a separate board and  
26 assembly are approved at the reclassification election, a school board  
27 shall be elected in conformity with AS 14.12 at the next regular municipi-  
28 pal election, if it occurs within 90 days of the date of the reclassi-  
29 fication election, or otherwise at a special election within that time

1 called by the assembly with expiration dates of terms of members  
2 elected at the special election to coincide with the date of the regu-  
3 lar municipal election. Until a board is elected and qualified, the  
4 assembly continues to serve as the board.

5 Sec. 29.08.050. TRANSITION. (a) Upon the effective date of  
6 this Act, the current classification of existing home rule cities  
7 and of first class cities having 400 or more permanent residents is  
8 not affected by this Act. Second and third class cities incorporated  
9 before the effective date of this Act and having 400 or more permanent  
10 residents are reclassified as first class cities. The city council  
11 shall certify by resolution the number of permanent residents within  
12 the city. Upon the failure to certify, the Local Boundary Commission  
13 shall hold a public hearing and make a determination as to classification  
14 as provided in (c) of this section.

15 (b) Upon the effective date of this Act, fourth class cities  
16 incorporated before the effective date of this Act are reclassified as  
17 second class cities subject to reclassification under sec. 40 of this  
18 chapter.

19 (c) The Local Boundary Commission shall, within two years of the  
20 effective date of this Act, hold a public hearing in each city which  
21 was first, second, or third class before the effective date of this Act  
22 and whose population is under 400 permanent residents. The commission  
23 shall determine in each case whether the city should be classified  
24 as first or second class under the new classification. The commission's  
25 decision must be published at least once. Unless objections are filed  
26 with the Local Boundary Commission by at least five per cent of the  
27 permanent residents of the city within 60 days, the classification  
28 recommended by the commission becomes effective on the 61st day. If  
29 objections are filed by at least five per cent of the permanent

1 residents of the city, the commission shall submit its recommendation  
2 to the legislature in the manner provided for submission of boundary  
3 changes in sec. 12, art. X of the state constitution.

4 CHAPTER 13. HOME RULE MUNICIPALITIES.

5 ARTICLE 1. CHARTERS.

6 Sec. 29.13.010. MUNICIPAL CHARTER ADOPTION. A first class  
7 municipality may adopt a charter for its own government. A home rule  
8 municipality may amend its charter or adopt a new one. A charter is  
9 framed by a charter commission of seven members chosen by the municipal  
10 voters at a regular or special election. A candidate for the commis-  
11 sion must be a qualified voter of the municipality and a resident of  
12 the municipality for three years immediately preceding the election.  
13 A charter commission election is called by filing a petition with the  
14 borough assembly or the city council, or by resolution of the borough  
15 assembly or city council. The petition must be signed by a number of  
16 municipal voters equal to 10 per cent of the votes cast in the last  
17 regular election of the municipality.

18 Sec. 29.13.020. NOMINATION. Charter commission candidates are  
19 nominated by petitions signed by 50 voters or the number of qualified  
20 municipal voters equal to 10 per cent of the number of votes cast in  
21 the last regular election, whichever is less.

22 Sec. 29.13.030. ELECTION. At the charter commission election  
23 the voters shall consider the question "Shall a charter commission be  
24 elected to frame a proposed new charter?" and shall select the members  
25 of the commission. If the question is approved, the seven candidates  
26 receiving the highest number of votes shall immediately organize as  
27 a charter commission.

28 Sec. 29.13.040. PREPARATION OF CHARTER. The charter commission  
29 shall, within one year, prepare a municipal charter. The proposed

1 charter shall be signed by a majority of the charter commissioners  
2 and filed in the office of the municipal clerk. Within 15 days, the  
3 borough assembly or city council shall have the charter published  
4 once in a newspaper of general circulation if distributed within the  
5 municipality. The clerk shall post copies of the proposed charter in  
6 at least three public places and make copies available at the office  
7 of the clerk. The commission shall give published notice of and hold  
8 at least one public hearing on the proposed charter before signing  
9 and filing of the charter.

10 Sec. 29.13.050. INITIATIVE AND REFERENDUM. (a) Municipal  
11 charters shall provide the procedures for the initiative and referendum.

12 (b) A charter may not require an initiative or referendum peti-  
13 tion to have a number of signatures greater than 25 per cent of the  
14 total votes cast at the last regular municipal election.

15 (c) A charter may not permit the initiative and referendum to be  
16 used for a purpose prohibited by sec. 7, art. XI of the state consti-  
17 tution.

18 Sec. 29.13.060. CHARTER ELECTION. The charter shall be submitted  
19 to the municipal voters at a regular or special election held not  
20 less than 30 days nor more than 90 days from the publication of the  
21 charter.

22 Sec. 29.13.070. CHARTER ADOPTION. (a) If a majority of those  
23 voting on the question favor the proposed charter, it becomes the  
24 organic law of the municipality. Thereafter the court shall take  
25 judicial notice of the charter. The municipality shall file the  
26 indicated number of copies of the charter with the

- 27 (1) lieutenant governor - two copies;  
28 (2) Local Affairs Agency - two copies;  
29 (3) district recorder - one copy;

1 (4) municipal clerk - one copy.

2 (b) If a proposed charter is rejected, the charter commission  
3 shall prepare another proposed charter to be submitted to the voters  
4 at a regular or special election to be held within one year after the  
5 date of the first charter election. If the second proposed charter  
6 is also rejected, the charter commission shall be dissolved and the  
7 question of adoption of a charter shall be treated as if it had never  
8 been proposed or approved.

9 Sec. 29.13.080. CHARTER AMENDMENT. A municipal charter may be  
10 amended as provided in the charter or by initiative referendum as  
11 provided in AS 29.28.060 - 29.28.110, except that no amendment shall be  
12 effective unless ratified by the voters.

13 ARTICLE 2. HOME RULE LIMITATIONS.

14 Sec. 29.13.100. LIMITATION OF HOME RULE POWERS. Only the follow-  
15 ing provisions of this title apply to home rule municipalities as  
16 prohibitions on acting otherwise than as provided. They supersede  
17 existing and prohibit future home rule enactments which provide other-  
18 wise:

- 19 (1) AS 29.13.080 (charter amendment)  
20 (2) AS 29.18.140 (borough transition)  
21 (3) AS 29.23.020 - 29.23.050 (city representation and vote  
22 on borough assembly)  
23 (4) AS 29.23.250(a) (election and term of mayor)  
24 (5) AS 29.23.540 (prohibitions respecting appointment and  
25 removal of personnel)  
26 (6) AS 29.23.560 (municipal reports)  
27 (7) AS 29.23.580 (meetings public)  
28 (8) AS 29.28.010, 29.28.020(b) - 29.28.030 (municipal elec-  
29 tions)

- 1 (9) AS 29.28.130 - 29.28.250 (recall)
- 2 (10) AS 29.33.010(b) (areawide borough powers)
- 3 (11) AS 29.33.290(c) (acquisition of additional areawide
- 4 powers)
- 5 (12) AS 29.43.020 - 29.43.040 (powers of cities outside
- 6 boroughs)
- 7 (13) AS 29.48.033 (garbage and solid waste services)
- 8 (14) AS 29.48.035(c) (borough building code jurisdiction
- 9 within cities)
- 10 (15) AS 29.48.037 (extraterritorial jurisdiction)
- 11 (16) AS 29.48.040 - 29.48.100 (utilities)
- 12 (17) AS 29.48.180 (codification)
- 13 (18) AS 29.48.190(a) (fiscal year)
- 14 (19) AS 29.48.210 (expenditure of borough revenue)
- 15 (20) AS 29.48.220 (post audit)
- 16 (21) AS 29.53.010 - 29.53.350, 29.53.400 (borough and city
- 17 property tax)
- 18 (22) AS 29.53.415(d) (interest on sales tax)
- 19 (23) AS 29.58.180(b) (security for bonds)
- 20 (24) AS 29.58.315 (bond attorneys, bond and financial
- 21 consultants)
- 22 (25) AS 29.68.010 (annexation and exclusion)
- 23 (26) AS 29.68.030 - 29.68.110 (merger and consolida-
- 24 tion)
- 25 (27) AS 29.68.500 - 29.68.580 (dissolution)
- 26 (28) AS 29.73.020 (eminent domain)
- 27 (29) AS 29.73.030 (adverse possession)
- 28 (30) AS 29.73.040 (taxation of municipalities)
- 29 (31) AS 29.73.050 (municipal name changes)

1 CHAPTER 18. INCORPORATION.

2 ARTICLE 1. REQUIREMENTS.

3 Sec. 29.18.010. FIRST CLASS CITIES. A community having 400 or  
4 more permanent residents may incorporate as a first class city.

5 Sec. 29.18.020. SECOND CLASS CITIES. A community having 25 or  
6 more permanent residents may incorporate as a second class city.

7 Sec. 29.18.030. ORGANIZED BOROUGHES. An area may incorporate as  
8 an organized borough if it conforms to the following standards:

9 (1) the population of the area is interrelated and inte-  
10 grated as to its social, cultural, and economic activities, and is  
11 large and stable enough to support organized borough government;

12 (2) the boundaries of the proposed borough conform generally  
13 to natural geography and include all areas necessary for full develop-  
14 ment of local services;

15 (3) the economy of the area includes the human and financial  
16 resources capable of providing local services; evaluation of an area's  
17 economy includes land use, property valuations, total economic base,  
18 total personal income, resource and commercial development, antici-  
19 pated functions, expenses, and income of the proposed borough;

20 (4) land, water, and air transportation facilities allow  
21 the communication and exchange necessary for the development of  
22 integrated local government.

23 ARTICLE 2. PROCEDURES.

24 Sec. 29.18.050. PETITION. Municipal incorporation is proposed  
25 by filing a petition with the Local Affairs Agency. The petition shall  
26 include the following information about the proposed municipality:

- 27 (1) class;  
28 (2) name;  
29 (3) boundaries;

1 (4) composition and apportionment of the assembly or council;

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

4 (6) for a second class borough, a designation of areawide  
5 powers to be exercised and of powers to be exercised in the area out-  
6 side cities only;

7 (7) maps, documents, and other information required by the  
8 Local Affairs Agency to show that the proposed municipality meets the  
9 standards for incorporation;

10 (8) for first class city incorporation, the signatures and  
11 resident address of 50 permanent resident voters within the proposed  
12 municipality;

13 (9) for second class city incorporation, the signature and  
14 resident address of 10 permanent resident voters within the proposed  
15 municipality;

16 (10) for borough incorporation, the signature and resident ad-  
17 dress of 15 per cent of the permanent resident voters in each first class  
18 city and 15 per cent of voters in the area outside first class cities  
19 based on the number who voted in the respective areas in the last general  
20 election.

21 Sec. 29.18.060. REVIEW. The Local Affairs Agency shall review  
22 petitions for content and signatures and shall return deficient peti-  
23 tions for correction and completion.

24 Sec. 29.18.070. INVESTIGATION. (a) If the petition contains  
25 the required information and signatures, the Local Affairs Agency  
26 shall investigate the proposal. It may use U.S. Bureau of the Census  
27 reports or other reliable information to determine more accurately  
28 the population of the proposed municipality.

29 (b) The agency may combine petitions for incorporation from the

1 same general area.

2 Sec. 29.18.080. REPORT AND HEARING. (a) The Local Affairs  
3 Agency shall report its findings to the Local Boundary Commission with  
4 its recommendations regarding the incorporation.

5 (b) The Local Boundary Commission shall hold at least one public  
6 hearing in the area proposed to be incorporated for the purpose of  
7 gauging public sentiment on the incorporation proposal.

8 Sec. 29.18.090. DECISION ON BOROUGH INCORPORATION. (a) If the  
9 Local Boundary Commission determines that a proposed borough fails  
10 to meet the standards for incorporation, it shall reject the petition.  
11 If the commission determines that the proposed borough meets the  
12 standards, it shall accept the petition. If the commission determines  
13 that the proposed boundaries can be altered to meet the standards,  
14 it may alter the boundaries and accept the petition.

15 (b) A commission decision under this section may be appealed  
16 under the Administrative Procedure Act (AS 44.62).

17 Sec. 29.18.100. DECISION ON CITY INCORPORATION. (a) If the  
18 Local Boundary Commission determines that proposed city boundaries  
19 are too restrictive or too expansive for efficient local government,  
20 it may alter the boundaries and accept the petition.

21 (b) The commission may reject a petition for incorporation of  
22 a city lying within a borough if it determines that desired municipal  
23 services can be more practically and economically provided by the  
24 borough or by annexation to an existing city.

25 (c) A commission decision under this section may be appealed  
26 under the Administrative Procedure Act (AS 44.62).

27 Sec. 29.18.110. INCORPORATION ELECTION. (a) The Local Boundary  
28 Commission shall immediately notify the lieutenant governor of its  
29 acceptance of an incorporation petition. Within 30 days after notifi-

1 cation, the lieutenant governor shall order an election in the proposed  
2 municipality to determine whether the voters desire incorporation.  
3 The election is held not less than 30 nor more than 90 days after the  
4 date of the election order. The election order must specify the dates  
5 during which nomination petitions for election of initial officers may  
6 be filed.

7 (b) An Alaska voter who has been a resident of the area within  
8 the proposed municipality for 30 days before the date of the election  
9 order may vote.

10 (c) Areawide borough powers included in the incorporation petition  
11 are considered to be part of the incorporation question. In an election  
12 for the incorporation of a second class borough, each power to be exer-  
13 cised outside cities only is placed separately on the ballot. Adoption  
14 of a nonareawide power requires a majority of the votes cast on the  
15 question, and the vote is limited to the voters residing outside cities.

16 (d) The lieutenant governor shall supervise the election in the  
17 general manner prescribed by the Alaska Election Code (AS 15.05 - 15.-  
18 60). The state shall pay all election costs under this section.

19 Sec. 29.18.120. ELECTION OF INITIAL OFFICERS. (a) If incorpora-  
20 tion is approved, the lieutenant governor shall, within 10 days of  
21 certification order an election to choose an initial slate of officers.  
22 The election is held not less than 60 nor more than 90 days after the  
23 date of the election order.

24 (b) Nominations for initial officers are made by petition. The  
25 petition is in the form prescribed by the lieutenant governor and in-  
26 cludes the name and address of the nominee and a statement of the nomine  
27 that he is qualified under the provisions of this title for the office  
28 that he seeks. A person may file for and occupy more than one office,  
29 but he may not serve simultaneously as borough mayor and as a member

1 of the borough assembly or as mayor and as a member of the council of  
2 a home rule or first class city. Petitions to nominate officers of a  
3 second class city must include the signature and resident address of 10  
4 voters in the area of the proposed city. Petitions to nominate borough  
5 assemblymen must include the signature and resident address of 50 voters  
6 who are residents of the proposed borough in the area outside home rule  
7 and first class cities. Petitions to nominate other municipal officers  
8 must include the signature and resident address of 50 voters in the  
9 area of the proposed municipality.

10 (c) The lieutenant governor shall supervise the election in the  
11 general manner prescribed by the Alaska Election Code (AS 15.05 -  
12 15.60). The state shall pay all election costs under (a) - (c) of  
13 this section.

14 (d) The initial elected municipal officials take office on the  
15 first Monday following certification of their election. Borough  
16 assembly members representing home rule or first class cities are ap-  
17 pointed by the city council and serve until the next regular city  
18 election and until their successors are elected and have qualified.  
19 All other elected municipal officials serve until the first regular  
20 election occurring after they have served two years in office and  
21 until their successors are elected and have qualified.

22 Sec. 29.18.130. INTEGRATION OF SPECIAL DISTRICTS AND SERVICE  
23 AREAS. Service areas in a newly incorporated borough or city shall  
24 be integrated into the borough or city within two years after the  
25 date of incorporation. On integration the borough or city succeeds to  
26 all the rights, powers, duties, assets and liabilities of the service  
27 areas. After integration, the borough assembly or city council may  
28 exercise within a former service area all of the rights and powers exer-  
29 cised by the service area at the time of integration, and may levy and

1 collect special charges, taxes, or assessments to amortize bonded  
2 indebtedness incurred by the service area or by a borough or city as  
3 successor to the service area. Upon integration no less than all pro-  
4 perty in the service area at the time of integration remains subject  
5 to taxation to pay the principal of and interest on the bonds. The pro-  
6 visions of this section shall apply to all organized boroughs whether in-  
7 corporated or organized before or after the effective date of this Act.

8 Sec. 29.18.140. TRANSITION. (a) The powers and functions  
9 exercised by home rule or general law cities and service areas which  
10 are succeeded to by a newly incorporated borough or city are exercised by  
11 them until the new borough or city assumes the powers and functions,  
12 which may not exceed two years after the date of incorporation. Ordi-  
13 nances, rules, resolutions, procedures, and orders in effect before the  
14 transfer remain in effect until superseded by the action of the new  
15 borough or city.

16 (b) The borough or city shall give written notice of its assump-  
17 tion of the powers, duties and other items enumerated in secs. 130 - 140  
18 of this chapter, to the city, and service area concerned before the as-  
19 sumption. Borough or city officials shall consult with the officials of  
20 the city, and service area concerned and arrange an orderly transfer.

21 (c) After the incorporation of a new borough or city, no service  
22 area within it may assume new bonded indebtedness, make any contract,  
23 or transfer any assets without the consent of the assembly or council.

24 Sec. 29.18.150. CHALLENGE OF LEGALITY. No person may challenge  
25 the formation of a municipality except within six months of the date  
26 of its incorporation.

27 ARTICLE 3. TRANSITIONAL ASSISTANCE.

28 Sec. 29.18.180. ORGANIZATION GRANTS. (a) For the purpose of  
29 defraying the cost of transition to borough or city government and

1 in order to provide for development and interim governmental operations,  
2 each borough and city incorporated after January 1, 1968 or, in the case  
3 of a second class city, incorporated or reclassified after January 1,  
4 1968, other than a unified municipality incorporated under the provi-  
5 sions of ch. 134 SLA 1967, as amended, or a municipality otherwise  
6 incorporated by consolidation, is entitled to an organization grant  
7 equal to \$10 for every voter who voted in the borough or city incorpora-  
8 tion election. However, each incorporated borough and each first  
9 class city incorporated or established by reclassification outside an  
10 organized borough is entitled to at least \$25,000.

11 (b) Within 30 days after the date of incorporation of a borough  
12 or city following the effective date of this Act the Local Affairs  
13 Agency shall determine the number of voters in the borough or city  
14 who voted in the incorporation election.

15 (c) Within 30 days after the completion of its findings, or as  
16 soon thereafter as money is appropriated to it for the purpose, the  
17 Local Affairs Agency shall transmit to the borough or city the total  
18 amount of money to which the borough or city is entitled.

19 Sec. 29.18.190. STATE LAND. A borough or city may select 10  
20 per cent of the vacant, unappropriated, unreserved state land located  
21 within its boundaries. In the selection of land under the Alaska  
22 Statehood Act, it is the policy of the state to make available to  
23 cities and boroughs the maximum land area from which to make selections  
24 under this section consistently with the best interests of the state.  
25 Nothing in this section affects a valid existing claim, location, or  
26 entry under the laws of the state or the United States whether for  
27 homestead, mineral, right-of-way or other purpose or affects the  
28 rights of an owner, claimant, locator, or entryman to the full use  
29 and enjoyment of the land so occupied.

1           Sec. 29.18.200. SELECTION PROCEDURE. (a) All selections must  
2 be made in reasonably compact tracts, taking into account the situation  
3 and potential uses of the land involved. The authority to make selec-  
4 tions may not be alienated or bargained away, in whole or in part,  
5 by the borough or city.

6           (b) If land desired by the borough or city is unsurveyed at the  
7 time of its selection, the Department of Natural Resources shall survey  
8 or approve a survey by the borough or city of the exterior boundaries  
9 of the area requested without interior subdivision and shall issue a  
10 patent for the selected area in terms of the exterior boundary survey.  
11 The cost of survey is borne by the borough or city. If land desired  
12 by the borough or city has been surveyed at the time of its selection,  
13 the boundaries of the areas requested must conform to the public land  
14 subdivisions established by the approval of the survey. Land selected  
15 by the borough or city under this chapter is patented to the borough  
16 or city by the Department of Natural Resources.

17           (c) After the selection of the land by the borough or city but  
18 before the issuance of final patent, the borough or city may execute  
19 conditional leases and make conditional sales of selected land.

20           CHAPTER 23. MUNICIPAL OFFICERS AND EMPLOYEES.

21           ARTICLE 1. BOROUGH ASSEMBLY.

22           Sec. 29.23.010. GENERAL POWER. The legislative power of a  
23 borough is vested in the assembly.

24           Sec. 29.23.020. STANDARDS FOR COMPOSITION AND APPORTIONMENT.

25           (a) The assembly of a borough is composed of the number of seats  
26 shown on the following table:

Population	Assembly Seats
under 6,000	5
6,000 - 12,000	7

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29

12,001 - 30,000	9
over 30,000	11

(b) If there is one home rule or first class city in the borough, the assembly is composed of at least one assemblyman from the home rule or first class city.

(c) The assembly seats are apportioned as follows: Except as provided in (b) of this section, each home rule or first class city has the number of seats designated in the following table, unless a lesser number is approved by a resolution of the council of the city concerned:

Population	Assembly Seats
under 2,000	1
2,000 - 6,000	2
6,001 - 12,000	3
12,001 - 30,000	4
over 30,000	5

(d) The area outside home rule and first class cities within the borough has a number of assemblymen equal to one more than the total number of all assemblymen who represent home rule and first class cities.

Sec. 29.23.03C. ELECTION AND APPOINTMENT. Members of the assembly are appointed or elected according to the apportionment determined by the incorporation petition approved by the voters until the assembly is reapportioned. Members representing home rule and first class cities are appointed by and from the city councils, unless provided otherwise by city charter or ordinance. Members representing the area outside home rule and first class cities are elected.

Sec. 29.23.040. REGULAR TERM OF OFFICE. In boroughs a regular election is held annually on the first Tuesday of October, unless a different date or interval of election is provided by ordinance to choose

1 assemblymen from outside home rule and first class cities for three-year  
2 terms and until their successors are elected and have qualified. The  
3 regular term begins on the first Monday following the regular borough  
4 election. City councilmen on the assembly may not be replaced by the  
5 council unless their assembly term expires as provided by city charter  
6 or ordinance, or they cease to be a member of either the assembly or  
7 the council. The assembly may provide for different terms by ordinance,  
8 but they may not exceed four years. The current term of incumbent  
9 assemblymen may not be altered.

10 Sec. 29.23.050. QUALIFICATIONS. A resident of the borough is  
11 eligible to be an assemblyman if he is a borough voter. An assemblyman  
12 who ceases to be a borough voter immediately forfeits his office. If  
13 an assemblyman elected from an area outside home rule and first class  
14 cities or from a section becomes a resident of a home rule or first  
15 class city or another section he may continue to serve only until the  
16 next regular election. The assembly may by ordinance establish resi-  
17 dency requirements for assemblymen elected from outside home rule and  
18 first class cities not exceeding three years.

19 Sec. 29.23.060. PROCEDURE. (a) The assembly shall meet at  
20 least once every month, unless otherwise provided by ordinance. All  
21 meetings shall be public meetings. Special meetings may be held on the  
22 call of the chairman, the presiding officer, or one-third of the members,  
23 upon not less than 24 hours written or oral notice communicated to each  
24 member. In an emergency a special meeting shall be a legal meeting if  
25 all members are present or there is a quorum and all absent members  
26 have waived in writing the required notice. A waiver may be either  
27 before or after the time of the meeting. The waiver shall be attached  
28 to and made a part of the journal for that meeting.

29 (b) The assembly shall elect from among its members a presiding

1 officer and a deputy presiding officer to serve at its pleasure, except  
2 that in manager plan boroughs the borough mayor serves as presiding offi-  
3 cer. If the presiding officer is not present or disqualifies himself,  
4 the deputy presiding officer shall preside.

5 (c) The assembly shall determine its own rules and order of  
6 business and provide for keeping a journal of its proceedings.

7 (d) A majority of the membership authorized by law constitutes a  
8 quorum. In the absence of a quorum, any number less than a quorum may  
9 recess or adjourn the meeting to a later date. Actions of the assembly  
10 are adopted by a majority of the votes authorized on the question. All  
11 assemblymen present shall vote unless the assembly for special reasons  
12 permits a member to abstain, except no assemblyman may vote on a question  
13 in which he has a substantial direct or indirect financial interest.

14 (e) The final vote on each ordinance, resolution, or substantive  
15 motion is a recorded "yes" or "no", except that if the vote is unani-  
16 mous it is necessary only so to state.

17 (f) When the borough assembly votes on an ordinance or resolution  
18 in exercising an areawide power and when it votes on the areawide  
19 budget, the votes are weighted to enable the assemblymen who represent  
20 a majority of the borough's population to have a majority of the  
21 votes. Weighted voting applies to all procedures and votes affecting  
22 the final outcome of the ordinance or resolution.

23 (g) The weight to be given to each vote cast by the assemblymen  
24 present and voting who represent a home rule or first class city which  
25 has a majority of the population is determined by dividing the number  
26 of all assembly seats apportioned to the area outside the city plus one  
27 by the number of seats apportioned to the city.

28 (h) The weight to be given to each vote cast by assemblymen  
29 present and voting who represent home rule and first class cities

1 which have a combined majority of the borough's population is determined  
2 by dividing the number of all assembly seats apportioned to the area  
3 outside cities plus one by the number of all assembly seats apportioned  
4 to the home rule and first class cities.

5 (i) If the area outside home rule and first class cities has the  
6 majority of the borough's population, each assemblyman present and  
7 voting has one vote.

8 (j) Fifty borough voters or a home rule or first class city in a  
9 borough may petition the assembly or the Local Affairs Agency, or the  
10 assembly may petition the agency, to determine from U. S. Bureau of  
11 the Census reports or other reliable information whether the votes of  
12 the assemblymen representing a home rule or first class city shall be  
13 weighted. The petition shall include evidence to indicate that weighted  
14 voting should or should not be used. A determination by the Local  
15 Affairs Agency prevails over one by the assembly. A determination by  
16 either the assembly or the agency is effective immediately, subject to  
17 judicial review for abuse of discretion.

18 Sec. 29.23.070. DEPARTMENTS. (a) The assembly may establish  
19 departments and distribute administrative functions among them.

20 (b) Each department is administered by a department head. With  
21 the consent of the assembly, the borough mayor may serve as the head of  
22 one or more departments or may appoint one person as the head of two  
23 or more departments.

24 Sec. 29.23.080. ASSEMBLY VACANCIES. (a) The assembly shall  
25 provide by ordinance the manner in which a vacancy in assembly represen-  
26 tation occurs.

27 (b) A vacancy in the city council representation on the assembly  
28 is filled by a councilman designated by a majority of the remaining  
29 membership of the council to serve until the next regular election.

1 (c) A vacancy in the representation for the area outside a home  
2 rule or first class city is filled by a majority of the remaining  
3 assemblymen representing the area outside home rule and first class  
4 cities, who designate a voter residing outside home rule and first  
5 class cities, and if there are borough sections established, a resident  
6 of the borough section from which he will serve, to serve until the  
7 next regular election.

8 Sec. 29.23.090. REAPPORTIONMENT. (a) The assembly of home rule  
9 and general law boroughs shall be reapportioned by either of the  
10 following methods:

11 (1) The assembly shall reapportion itself when the appor-  
12 tionment does not meet the standards provided in sec. 20 of this  
13 chapter. The proposal must be submitted to the Local Affairs Agency  
14 for review.

15 (2) Fifty borough voters or a home rule or first class city  
16 in a borough may petition the assembly or the Local Affairs Agency to  
17 reapportion the assembly. The petition must include evidence that the  
18 apportionment of the assembly does not meet prescribed standards. If  
19 it is found from U. S. Bureau of the Census reports or other reliable  
20 information that the standards are not met, the assembly or the Local  
21 Affairs Agency shall reapportion the assembly. A reapportionment by  
22 the Local Affairs Agency prevails over one by an assembly. Reapportion-  
23 ment by the assembly or the agency is subject to judicial review for  
24 abuse of discretion.

25 (b) A reapportionment is effective beginning with the next  
26 regular election to the assembly. If reapportionment results in an  
27 increase of representation on the assembly, the assembly may determine  
28 that the reapportionment is effective before the next regular election.  
29 If the assembly makes this determination, the additional seats are

1 filled as prescribed in sec. 80(a) and (b) of this chapter for filling  
2 vacancies, except that additional seats outside home rule and first  
3 class cities may be filled without regard to sections.

4 Sec. 29.23.100. BOROUGH SECTIONS. (a) The borough assembly may,  
5 by ordinance adopted without weighted voting, establish, alter, or abol-  
6 ish sections for the election of assemblymen in the area outside home  
7 rule and first class cities, except that sections may not be abolished  
8 unless a majority of the assemblymen outside home rule and first class  
9 cities approve. If it establishes sections, members representing the  
10 area outside home rule and first class cities represent the sections in  
11 which they reside. The ordinance must state whether assemblymen are  
12 elected by all voters outside home rule and first class cities or only  
13 by the voters of the section in which they reside. The number of sec-  
14 tions equals the number of assemblymen representing the area outside  
15 home rule and first class cities. Section boundaries are established  
16 in such a way as to provide, insofar as possible, clarity of boundaries,  
17 compactness of an area, approximately equal population representation  
18 among sections, and homogeneity of interest.

19 (b) Borough sections shall be reapportioned in the manner pre-  
20 scribed in sec. 90 of this chapter for reapportionment of the assembly.

21 ARTICLE 2. BOROUGH EXECUTIVE AND ADMINISTRATOR.

22 Sec. 29.23.130. POWER GENERALLY. (a) If the borough has not adopted a manager  
23 plan, the borough executive and administrative power is vested in an elected borough  
24 mayor. If the borough has adopted a manager plan, the administrative power is vested in  
25 an appointed manager and the executive power in an elected borough mayor who has the same  
26 functions as those of the mayor of a manager-plan city under sec. 240 of this chapter.

27 (b) A borough voter is eligible to be borough mayor.

28 (c) The borough mayor's regular term of office is three years  
29 and until a successor is elected and has qualified and begins on the

1 first Monday following his election, which is held the first Tuesday  
2 of October, unless a different date of election is provided by ordinance.  
3 The assembly may provide by ordinance for a different term not to exceed  
4 four years, except that the current term of an incumbent borough mayor  
5 may not be altered.

6 (d) A borough may adopt or abandon a manager plan at any time, as  
7 provided in secs. 410 - 480 of this chapter. The borough mayor may not  
8 veto an ordinance or resolution calling for an election on this question.  
9 The manager has all the powers and duties of the borough mayor as chief  
10 administrative officer. If the manager plan is adopted, it becomes effective  
11 following certification of the results of the first regular election  
12 occurring at least six months after adoption of the plan. The borough  
13 mayor then serves as borough executive.

14 Sec. 29.23.140. POWERS AND DUTIES OF BOROUGH ADMINISTRATOR. The  
15 borough mayor or manager as the case may be, as the chief administrative  
16 officer, is responsible for the proper administration of all borough  
17 affairs. The mayor or manager of the borough shall

18 (1) appoint borough employees and administrative officers,  
19 except as provided otherwise in sec. 360 of this chapter and AS 29.33.-  
20 050; he may hire necessary administrative assistants and may authorize  
21 an appointive administrative officer to appoint, suspend, or remove  
22 subordinates in his department;

23 (2) suspend or remove by written order borough employees and  
24 administrative officers, except as provided otherwise in sec. 360 of  
25 this chapter and AS 29.33.050;

26 (3) supervise enforcement of borough law;

27 (4) prepare the annual budget and capital improvements pro-  
28 gram for the assembly;

29 (5) execute the budget and capital improvement program as adopted;

1 (6) make monthly reports to the assembly on borough finances  
2 and operations;

3 (7) report to the assembly at the end of each fiscal year  
4 on the finances and administrative activities of the borough;

5 (8) prepare and make available for public distribution an  
6 annual report on borough affairs;

7 (9) serve as borough personnel officer unless the assembly  
8 authorizes him to appoint a personnel officer;

9 (10) direct and supervise the administration of

10 (A) the functions of all borough officers and employees  
11 except as provided otherwise in this title;

12 (B) the care and custody of all borough buildings and  
13 of all real and personal property of the borough, except as pro-  
14 vided otherwise by AS 29.33.050;

15 (C) the construction, maintenance, and operation of all  
16 borough roads, bridges, drains, buildings and other public works;

17 (11) execute other powers or duties specified in this title  
18 or lawfully prescribed by the assembly.

19 Sec. 29.23.150. EXECUTIVE ABSENCE. The borough mayor, subject  
20 to assembly approval, shall designate a person to act as mayor  
21 during the mayor's temporary absence or disability. If a manager  
22 plan has been adopted, the assembly shall designate by resolution a  
23 borough administrative officer to act as manager during his absence  
24 or disability.

25 Sec. 29.23.160. ASSEMBLY PARTICIPATION. The borough mayor  
26 may take part in the discussion of all matters before the assembly  
27 but may not vote.

28 Sec. 29.23.170. VETO. (a) Except as provided in (b)  
29 of this section, the borough mayor may veto any ordinance,

1 resolution, motion or other action of the assembly and may, by veto,  
2 strike or reduce items in appropriation ordinances except for school  
3 budget items. He shall submit to the assembly at its next regular  
4 meeting a written statement advising of his veto and giving his reasons.  
5 His veto may be overridden by two-thirds of all the votes to which the  
6 assembly is entitled on the question.

7 (b) The borough mayor may not veto actions of the assembly taken under  
8 sec. 130(d) of this chapter or actions of the board of equalization and  
9 the board of adjustment.

10 Sec. 29.23.180. FILLING A VACANCY. A vacancy in the office  
11 of the borough mayor occurring within six months of a regular elec-  
12 tion shall be filled by the assembly. The person designated shall serve  
13 until the next regular election and until a successor is elected and has  
14 qualified. If an assemblyman is chosen, he shall resign his assembly  
15 seat. If a vacancy occurs more than six months before a regular election,  
16 the assembly shall call a special election to fill the unexpired term.

### 17 ARTICLE 3. CITY COUNCIL

18 Sec. 29. 23.200. COMPOSITION, ELIGIBILITY, ELECTION AND TERM.

19 (a) Each first class city has a council of six members elected by the  
20 voters at large. Each second class city has a council of seven members  
21 elected by the voters at large. The council of a first or second class  
22 city may by ordinance provide for election of members other than on  
23 an at large basis for all members.

24 (b) A city voter is eligible to hold the office of councilman.  
25 A council member who ceases to be eligible to be a city voter immedi-  
26 ately forfeits his office.

27 (c) An election is held annually on the first Tuesday of October,  
28 unless a different election date or interval of years is provided by  
29 ordinance, to choose councilmen for three-year terms and

1 until their successors are elected and have qualified. The regular  
2 term of office begins on the first Monday following the election.  
3 The council may provide by ordinance for different terms not to exceed  
4 four years, except that the current term of incumbent councilmen may  
5 not be altered.

6 Sec. 29.23.210. PROCEDURE. (a) The council shall meet at least  
7 once every month, unless otherwise provided by ordinance. Special  
8 meetings may be held on the call of the mayor or two councilmen upon  
9 not less than 24 hours written or oral notice communicated to each  
10 member.

11 (b) The council shall determine its own rules and order of  
12 business and provide for keeping a journal of its proceedings.

13 (c) Four councilmen constitute a quorum. Four affirmative votes  
14 are required for the passage of an ordinance, resolution, or motion.

15 (d) The final vote on each ordinance, resolution, or substantive  
16 motion is a recorded roll call vote. All councilmen present shall  
17 vote unless the council, for special reasons, permits a member to  
18 abstain.

19 Sec. 29.23.220. FILLING A VACANCY. If a vacancy occurs in the  
20 council, the council by vote of a majority of its remaining members  
21 shall designate a person to fill the vacancy until the next regular  
22 election, and until a successor is elected and has qualified.

23 ARTICLE 4. CITY EXECUTIVE AND ADMINISTRATOR.

24 Sec. 29.23.240. MAYOR. Each city has a mayor as executive who shall preside  
25 at council meetings, act as ceremonial head of the city, and sign docu-  
26 ments on the city's behalf upon council authorization. In cities  
27 which have not adopted a manager plan, the mayor is responsible for  
28 the duties listed in sec. 290 of this chapter.

29 Sec. 29.23.250. ELECTION AND TERM OF MAYOR. (a) A voter of a

1 home rule or general law city is eligible to hold the office of mayor,  
2 except that a home rule city may prescribe additional residency  
3 requirements by charter.

4 (b) The mayor of a first class city is elected at large for a  
5 term of three years and until a successor is elected and has qualified.  
6 The council may provide by ordinance for a different term not to  
7 exceed four years, except that the current term of an incumbent mayor  
8 may not be altered.

9 (c) The mayor of a second class city is elected by and from the  
10 council for a term equal in length to a councilman's term.

11 (d) The mayor's regular term begins on the first Monday following  
12 his election, which is held on the first Tuesday of October, unless a  
13 different date of election is provided by ordinance. The council of a  
14 second class city shall meet on the first Monday after the regular elec-  
15 tion date and elect a mayor who takes office immediately.

16 Sec. 29.23.260. MAYOR'S VOTE. (a) The mayor of a first class  
17 city is not a council member and may vote only in the case of a tie.

18 (b) The mayor of a second class city is a council member and  
19 may vote on all matters.

20 Sec. 29.23.270. VETO. (a) The mayor of a first class city may  
21 veto any ordinance, resolution, motion, or other action of the council  
22 and may, by veto, strike or reduce items in appropriation ordinances  
23 except, in a city outside an organized borough, for school budget  
24 items. He shall submit to the council at its next regular meeting a  
25 written statement advising of his veto and giving his reasons. A veto  
26 is overridden by the vote of two-thirds of the authorized membership  
27 of the council.

28 (b) The mayor of a second class city has no veto power.

29 Sec. 29.23.280. FILLING A VACANCY. (a) In a first class city,

1 a vacancy in the office of mayor occurring within six months of a regu-  
2 lar election shall be filled by the council. The person designated shall  
3 serve until the next regular election and until a successor is elected  
4 and has qualified. If a councilman is chosen, he shall resign his coun-  
5 cil seat. If a vacancy occurs more than six months before a regular elec-  
6 tion, the council shall call a special election to fill the unexpired  
7 term.

8 (b) In a second class city, a vacancy in the office of mayor is  
9 filled by and from the council.

10 Sec. 29.23.290. POWERS AND DUTIES OF CITY MANAGER. If the city  
11 has a manager, he is the chief administrative officer. The manager shall

12 (1) appoint city employees and administrative officers,  
13 except as provided otherwise in sec. 360 of this chapter and AS 29.33.-  
14 050; he may hire necessary administrative assistants and may authorize  
15 an appointive administrative officer to appoint, suspend, or remove  
16 subordinates in his department;

17 (2) suspend or remove by written order city employees and  
18 administrative officers, except as provided otherwise in sec. 360 of  
19 this chapter and AS 29.33.050;

20 (3) supervise enforcement of city law;

21 (4) prepare the annual budget and capital improvement  
22 program for the council;

23 (5) execute the budget and capital program as adopted;

24 (6) make monthly financial reports to the council on city  
25 finances and operations;

26 (7) report to the council at the end of each fiscal year  
27 on the finances and administrative activities of the city;

28 (8) prepare and make available for public distribution an  
29 annual report on city affairs;

1 (9) serve as city personnel officer unless the council  
2 authorizes him to appoint a personnel officer;

3 (10) execute other powers and duties specified in this title  
4 or lawfully prescribed by the council.

5 ARTICLE 5. SCHOOL BOARDS.

6 Sec. 29.23.310. ELECTION. Each borough and city school district  
7 has a school board. Members are elected at the regular election held  
8 annually on the first Tuesday of October, unless a different elec-  
9 tion date or interval of years is provided by ordinance, for three-  
10 year terms and until their successors take office. All board members  
11 are elected at large, but school zones for the election of borough  
12 school boards may be established, altered, or abolished as provided  
13 by sec. 100 of this chapter.

14 ARTICLE 6. UTILITY BOARDS.

15 Sec. 29.23.340. UTILITY BOARDS. (a) The assembly or council of a  
16 municipality operating a public utility may provide by ordinance for a  
17 managing board of five members and define the board's powers and duties.

18 (b) As determined by ordinance, members of the board are appointed  
19 by the municipal executive and confirmed by the assembly or council or  
20 are elected at the regular election held annually on the first Tuesday  
21 of October, unless a different election date or interval of years is  
22 provided by ordinance. The term of a utility board member is two years  
23 and until a successor is selected and has qualified. However, the  
24 assembly or council may by ordinance provide for a different term not  
25 to exceed four years and not altering the current term of an elected  
26 incumbent.

27 (c) Vacancies in the board are filled by the municipal executive.  
28 Executive appointments shall be confirmed by the assembly or council.  
29 A person selected to fill a vacancy on a utility board serves until

1 the expiration of the term and until a successor is elected and has  
2 qualified.

3 (d) Unless otherwise provided by ordinance, the board shall

4 (1) choose its chairman and secretary;

5 (2) appoint the manager of the public utility for a term  
6 not longer than five years and set his salary;

7 (3) formulate and enforce the general rules and policies  
8 of the utility.

9 ARTICLE 7. OTHER OFFICERS AND EMPLOYEES.

10 Sec. 29.23.36C. APPOINTMENT OF OFFICERS. The municipal clerk,  
11 attorney, treasurer, and police chief are appointed by the chief  
12 administrator or by the assembly or council, as determined by ordinance.  
13 Officers serve at the pleasure of the appointing authority, subject  
14 to ordinance. Appointments by the chief administrator are subject to  
15 confirmation by the governing body.

16 Sec. 29.23.370. MUNICIPAL ATTORNEY. The municipal attorney is  
17 the legal advisor of the council or assembly, the school board, and  
18 the other officers of the municipality. He represents the municipality  
19 as attorney in civil and criminal proceedings. The school board has  
20 the right to hire independent counsel when in its judgment independent  
21 counsel is needed.

22 Sec. 29.23.380. MUNICIPAL CLERK. (a) The municipal clerk shall

23 (1) give notice of the time and place of meetings to the  
24 assembly or the council and to the public;

25 (2) attend meetings and keep the journal;

26 (3) arrange publication of notices, ordinances, and resolu-  
27 tions;

28 (4) maintain and make available for public inspection an  
29 indexed file including the municipal ordinances, resolutions, rules,

1 regulations, and codes;

2 (5) attest deeds and other documents;

3 (c) perform other duties specified in this title or pre-  
4 scribed by the chief executive or by the governing body.

5 (b) The assembly or council may combine the office of clerk with  
6 that of treasurer. If the offices are combined, the clerk shall, as  
7 required of the treasurer, give his bond to the municipality for the  
8 faithful performance of his duties as clerk-treasurer.

9 Sec. 29.23.390. MUNICIPAL TREASURER. (a) The treasurer is the  
10 custodian of all municipal funds. He shall keep an itemized account  
11 of money received and disbursed. He shall pay money on vouchers drawn  
12 against appropriations.

13 (b) The treasurer shall give bond to the municipality in a sum  
14 which the assembly or council directs.

15 ARTICLE 8. ADOPTION OR REPEAL OF MANAGER PLAN.

16 Sec. 29.23.410. APPLICATION. A municipality may adopt a manager  
17 plan of government.

18 Sec. 29.23.420. PETITION. Adoption of a manager plan may be  
19 initiated either by petition or upon motion of the assembly or  
20 council. A petition for the adoption of a manager plan is submitted  
21 to the assembly or council. The petition must be signed by a number  
22 of municipal voters equal to the following per cent of the votes cast  
23 at the preceding regular election:

24 (1) 25 per cent when the municipality has fewer than 7,500  
25 persons;

26 (2) 15 per cent when the municipality has 7,500 persons or  
27 more.

28 Sec. 29.23.430. ELECTION. Upon receipt of the petition or upon  
29 its motion, the assembly or council shall provide by ordinance or

1 resolution for a vote on the question at the next regular or special  
2 election. Notice of the election shall be published at least 30 days  
3 before the election.

4 Sec. 29.23.440. ADOPTION. (a) If the manager plan is approved,  
5 the assembly or council shall adopt the plan by ordinance or resolution.

6 (b) The assembly or council shall notify the Local Affairs Agency  
7 of the adoption of the manager plan.

8 Sec. 29.23.450. APPOINTMENT. The assembly or council shall  
9 appoint a manager by a majority vote of its membership. He is chosen  
10 solely on the basis of his executive and administrative qualifications  
11 and receives the compensation set by the assembly or council. An  
12 elected municipal official may not be appointed manager of the municipi-  
13 pality sooner than one year after leaving office, except that, by a  
14 vote of three-fourths of its authorized membership, the assembly or  
15 council may at any time appoint one of its members or other elected  
16 municipal officials as manager.

17 Sec. 29.23.460. TERM. Subject to the contract of employment,  
18 the manager holds office at the pleasure of the assembly or council.

19 Sec. 29.23.470. APPOINTMENT OF TEMPORARY OR NEW MANAGER. In the  
20 absence or disability of the manager, the assembly or council shall  
21 appoint a temporary manager. If the office becomes vacant, the  
22 assembly or council shall appoint a new manager.

23 Sec. 29.23.480. REPEAL. A municipality may repeal the manager  
24 plan in the same manner used for its adoption. At the first meeting  
25 after repeal, the assembly or council shall enact provisions for the  
26 reorganization of the municipal executive and chief administrator.

27 ARTICLE 9. MISCELLANEOUS PROVISIONS.

28 Sec. 29.23.500. OATHS OF OFFICE. Municipal officers, before  
29 taking office, shall affirm in writing that they will honestly, faith-

1 fully, and impartially perform their duties. The oath is filed with  
2 the municipal clerk.

3 Sec. 29.23.510. COMBINING OFFICES. The assembly or council may  
4 combine two or more appointive or administrative offices.

5 Sec. 29.23.520. BONDING. The administrator and the other municipal  
6 officers or employees which the assembly or council may designate shall  
7 give bond in the amount and with the surety prescribed by the assembly  
8 or council. Premiums on bonds are paid by the municipality.

9 Sec. 29.23.530. SALARIES OF ELECTED OFFICERS NOT TO BE VARIED.  
10 The assembly or council may fix by ordinance the salaries of elected  
11 officers before they are elected. Salaries may not be changed during  
12 a term of office. An elected officer may not receive any other com-  
13 pensation for service to the municipality. Per diem payments or  
14 reimbursements for expenses are not compensation under this section.

15 Sec. 29.23.540. PROHIBITIONS. (a) No person may be appointed  
16 to or removed from municipal office or in any way favored or discrimi-  
17 nated against with respect to a municipal position because of his race,  
18 color, sex, creed, national origin or, unless otherwise contrary to  
19 law, because of his political opinions or affiliations.

20 (b) This section applies to home rule and general law municipali-  
21 ties.

22 Sec. 29.23.550. PERSONNEL SYSTEM. All appointments and promotions  
23 of municipal officers and employees are made on the basis of merit.  
24 The assembly or council may provide for a personnel system.

25 Sec. 29.23.560. REPORTS. (a) Home rule and general law munic-  
26 ipalities shall file with the Local Affairs Agency:

27 (1) maps and descriptions of all annexed or excluded terri-  
28 tory;

29 (2) a copy of the annual audit or in the case of second

1 class cities an audit or statement of annual income and  
2 expenditures;

3 (3) tax assessment figures as requested;

4 (4) reports relating to long-term debt as provided in  
5 AS 44.19.205.

6 (b) Compliance with the provisions of this section is a prerequi-  
7 site to receipt of state shared-revenues under AS 43.18. The state  
8 shall withhold annual allocations under that chapter in the event of  
9 noncompliance until such time as the report requirements are complied  
10 with.

11 Sec. 29.23.570. VACANCIES. An elected municipal office is  
12 vacated under the following conditions and upon the declaration of  
13 vacancy by the assembly or council. The assembly or council shall  
14 declare an elective office vacant when the person elected

15 (1) fails to qualify or take office within 30 days after  
16 his election or appointment;

17 (2) is physically absent from the municipality for a 90-day  
18 period, unless excused by the assembly or council;

19 (3) resigns and his resignation is accepted;

20 (4) is physically or mentally unable to perform the duties  
21 of his office;

22 (5) is removed from office;

23 (6) misses three consecutive regular meetings unless excused;

24 or

25 (7) is convicted of a felony or of an offense involving a  
26 violation of his oath of office.

27 Sec. 29.23.580. MEETINGS PUBLIC. Meetings of all municipal  
28 bodies shall be public as provided in AS 44.62.310. The assembly and  
29 council shall provide reasonable opportunity for the public to be

1 heard at regular and special meetings. This section applies to home  
2 rule and general law municipalities.

3 CHAPTER 28. ELECTIONS.

4 ARTICLE 1. REGULAR AND SPECIAL ELECTIONS.

5 Sec. 29.28.010. ADMINISTRATION. (a) The borough assembly or  
6 city council shall prescribe the general rules for conducting municipal  
7 elections and appoint at least three judges for each polling place.  
8 The municipality may not alter voter qualification requirements of  
9 this title.

10 (b) This section applies to home rule and general law municipali-  
11 ties.

12 Sec. 29.28.015. NOMINATIONS. (a) The assembly or council shall  
13 provide by ordinance for nominations of elected officers by providing  
14 for declaration of candidacy, or petition requiring the signatures of  
15 not more than 10 voters, or both.

16 (b) A person may be nominated for and occupy more than one office,  
17 but he may not serve simultaneously as borough mayor and as a member  
18 of the borough assembly or as mayor and as a member of the council of  
19 a first class city.

20 Sec. 29.28.020. ELECTION DATES. (a) The date of a regular  
21 municipal election is the first Tuesday of October annually, or on a  
22 date of election or at an interval of years provided by ordinance.

23 (b) The assembly or council may call a special election upon at  
24 least 20 days notice.

25 Sec. 29.28.030. VOTER QUALIFICATION. A person may vote only if  
26 he is a United States citizen who is qualified to vote in state elections  
27 and has been a resident of the municipality for 30 days immediately  
28 preceding the election and who is registered to vote in state elections  
29 and is not disqualified under art. V of the state constitution. Voter

1 registration by the municipality may not be required. This section  
2 applies to home rule and general law municipalities.

3 Sec. 29.28.040. MAJORITY ELECTIONS. If in a municipal election no  
4 candidate receives in excess of 40 per cent of the votes cast for his respective  
5 office, the assembly or council shall hold a runoff election within two  
6 weeks from the date of certification of the election between the two candidates  
7 receiving the greatest number of votes for the office. Notice of a runoff  
8 election shall be published at least five days before the election. The assembly  
9 or council may by ordinance require a majority vote for election of officials. A  
10 runoff election or other means of obtaining a majority may be used.

11 Sec. 29.28.050. ELECTION CONTEST AND APPEAL. (a) The assembly  
12 or council may provide by ordinance the time and procedure for the  
13 contest of an election.

14 (b) Unless otherwise provided by ordinance an election may be con-  
15 tested only upon the filing, before or at the time of the first canvass  
16 of ballots by the assembly or council, by a person qualified to vote in  
17 the municipality of his written affidavit specifying with particularity  
18 the grounds for the contest or invalidity of the election.

19 (c) Unless otherwise provided by ordinance, the assembly or council  
20 shall declare the election results at the first meeting to canvass the  
21 election and record the results in the minutes of that meeting.

22 (d) The contestant shall pay all costs and expenses incurred in a  
23 recount of an election demanded by the contestant if the recount fails  
24 to reverse any result of the election or the difference between the win-  
25 ning and a losing vote on the result contested is more than two per cent.

26 (e) No person may appeal or seek judicial review of a city or bor-  
27 ough election for any cause or reason unless the person is qualified to  
28 vote in the municipality, has exhausted his administrative remedies before  
29 the assembly or council and has commenced, within 10 days after the assembly

1 or council has finally declared the election results, an action in the  
2 superior court in the judicial district in which the municipality is lo-  
3 cated. If no such action is commenced within the 10-day period, the elec-  
4 tion and election results shall be conclusive, final and valid in all  
5 respects.

6 ARTICLE 2. INITIATIVE AND REFERENDUM.

7 Sec. 29.28.060. RESERVATION OF POWERS. The powers of initiative  
8 and referendum are reserved to the residents of municipalities except  
9 the powers do not extend to matters restricted by sec. 7, art. XI, of  
10 the state constitution.

11 Sec. 29.28.062. PETITION. A petition for initiative or referendum  
12 is filed with the municipal clerk and an initiative petition must be  
13 filed not less than 90 days before the next regular election.

14 Sec. 29.28.065. CONTESTS OF PETITION. A petition for an initi-  
15 ative or referendum shall

- 16 (1) embrace only a single comprehensive subject;
- 17 (2) set out fully the ordinance or resolution sought by the  
18 petition;
- 19 (3) state upon the petition, when circulated, the date of  
20 first circulation of the petition;
- 21 (4) contain the statement, when circulated, that the signa-  
22 tures on the petition must be secured within 90 days from the date of  
23 the first circulation;
- 24 (5) have the required signatures, dates of signatures and  
25 resident addresses of the signers.

26 Sec. 29.28.070. REQUIRED SIGNATURES. (a) The necessary signa-  
27 tures on a petition shall be secured within 90 days from the date of  
28 the first circulation of the petition. The petition shall be signed  
29 in ink or indelible pencil.

1 (b) Every petition for either the initiative or referendum in the  
2 government of a municipality shall be signed by a number of qualified  
3 voters residing within the territorial limits of the municipality, or,  
4 if the act sought to be initiated or referred pertains exclusively to  
5 the area outside cities or to a service area, by a number of qualified  
6 voters residing within the area outside cities or within the service  
7 area, as the case may be, equal to the following per cent of the total  
8 number of votes cast at the last general election in the city or borough  
9 or borough area concerned, or special election called for the purpose  
10 of electing city or borough officers:

11 (1) 25 per cent, when a city or borough has fewer than  
12 7,500 persons, or

13 (2) 15 per cent, when a city or borough has 7,500 persons or  
14 more.

15 (c) When signing a petition each voter shall write or print after  
16 his signature the date of signing the petition and his resident address.

17 (d) Illegible signatures unless accompanied by a legible printed  
18 name may be rejected by the municipal clerk.

19 (e) A petition signer may withdraw his signature upon written  
20 application to the clerk within seven days after the petition has been  
21 filed with the clerk.

22 Sec. 29.28.073. SUFFICIENCY OF PETITION. (a) Within 10 days  
23 from the filing date, the municipal clerk shall certify on the petition  
24 whether or not it is sufficient.

25 (b) If the petition is insufficient, it may be amended or supple-  
26 mented within 10 days after the date on which the petition is rejected  
27 as insufficient.

28 (c) Within 10 days after supplementary filing the clerk shall  
29 recertify the petition. If it is still insufficient, the petition is

1 rejected and filed as a public record.

2 Sec. 29.28.075. PROTEST. If the municipal clerk certifies the peti-  
3 tion is insufficient, a signer of the petition may file a protest with  
4 the municipal executive within seven days after the certification and the  
5 municipal executive shall present the protest at the next regular meeting  
6 to the assembly or council which shall hear and decide the protest.

7 Sec. 29.28.077. NEW PETITION. Failure to secure sufficient  
8 signatures does not preclude the filing of a new initiative or referen-  
9 dum petition. However, a new petition may not be filed sooner than six  
10 months after a petition is rejected.

11 Sec. 29.28.080. PRESENTATION OF INITIATIVE. (a) When a petition  
12 seeks enactment of an ordinance or resolution within the powers of the  
13 assembly or council and not otherwise restricted by sec. 60 of this  
14 chapter, the clerk shall present it to the assembly or council at its  
15 next meeting after certification. The assembly or council may reject  
16 the petition if the subject matter of the initiative or referendum is  
17 within the restrictions of sec. 60 of this chapter.

18 (b) Unless the petition is granted within 30 days of its submission  
19 to the assembly or council, the clerk shall, with the assistance of the  
20 municipal attorney, prepare an ordinance or resolution to implement the  
21 petition and shall submit it to the voters at the next regular election.  
22 The ordinance or resolution shall be published in full in the notice of  
23 election but may be summarized on the ballot to indicate clearly the  
24 proposal submitted.

25 (c) If a majority of those voting favor the proposal, it becomes  
26 effective when the election results are officially declared.

27 (d) The assembly or council may at any time not less than 10 days  
28 from the date of election adopt an ordinance or resolution to implement  
29 the petition. In that event an election shall not be held.

1           Sec. 29.28.090. PRESENTATION OF REFERENDUM. (a) When a petition seeks  
2 a referendum vote on an ordinance or resolution, the clerk shall submit  
3 the ordinance to the voters of the municipality at the next regular or  
4 special election. If no regular or special election occurs within 75  
5 days of the filing of a sufficient petition with the clerk, the assembly  
6 or council shall hold a special election within 75 days of filing.

7           (b) If a sufficient petition for referendum is filed within 30 days  
8 after final passage of the ordinance, or before the effective date of the  
9 ordinance, the ordinance against which the petition is filed shall be  
10 suspended pending the referendum on the ordinance. During the period of  
11 suspension the council may not enact an ordinance substantially similar  
12 to the suspended ordinance but may repeal the suspended ordinance.

13           (c) If a majority of those voting favor the referendum legisla-  
14 tion, it remains in effect. If a majority rejects the legislation,  
15 it is repealed. A municipal charter may be amended as provided in  
16 the charter or by initiative and referendum as provided in secs. 60 -  
17 110 of this chapter.

18           Sec. 29.28.110. EFFECT. (a) The assembly or council may not,  
19 within two years, act in any way to modify or negate the effect of a  
20 successful initiative or referendum. If an ordinance against which a  
21 referendum directed has been repealed by the assembly or council after  
22 a petition has been filed but before the referendum, the council or  
23 assembly may not enact substantially similar legislation for a  
24 period of one year after repeal.

25           (b) An unsuccessful initiative or referendum precludes the  
26 filing of a new petition for the same purpose sooner than six months  
27 after voter disapproval of the initiative or referendum.

28                           ARTICLE 3. RECALL.

29           Sec. 29.28.130. RECALL. An elected official of a home rule or

1           Sec. 29.28.180. NEW PETITION. Failure to secure sufficient  
2 signatures does not preclude the filing of a new recall petition.  
3 However, a new petition may not be filed sooner than six months after  
4 a petition is rejected.

5           Sec. 29.28.190. SUBMISSION. If a recall petition is sufficient,  
6 the clerk shall immediately submit it to the assembly or council.

7           Sec. 29.28.200. ELECTION. (a) If a regular election occurs  
8 within 75 days of the submission, the assembly or council shall submit  
9 the recall at that election.

10           (b) If no regular election will occur within 75 days, the assem-  
11 bly or council shall hold a special election within 75 days of sub-  
12 mission.

13           (c) If a vacancy occurs in the office after a recall petition is  
14 filed, the petition shall not be submitted to the voters.

15           Sec. 29.28.210. FORM OF RECALL BALLOTS. A recall ballot con-  
16 tains:

17                   (1) the grounds as stated in the recall petition;

18                   (2) the officer's statement of 200 words or less, if the  
19 statement is filed with the clerk for publication and public inspection  
20 within 20 days before the election;

21                   (3) the following question: "Shall (name of person) be  
22 recalled from the office of (office)? Yes [ ] No [ ]".

23           Sec. 29.28.220. ELECTION PROCEDURE. Procedures for conducting  
24 a recall election are those of a regular election.

25           Sec. 29.28.230. MAJORITY REQUIRED. A majority vote  
26 on the question is required to recall an officer.

27           Sec. 29.28.240. EFFECT. If an incumbent is not recalled at the  
28 recall election, a petition to recall the same incumbent may not be  
29 filed sooner than six months after the recall election.

1 general law municipality may be recalled by the voters after he has  
2 served six months in office.

3 Sec. 29.28.140. GROUNDS. Grounds for recall are misconduct in  
4 office, incompetence, or failure to perform prescribed duties.

5 Sec. 29.28.150. PETITION. (a) A petition seeking recall of  
6 one or more municipal officials is filed with the municipal clerk.  
7 The petition shall contain

8 (1) the signatures and resident addresses of a number of  
9 voters as prescribed in sec. 70(b) of this chapter for initiative and  
10 referendum;

11 (2) the date each voter signed the petition; and

12 (3) a statement of the grounds of the recall stated with  
13 particularity as to specific instances.

14 (b) A petition for recall must be filed with the clerk within  
15 60 days after the date of the earliest signature on the petition.

16 Sec. 29.28.160. EXAMINATION FOR SUFFICIENCY. The municipal  
17 clerk shall review the petition for content and signatures and shall  
18 certify on the petition within 10 days of the filing date whether it  
19 is accepted or rejected. Until the petition is accepted, a petition  
20 signer may withdraw his signature upon written application to the  
21 clerk.

22 Sec. 29.28.170. SUPPLEMENTAL PETITION. (a) If the petition is  
23 rejected because of insufficient signatures, it may be supplemented by  
24 additional signatures within 10 days after the date of rejection. If  
25 the petition is insufficient for any other reason, it shall be rejected  
26 and filed as a public record.

27 (b) Within 10 days after supplementary filing, the clerk shall  
28 recertify the petition. If it is still insufficient, the petition is  
29 rejected and filed as a public record.

1           Sec. 29.28.250. ELECTION OF SUCCESSOR. If the voters recall an  
2 officer, the clerk shall conduct an election for a successor to fill the  
3 unexpired term. The election shall be held at least 10 but not more  
4 than 45 days from the date of the recall election. However, if a  
5 regular or special election occurs within 75 days of the recall election,  
6 the successor to the recalled official shall be chosen at that regular  
7 or special election. The procedures and requirements for the regular  
8 election for the office from which the incumbent is recalled apply to  
9 the election conducted under this section

10           CHAPTER 33. AREAWIDE BOROUGH POWERS AND DUTIES.

11                   ARTICLE 1. SCOPE.

12           Sec. 29.33.010. SCOPE OF AREAWIDE POWERS. (a) Boroughs shall  
13 exercise the powers as specified and in the manner specified in this  
14 chapter on an areawide basis, both inside and outside cities within their  
15 boundaries.

16           (b) No city, whether home rule or not, may exercise an areawide  
17 power conferred in, or assumed by means of secs. 250 - 290 of, this  
18 chapter once that power is being exercised by a borough.

19                   ARTICLE 2. ASSESSMENT AND COLLECTION OF TAXES.

20           Sec. 29.33.030. ASSESSMENT AND COLLECTION. Boroughs shall assess  
21 and collect property, sales, and use taxes levied within their bound-  
22 aries, subject to ch. 53 of this title. Taxes levied by a city and col-  
23 lected by a borough are returned in full to the levying city.

24                   ARTICLE 3. EDUCATION.

25           Sec. 29.33.050. EDUCATION. Each borough constitutes a borough  
26 school district and establishes, maintains, and operates a system of  
27 public schools on an areawide basis as provided in AS 14.14.060.

28                   ARTICLE 4. PLANNING, PLATTING AND ZONING.

29           Sec. 29.33.070. PLANNING, PLATTING AND ZONING. (a) Boroughs

1 shall provide for planning, platting and zoning on an areawide basis.

2 (b) If a city within a borough is located more than 25 miles  
3 from a boundary of the borough seat, the assembly by ordinance  
4 may

5 (1) designate the council of the city as a board of adjust-  
6 ment within the city;

7 (2) delegate other planning and zoning administrative and  
8 enforcement responsibilities to the city, provided that borough jur-  
9 isdiction is not impaired;

10 (3) withdraw powers delegated under this subsection.

11 Sec. 29.33.080. PLANNING COMMISSION. (a) The borough planning  
12 commission consists of five residents unless a greater number is  
13 otherwise provided by ordinance. Commission membership shall be  
14 apportioned so that the number of members from first class cities  
15 reflects the proportion of borough population residing within  
16 those cities. Members shall be appointed by the borough executive  
17 for a term of three years subject to confirmation by the assembly,  
18 except that appointments of members from first class cities are  
19 selected from a list of recommendations submitted by the city  
20 council. Members first appointed shall draw lots for one-, two-  
21 and three-year terms. Appointments to fill vacancies are for the  
22 unexpired term. The compensation and expenses of the planning  
23 commission and its staff are paid as directed by the assembly.

24 (b) The commission shall prepare and recommend to the assembly

25 (1) a comprehensive plan consisting of maps and related  
26 texts for the systematic development of the borough;

27 (2) a zoning ordinance to implement the plan;

28 (3) a subdivision ordinance;

29 (4) the official map of the borough;

1 (5) modifications to the documents specified in (1) - (4) of this section

2 (c) The commission shall publish notice of and hold at least one  
3 hearing before submitting its recommendations under (b) of this section  
4 to the assembly.

5 (d) The commission shall

6 (1) act as the platting board;

7 (2) act upon requests for variances;

8 (3) act upon requests for conditional uses.

9 (e) Subject to sec. 245 of this chapter, no platting request,  
10 variance or conditional use may be granted except upon an affirmative  
11 vote of a majority of the commission.

12 (f) The commission shall designate its presiding officer and  
13 shall meet as frequently as is necessary. The commission shall estab-  
14 lish, subject to approval by the assembly, rules and regulations for the  
15 conduct of its meetings. Meetings shall be public and minutes shall  
16 be kept. Minutes and records shall be filed with the municipal clerk  
17 and retained as public records.

18 Sec. 29.33.085. COMPREHENSIVE PLAN. (a) The comprehensive plan  
19 is a compilation of policy statements, goals, standards and maps for  
20 guiding the physical, social and economic development, both private  
21 and public, of the borough, and may include, but is not limited to,  
22 the following: statements of policies, goals, standards, a land use  
23 plan, a community facilities plan, a transportation plan, and recommen-  
24 dations for plan implementation.

25 (b) The assembly shall adopt a comprehensive plan based upon the  
26 recommendations of the planning commission. The assembly may modify  
27 the plan, provided that it first obtains the recommendations of the  
28 planning commission. The planning commission shall undertake an over-  
29 all review of the plan at least once every two years and shall present

1 recommendations based on the review to the assembly.

2       Sec. 29.33.090. ZONING. (a) In accordance with the comprehen-  
3 sive plan, the assembly shall regulate and restrict the use of land  
4 and improvements by districts. Regulations shall be uniform for each  
5 class or kind of building, structure, land or water area within each  
6 district, but the regulations may differ among districts and exceptions  
7 may be made in order to provide for the preservation, maintenance  
8 and protection of historic sites, buildings and monuments.

9       (b) Zoning regulations adopted under (a) of this section may  
10 include, but are not limited to, restriction of

- 11           (1) land use,
- 12           (2) building location and use;
- 13           (3) the height and size of structures;
- 14           (4) the number of stories in buildings;
- 15           (5) the percentage of lot which may be covered;
- 16           (6) the size of open spaces;
- 17           (7) population density and distribution.

18       (c) Zoning regulations are designed to

- 19           (1) provide for orderly development;
- 20           (2) lessen street congestion;
- 21           (3) promote fire safety and public order;
- 22           (4) protect the public health and general welfare;
- 23           (5) prevent overcrowding;
- 24           (6) stimulate systematic development of transportation,

25 water, sewer, school, park and other public facilities.

26       Sec. 29.33.110. BOARD OF ADJUSTMENT. (a) The assembly is the  
27 board of adjustment for areas outside cities. The city council is the  
28 board of adjustment for the area within the city boundaries but may  
29 delegate by resolution or ordinance part or all of its functions to the

1 borough, subject to sec. 70(b)(1) of this chapter, in addition to making  
2 delegations as provided for an assembly under sec. 245 of this chapter.  
3 Meetings of the borough board are held at the call of the presiding of-  
4 ficer and of the city board by the mayor. The presiding officer or mayor  
5 may administer oaths and compel attendance of witnesses. Meetings and  
6 hearings of the board shall be open to the public and the board shall  
7 keep minutes of its proceedings as a public record.

8 (b) The board of adjustment shall hear and decide

9 (1) appeals regarding alleged errors in enforcement of zoning  
10 ordinances and building codes;

11 (2) appeals from the decisions of the planning commission on  
12 requests for conditional uses;

13 (3) appeals from the decisions of the planning commission on re-  
14 quests for variances from the terms of the zoning ordinance which are not  
15 contrary to the public interest, when a literal enforcement would deprive  
16 a property owner of rights commonly enjoyed by other properties in the  
17 same district.

18 (c) A variance shall not be granted because of special conditions  
19 caused by actions of the person seeking relief or for reasons of pecuniary  
20 hardship or inconvenience. A variance shall not be granted which will  
21 permit a land use in a district in which that use is prohibited.

22 Sec. 29.33.120. ADJUSTMENT PROCEDURE. An interested party, includ-  
23 ing but not limited to a borough or city official, may file with the  
24 board of adjustment an appeal specifying his objections. Copies are filed  
25 with the administrative officer involved and with the borough clerk within  
26 the time required by the zoning ordinance. The officer shall provide the  
27 board with all pertinent records, including his written decision. An ap-  
28 peal to the board stays enforcement proceedings unless the board or a  
29 court issues an enforcement order based on a certificate of imminent

1 peril to life or property made by the enforcement officer.

2 Sec. 29.33.130. JUDICIAL REVIEW. (a) The assembly shall provide by  
3 ordinance for appeals from the board of adjustment to the superior court.

4 (b) A municipal officer, a taxpayer, or a person, jointly or  
5 severally aggrieved, may appeal an action of the board to the superior  
6 court by filing with the borough clerk within the time fixed by ordinance,  
7 a notice of appeal specifying grounds. When the notice of appeal is  
8 filed, the board shall at once transmit to the superior court clerk  
9 copies of all the papers constituting the record in the case.

10 (c) An appeal from the board of adjustment stays enforcement proceed-  
11 ings unless the court issues an enforcement order based on a certificate  
12 of imminent peril to life or property made by the board.

13 (d) The appeal is heard upon the record by the superior court, and the  
14 court may reverse or affirm, wholly or partly, the decision appealed from.

15 (e) Issues in proceedings under this section have preference over  
16 all other civil actions and proceedings. An appeal lies from the de-  
17 cision of the superior court as in other civil cases.

18 Sec. 29.33.150. PLATTING JURISDICTION AND POWER. The planning  
19 commission acting as the platting board has jurisdiction over platting  
20 and shall adopt and publish rules and regulations to implement this power.  
21 Jurisdiction includes, but is not limited to, the control of

22 (1) form, size, and other aspects of subdivisions, dedica-  
23 tions, and vacations of land;

24 (2) dimensions of lots or tracts;

25 (3) street width, arrangement, and right-of-way, including  
26 allowance for access to lots and installation of street paving, curbs,  
27 gutters, sidewalks, sewers, water lines, drainage, and other public  
28 utility facilities and improvements.

29 Sec. 29.33.160. PROCEDURE. (a) The platting board shall within 60

1 days of filing approve or disapprove the plat or shall return it  
2 to the applicant for modification or correction. If the board  
3 fails to act, the plat is considered approved and a certificate  
4 of approval shall be issued by the board on demand. The appli-  
5 cant for plat approval may consent to the extension of the period  
6 for action by the board. The board shall state on its record and  
7 in writing to the applicant its reason for disapproval of a  
8 plat.

9 (b) The platting board shall submit an approved plat to  
10 the district recorder in compliance with AS 40.15.010 - 40.15.-  
11 020.

12 Sec. 29.33.170. WAIVER IN CERTAIN CASES. (a) The platting  
13 authority shall, in individual cases, waive the preparation, submis-  
14 sion for approval, and recording of a plat upon satisfactory evi-  
15 dence that

16 (1) each tract or parcel of land will have adequate  
17 access to a public highway or street;

18 (2) each parcel created is five acres in size or larger  
19 and that the land is divided into four or fewer parcels;

20 (3) the conveyance is not made for the purpose of, or  
21 in connection with, a present or projected subdivision development;

22 (4) no dedication of a street, alley, thoroughfare or  
23 other public area is involved or required.

24 (b) In other cases the platting authority may waive the  
25 preparation, submission for approval, and recording of a plat, if  
26 the transaction involved does not fall within the general intent  
27 of secs. 29.33.150 - 29.33.240 of this chapter and AS 40.15 if it  
28 is not made for the purpose of, or in connection with, a present  
29 or projected subdivision development and no dedication of a

1 street, alley, thoroughfare, park or other public area is involved  
2 or required.

3 Sec. 29.33.180. INFORMATION REQUIRED. A plat shall show  
4 initial point of survey, original or reestablished corners and their  
5 descriptions, and actual traverse showing area of closure and all  
6 distances, angles and calculations required to determine initial  
7 point, corners and distances of the plat, as well as other informa-  
8 tion which may be required by ordinance.

9 Sec. 29.33.190. PENALTIES. (a) The owner or agent of the owner  
10 of land located within a subdivision who transfers, sells, or enters  
11 into a contract to sell land in a subdivision before a plat of the  
12 subdivision has been prepared, approved, and recorded, is guilty of a  
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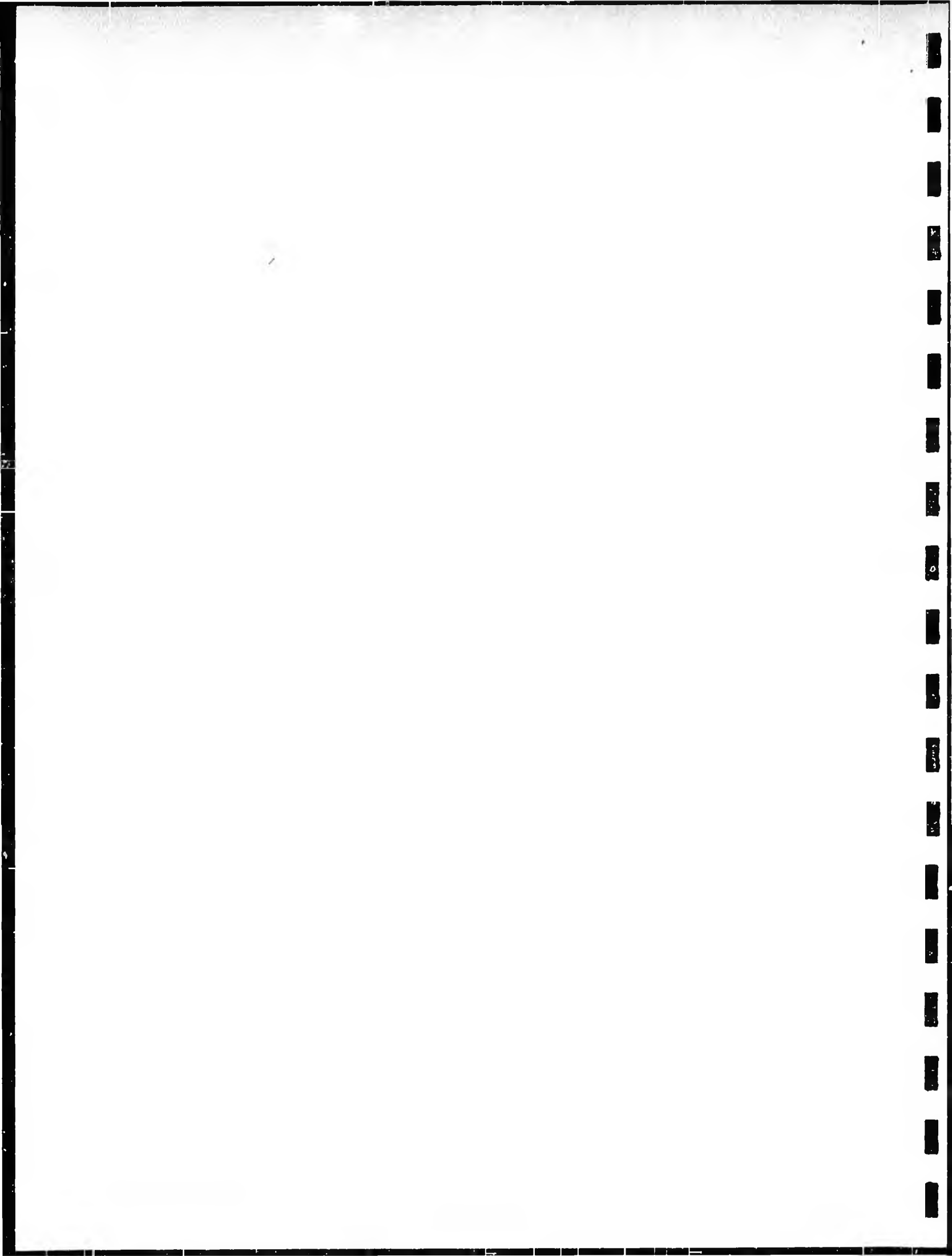
1 misdemeanor and upon conviction is punishable by a fine of not more  
2 than \$500 for each lot or parcel transferred, sold, or included in a  
3 contract to be sold. The platting board may enjoin a transfer, sale, or  
4 contract to sell, and may recover the penalty by appropriate legal action.

5 (b) No person may record a plat or seek to have a plat recorded  
6 unless it bears the approval of the platting board. A person who  
7 knowingly violates this requirement is punishable upon conviction by  
8 a fine of not more than \$500.

9 Sec. 29.33.200. ALTERATION OR REPLAT PETITION. No recorded  
10 plat may be altered or replatted except upon petition of the owners of  
11 a majority of the land affected by the alteration or replat or by the  
12 platting board. No platted street may be vacated, except upon petition  
13 of the municipality or owners of the majority of the front feet of  
14 the land fronting the part of the street sought to be vacated. The  
15 petition shall be filed with the platting board. It shall be accom-  
16 panied by a copy of the existing plat showing the proposed alteration  
17 or replat.

18 Sec. 29.33.210. NOTICE OF HEARING. The platting board shall fix  
19 a time for a hearing on the petition which shall not be more than 60  
20 days after the filing. The board shall publish a notice stating when  
21 and by whom the petition was filed, its purpose, and the time and  
22 place of the hearing. The notice shall generally describe the altera-  
23 tion or replat sought. The notice shall be published once a week for  
24 two consecutive weeks in a newspaper of general circulation in the  
25 area. The board shall also mail a copy of the notice to each affected  
26 property owner not signing the petition.

27 Sec. 29.33.220. HEARING AND DETERMINATION. At the hearing the  
28 platting board shall consider the alteration or replat and make its  
29 decision on the merits of the proposal. No vacation of a city street



1 may be made without the consent of the city council. No vacation of  
2 a street in the borough area outside cities may be made without the  
3 consent of the borough assembly. The assembly or council shall have  
4 30 days from the decision in which to veto the board decision. If no  
5 veto is received by the board within the 30-day period, the consent  
6 of the city or borough shall be considered to have been given to the  
7 vacation.

8 Sec. 29.33.230. RECORDING. If the alteration or replat is  
9 approved, the revised plat must be recorded by the platting board and  
10 is thereafter the lawful plat.

11 Sec. 29.33.240. TITLE TO VACATED AREA. (a) The title to the  
12 street or other public area vacated on a plat attaches to the lot or  
13 lands bordering on the area in equal proportions, except that if the  
14 area was originally dedicated by different persons, original boundary  
15 lines shall be adhered to so that the street area which lies on one  
16 side of the boundary line shall attach to the abutting property on  
17 that side, and the street area which lies on the other side of the  
18 boundary line shall attach to the property on that side. The portion  
19 of a vacated street which lies within the limits of a platted addition  
20 attaches to the lots of the platted addition bordering on the area.  
21 If a public square is vacated, the title to it vests in the city if  
22 it lies within the city and to the borough if it lies within the  
23 borough outside a city. If the property vacated is a lot or tract,  
24 title vests in the rightful owner.

25 (b) If the borough or city acquired the street or other public  
26 area vacated for legal consideration or by express dedication to and  
27 acceptance by the borough or city other than required subdivision  
28 platting, before the final act of vacation the fair market value of  
29 the street or public area shall be deposited with the platting authority

1 to be paid over to the borough or city on final vacation.

2 Sec. 29.33.245. DELEGATIONS. The assembly may by ordinance  
3 authorize the planning commission, the platting board and the board of  
4 adjustment to delegate powers to hear and decide cases under this chap-  
5 ter in a manner authorized by the ordinance, including but not limited  
6 to delegations to one or more members of the commission or board, to  
7 other boards or commissions, or to a hearing officer designated by the  
8 commission or board. The assembly shall prescribe procedures for hear-  
9 ings and appeals. The commission or board shall hear and decide  
10 appeals de novo.

11 ARTICLE 5. ADDITIONAL AREAWIDE POWERS.

12 Sec. 29.33.250. ADDITIONAL AREAWIDE POWERS. First and second  
13 class boroughs acquire additional areawide municipal powers by transfer  
14 from a city or by holding an areawide election on the question, except  
15 as provided otherwise in AS 29.48.030 and 29.48.035(b).

16 Sec. 29.33.260. TRANSFER BY CITY. (a) A city may transfer to the  
17 first or second class borough in which it is located any of its powers  
18 or functions, subject to the approval of the borough assembly.

19 (b) First and second class boroughs shall exercise all powers  
20 transferred to them by cities.

21 Sec. 29.33.270. PETITION FOR POWER. An election on the question  
22 of adding an areawide power may be initiated in two ways:

23 (1) a number of voters equal to 15 per cent of the number  
24 of votes cast in the borough at the preceding regular election may  
25 file a petition with the assembly, or

26 (2) the assembly may propose the acquisition of the power.

27 Sec. 29.33.280. INVESTIGATION. The assembly shall hold at least  
28 one public hearing in the borough on the question. The assembly shall  
29 then evaluate the ability of the borough to exercise the powers and

1 make its findings public.

2 Sec. 29.33.290. ELECTION. (a) The assembly shall, within 30  
3 days after its findings have been made public, order an election to  
4 be held on the question. The election shall be held at least 30 days  
5 after the order and not later than the next regular election occurring  
6 after the 30-day period.

7 (b) If more than one power is proposed, each appears separately  
8 on the ballot.

9 (c) The borough mayor shall certify the election results to the Local  
10 Affairs Agency. The vote on the question of adding an areawide power  
11 shall be tabulated in two separate classifications. One shall consist  
12 of all votes cast in the home rule and first class cities of the borough.  
13 The other shall consist of all votes cast in the remaining borough  
14 area. If the majority of the votes cast in each classification is  
15 favorable, the borough shall assume the added power within 30 days of  
16 certification of the election results. Upon acquisition of an area-  
17 wide power the borough succeeds to all of the rights, powers and duties  
18 of any city or service area with respect to that power. The borough  
19 succeeds to claims, franchises and other contractual obligations,  
20 liability for bonded and all other indebtedness and to all of the right,  
21 title and interest in the real and personal property held by the city  
22 or service area for the exercise of the power. The borough assembly  
23 may levy and collect special charges, taxes or assessments including  
24 interest for the purpose of amortizing bonded indebtedness previously  
25 incurred by the city or service area for continuing services in the  
26 area. When a city or service area had previously incurred bonded  
27 indebtedness, no less than all property that was within the city or  
28 service area at the time the bonds were issued shall remain subject  
29 to taxation to pay the principal of and interest on the bonds for as

1 long as they remain outstanding. Upon acquisition of additional  
2 areawide powers the borough, in consultation with the city or service  
3 area personnel, shall arrange for an orderly and equitable transfer  
4 of rights, assets, liabilities, powers, duties and other matters  
5 related to acquisition of the areawide powers. This subsection applies  
6 to home rule and general law cities.

7 CHAPTER 38. BOROUGH POWERS AND DUTIES  
8 IN THE AREA OUTSIDE CITIES.

9 Sec. 29.38.010. FIRST CLASS BOROUGH. The first class borough  
10 may exercise in the area outside cities any general law municipal  
11 power. Before exercising a power outside cities only, the borough  
12 shall seek to have the identical power transferred from cities within  
13 the borough or propose joint borough-city exercise of the power.

14 Sec. 29.38.020. SECOND CLASS BOROUGH. The second class borough  
15 may exercise in the area outside cities municipal powers approved at  
16 incorporation, conferred by AS 29.48.020, or added as provided in this  
17 chapter. Before exercising a power outside cities only, the borough  
18 shall seek to have the identical power transferred from cities within  
19 the borough or propose joint borough-city exercise of the power.

20 Sec. 29.38.030. ADDITIONAL POWERS. The second class borough  
21 may initiate the acquisition of additional powers outside cities in  
22 either of two ways:

23 (1) a number of voters equal to 15 per cent of the number  
24 of votes cast in the area outside cities at the preceding regular  
25 election may file a petition with the assembly, or

26 (2) the assembly may place the question on the ballot.

27 Sec. 29.38.040. INVESTIGATION. The assembly shall hold at least  
28 one public hearing in the borough on the question. The assembly shall  
29 then evaluate the ability of the borough to exercise the powers and

1 make its findings public.

2 Sec. 29.38.050. ELECTION. (a) The assembly shall, within 30 days  
3 after its findings have been made public, order an election on the  
4 question in the borough area outside cities. The election shall be held  
5 at least 30 days after the order and not later than the next regular  
6 election occurring after the 30-day period.

7 (b) If more than one power is proposed, each appears separately  
8 on the ballot.

9 (c) The borough mayor shall certify the election results to the Local  
10 Affairs Agency. If the majority of the votes cast on the question is  
11 favorable, the borough shall assume the added power within 30 days of  
12 certification of election results.

13 CHAPTER 41. POWERS OF THIRD CLASS BOROUGHS.

14 Sec. 29.41.010. POWERS OF THIRD CLASS BOROUGHS. (a) A third  
15 class borough shall exercise the areawide powers of education and tax  
16 assessment and collection in the manner provided for second class  
17 boroughs. Provisions of law relative to first and second class organ-  
18 ized boroughs apply with respect to third class boroughs only to the  
19 extent they are consistent with this chapter.

20 (b) A third class borough may establish, operate, alter or abolish  
21 service areas in the manner provided for second class boroughs.

22 (c) A third class borough may borrow money and issue negotiable  
23 general obligation, revenue or refunding bonds and other evidences of  
24 indebtedness as provided for first and second class boroughs in AS 29.-  
25 58.150 - 29.58.340.

26 Sec. 29.41.020. ASSEMBLY TO SERVE AS SCHOOL BOARD. The borough  
27 assembly is the borough school board for third class boroughs. Where  
28 applicable, weighted voting shall apply to board decisions. The borough  
29 executive is the presiding officer of the borough assembly and president

1 of the school board. The borough executive has all powers of a borough  
2 executive except for the veto power.

3 CHAPTER 43. POWERS OF CITIES OUTSIDE BOROUGHS.

4 Sec. 29.43.010. ADDITIONAL POWERS. In addition to the powers  
5 granted by ch. 48 of this title, cities outside boroughs are granted  
6 the powers specified in this chapter. Powers of this chapter which are  
7 incorporated by reference to laws governing boroughs apply to home rule  
8 cities outside boroughs only in those cases in which they are made  
9 applicable to home rule boroughs in the provisions incorporated.

10 Sec. 29.43.020. ASSESSMENT AND TAX COLLECTION. Home rule and  
11 first class cities outside boroughs may assess, levy and collect a  
12 general property tax. A property tax if levied must be assessed, levied  
13 and collected as provided by ch. 53 of this title for boroughs. Cities  
14 outside boroughs may levy and collect sales and use taxes as provided  
15 by ch. 53 of this title for boroughs.

16 Sec. 29.43.030. EDUCATION. Home rule and first class cities out-  
17 side boroughs constitute city school districts and establish, maintain,  
18 and operate a system of public schools as provided by AS 29.33.050  
19 for boroughs.

20 Sec. 29.43.040. PLANNING AND ZONING. Home rule and first class  
21 cities outside boroughs shall, and second class cities outside boroughs  
22 may, provide for planning, platting and zoning, as provided by AS 29.33.-  
23 070 - 29.33.245 for boroughs.

24 CHAPTER 48. POWERS APPLICABLE TO ALL MUNICIPALITIES.

25 ARTICLE 1. GENERAL POWERS.

26 Sec. 29.48.010. GENERAL POWERS. Municipalities have the following  
27 general powers, subject to other provisions of law:

28 (1) to establish and prescribe the functions of municipal  
29 departments, offices or agencies;

1 (2) to establish and prescribe salaries for the elected  
2 and appointed municipal officers and employees;

3 (3) to make investigations of the affairs of the municipali-  
4 ty and make inquiries into the conduct of a municipa. department;

5 (4) to enter into agreements, including those for coopera-  
6 tive or joint administration of any functions or powers with a local  
7 government, with the state, or with the United States;

8 (5) to require periodic and special reports from a municipal  
9 department to be submitted through the municipal executive;

10 (6) to sue and be sued;

11 (7) to levy taxes and special assessments;

12 (8) to enforce ordinances and to prescribe penalties for  
13 violations;

14 (9) to acquire, manage, control, use and dispose of real and  
15 personal property for a purpose authorized under this title, federal law,  
16 or other law, or in accordance with such law, and irrespective of whether  
17 or not the property is situated within or outside the municipal boundaries;

18 (10) to acquire membership in organizations which promote  
19 legislation for the good of the municipality;

20 (11) to expend funds for community purposes for the good of  
21 the municipality;

22 (12) to borrow money and issue evidences of indebtedness.

23 Sec. 29.48.020. SECOND CLASS BOROUGH POWERS OUTSIDE CITIES. A  
24 second class borough may in the area outside cities

25 (1) regulate or prohibit the offering for sale, exposure for  
26 sale, sale, use, or explosion of fireworks;

27 (2) provide for the licensing, impounding, and disposition  
28 of animals;

29 (3) regulate the licensing and operation of motor vehicles

1 and operators;

2 (4) regulate snow vehicles as provided in AS 05.30.070;

3 (5) provide for garbage and solid waste collection and  
4 disposal subject to sec. 33 of this chapter;

5 (6) provide for water pollution control.

6 ARTICLE 2. FACILITIES, SERVICES AND REGULATION.

7 Sec. 29.48.030. MUNICIPAL FACILITIES AND SERVICES. (a) A muni-  
8 cipality may exercise the powers necessary to provide the following  
9 public facilities and services:

10 (1) streets and sidewalks;

11 (2) sewers and sewage treatment facilities;

12 (3) harbors, wharves, and other marine facilities;

13 (4) watercourse and flood control facilities;

14 (5) health services and hospital facilities;

15 (6) cemeteries;

16 (7) police protection and jail facilities;

17 (8) cold storage plants;

18 (9) telephone systems;

19 (10) light, power and heat;

20 (11) water;

21 (12) transportation systems;

22 (13) community centers;

23 (14) libraries;

24 (15) recreation facilities;

25 (16) airport and aviation facilities;

26 (17) garbage and solid-waste collection and disposal service  
27 and facilities subject to sec. 33 of this chapter;

28 (18) fire protection service and facilities;

29 (19) parking and parking facilities;

1 (20) housing and urban renewal, rehabilitation and develop-  
2 ment;

3 (21) preservation, maintenance and protection of historic  
4 sites, buildings and monuments;

5 (22) consumer protection.

6 (b) First and second class boroughs may exercise the powers con-  
7 ferred by (a) of this section or sec. 33(a) of this chapter only after  
8 they have been assumed in the manner required under AS 29.33.250 -  
9 29.33.290 for areawide exercise or in the manner required under AS 29.-  
10 38.010 - 29.38.050 for exercise in the borough area outside cities, or  
11 are conferred by sec. 20 of this chapter for exercise in the borough  
12 area outside cities. However, as to powers conferred under (a)(12) of  
13 this section, exercise of the powers areawide or in the borough area  
14 outside cities is at the option of the borough and is not subject to  
15 those restrictions on acquisition of additional borough powers. With  
16 respect only to boroughs which on the effective date of this Act are  
17 not exercising powers conferred under (a)(12) of this section on an  
18 areawide basis, objection which a city may raise to areawide exercise  
19 of the powers by a borough shall be reviewed by the Alaska Transportation  
20 Commission. The commission shall decide whether exercise of the powers  
21 exclusively by the borough areawide is to be approved as in the public  
22 interest under the particular facts and circumstances at issue.

23 Sec. 29.48.033. GARBAGE AND SOLID WASTE SERVICES. (a)

24 The municipality may by ordinance provide for the establishment,  
25 maintenance and operation of a system of garbage and solid waste collec-  
26 tion and disposal for the entire municipality or for districts or por-  
27 tions of it; require all persons within the municipality or district  
28 to use the system and to dispose of their garbage and solid waste as  
29 provided in the ordinance; award contracts for collection and disposal,

1 or provide for the collection and disposal of garbage and solid waste  
2 by municipal officials and employees; pay for garbage and solid waste  
3 collection and disposal from available funds; require property owners  
4 or occupants of premises to use the garbage and solid waste collection  
5 and disposal system provided by the municipality and fix charges  
6 against the property owners or occupants of premises for the collec-  
7 tion and disposal; provide that charges for collection and disposal  
8 shall be paid by the property owner or occupants of the premises;  
9 and provide penalties for violations of the ordinances.

10 (b) The council of a first or second class city may not prohibit  
11 a person holding a valid permit from the Alaska Transportation Com-  
12 mission from continuing to collect and dispose of garbage and solid  
13 waste and provide other related services in an area annexed by the city  
14 if the permit authorizes the collection and disposal of garbage and  
15 solid waste and the providing of other services in the area annexed  
16 by the city and the permit was originally issued before the area  
17 was annexed by the city. If a city provides for a garbage and solid  
18 waste collection and disposal system in an annexed area already  
19 serviced by a person allowed to continue under this subsection,  
20 the city may not charge less than the rate set for garbage and  
21 solid waste collection and disposal by the Alaska Transportation  
22 Commission for common carriers.

23 (c) If the council determines that it is not in the public  
24 interest for the city to provide garbage and solid waste collection  
25 and disposal and related services under the restrictions of (b)  
26 of this section, it may exercise the power of eminent domain to ac-  
27 quire, at the fair market value, from the person providing the ser-  
28 vices, that portion of the operating authority representing the  
29 services within the city. The fair market value shall be based on

1 the economic loss to the permit holder. If an eminent domain  
2 proceeding is instituted, the council may exercise the power through  
3 the filing of a declaration of taking with the complaint or at  
4 any time after the filing of the complaint, but before judgment.

5 (d) This section applies to home rule and general law muni-  
6 cipalities.

7 Sec. 29.48.035. REGULATORY POWERS. (a) A municipality  
8 may regulate the operation and use of its public rights-of-way,  
9 public facilities and services. It may also regulate the follow-  
10 ing:

11 (1) licensing and operation of motor vehicles, including  
12 snow vehicles, and operators;

13 (2) licensing of drivers of taxicabs, for-hire automo-  
14 biles, motor buses, or other vehicles for the transportation of  
15 passengers or baggage;

16 (3) vehicle parking and traffic;

17 (4) transportation fares;

18 (5) licensing, impounding and disposition of animals;

19 (6) selling of goods;

20 (7) selling of food;

21 (8) abandoned property;

22 (9) dangerous and disorderly conduct;

23 (10) alcoholic beverages as provided by AS 04.15.070;

24 (11) recreational devices as provided by AS 05.20.100;

25 (12) control of insects and rodents;

26 (13) offering for sale, exposure for sale, sale, use, or  
27 explosion of fireworks;

28 (14) building, housing and related codes, which may be  
29 provided by cities within cities or, in the manner required in

1 (b) or (c) of this section, by first or second class boroughs in  
2 the borough area outside cities or areawide; exceptions to require-  
3 ments of the codes may be made in the codes among other reasons,  
4 in order to provide for the preservation, maintenance and protec-  
5 tion of historic sites, buildings and monuments;

6 (15) condemnation and abatement of public nuisances  
7 and hazards;

8 (16) garbage and solid-waste collection and disposal;

9 (17) water pollution control;

10 (18) air pollution control as provided in AS 18.30;

11 (19) other powers and functions affecting the general  
12 health, safety, well-being and welfare of its inhabitants.

13 (b) First and second class boroughs may exercise the powers  
14 conferred by (a) of this section only after they have been assumed  
15 in the manner required under AS 29.33.250 - 29.33.290 for area-  
16 wide exercise or in the manner required under AS 29.38.010 - 29.38.-  
17 050 for exercise in the borough area outside cities or are con-  
18 ferred by sec. 20 of this chapter for exercise in the borough  
19 area outside cities. However, as to powers conferred under  
20 (a)(5), (17) and (18) of this section, exercise of the powers  
21 areawide or, as to (a)(5) and (17), in the borough area out-  
22 side cities is at the option of the borough and is not subject  
23 to those restrictions on acquisition of additional borough  
24 powers. Upon adoption of a borough ordinance to provide for a  
25 areawide exercise of the powers specified, no home rule or  
26 general law city within the borough may exercise the powers,  
27 unless the borough ordinance provides otherwise or the borough  
28 by subsequent ordinance ceases to exercise the power.

29 (c) The provisions of (b) of this section notwithstanding,

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boroughs which on the effective date of this Act are exercising building, housing or related code powers, except as those code powers relate to flood control, on an areawide basis or in the borough area outside cities shall, subject to acquisition of the powers on an areawide basis by transfer or election as provided in (b) of this section, exercise the powers in the borough area outside cities and, upon agreement of the city and borough, within any city, home rule or otherwise, in which the powers are being exercised on the effective date of this Act; if the city does not agree to continued borough exercise of the powers within the city, the city shall exercise the powers within the city.

Sec. 29.48.037. EXTRATERRITORIAL JURISDICTION. (a) A municipality may provide parks, roads, trails, playgrounds, cemeteries and airports outside its boundaries, subject to AS 29.33.010, and may regulate their use and operation. A regulation adopted under this section must state that it applies outside the municipality.

(b) A municipality may adopt ordinances to protect its water supply and watershed and may enforce them outside its boundaries. Before this power may be exercised within the boundaries of another municipality, the approval of that municipality must be given by ordinance. This section applies to general law and home rule municipalities.

Sec. 29.48.040. MUNICIPALLY-OWNED UTILITIES. A municipality owning or operating utilities may extend service to adjacent areas outside its municipal limits. For that purpose the municipality may acquire, maintain and operate utility facilities together with necessary real property interests in real property outside its limits. This section applies to home rule and general law municipalities.

Sec. 29.48.050. FRANCHISES AND PERMITS. (a) The assembly acting

1 for the area outside cities and the council acting for the area within  
2 a city may grant franchises, including exclusive franchise privileges,  
3 for the construction, operation and maintenance of bus transportation  
4 systems and public utilities not regulated under AS 42.05 and may  
5 permit them the use of streets and other public places under regulations  
6 prescribed by ordinance.

7 (b) No franchise is valid until it has been submitted to the  
8 qualified voters of the city or borough area outside cities in which  
9 it applies, and at least 55 per cent of the votes cast are in favor  
10 of the franchise. At least 30 days notice of a franchise referendum  
11 election shall be given in the same manner as is provided for notice  
12 of regular municipal elections, and the notice shall specify the  
13 purpose of the election. The ordinance granting a franchise shall  
14 provide for its submission for ratification to the qualified voters  
15 of the city or borough area outside cities at either a regular or  
16 special election, and the result of the election shall be canvassed  
17 publicly by the council or assembly and spread upon the records of the  
18 minutes and the result declared and certified in the same manner as  
19 in a regular election.

20 (c) Public utilities regulated under AS 42.05 have the right to  
21 use the streets and other public places, upon payment of a reasonable  
22 permit fee and on reasonable terms and conditions and with reasonable  
23 exceptions the assembly or council requires. A dispute as to whether  
24 fees, terms, conditions, or exceptions are reasonable shall be decided  
25 by the Alaska Public Utilities Commission.

26 Sec. 29.48.060. PUBLIC UTILITIES RATES. The assembly acting  
27 for the area outside cities and the council acting for the area within  
28 a city may regulate, fix, establish and change, as it considers  
29 proper, the rates and charges imposed for utilities services given to

1 the municipality or its inhabitants by a public service association,  
2 corporation, or individual not regulated under AS 42.05 and may regu-  
3 late and provide what is a reasonable deposit for meters and security  
4 for service to be given, provided that interest be paid on the deposit.  
5 All rates, charges and regulations shall be reasonable and shall permit  
6 a fair and reasonable return on invested capital.

7 Sec. 29.48.070. HEARING FOR REGULATION OF UTILITIES RATES. If  
8 the assembly or council considers it advisable to regulate, change, or  
9 fix the rates to be charged by a public service corporation, associa-  
10 tion or individual not regulated under AS 42.05, it shall order a  
11 hearing to be held before the governing body at a time and place speci-  
12 fied. Notice of the hearing shall be given by at least one publication  
13 in a newspaper of general circulation distributed within the munici-  
14 pality or, if no newspaper of general circulation is distributed within  
15 the municipality, notice shall be given by posting a notice in three  
16 public places within the city or borough area outside cities receiving  
17 the utilities services and by serving written notice upon the corpora-  
18 tions, associations and individuals whose rates are to be regulated,  
19 fixed, or changed in the same manner that summonses are served. The  
20 notices shall be published or posted and served at least 15 days before  
21 the hearing.

22 Sec. 29.48.080. RIGHT TO PARTICIPATE AND COMPEL TESTIMONY. At  
23 a hearing held under sec. 70 of this chapter, all public service cor-  
24 porations, associations, or individuals affected by or interested in  
25 the matters to be heard may be present and may be represented by counsel.  
26 The municipality and all interested parties may produce witnesses and  
27 examine them and introduce evidence to prove or disprove the facts in  
28 issue or matters to be established or inquired into at the hearing.  
29 All parties may compel the attendance of witnesses, and subpoenas

1 requiring attendance shall be issued by the municipal clerk under his  
2 hand and the seal of the municipality. Subpoenas duces tecum requiring  
3 the production of books and papers shall be issued in like manner upon  
4 request. If a person fails to obey a subpoena, the party at whose  
5 request the subpoena issued may petition the superior court for an  
6 order compelling the attendance of the disobedient witness or the pro-  
7 duction of the books or papers referred to in a subpoena duces tecum.  
8 The superior court shall order the witness to appear and testify or  
9 compel the production of the books or papers. A violation of the order  
10 of the court is a contempt of court. If a witness appears and refuses  
11 to testify concerning a matter material to the facts inquired about at  
12 the hearing and to establish or determine which the hearing was had,  
13 an application may be made to the superior court to compel the witness  
14 to testify and answer questions put to him concerning the matters  
15 inquired about, and the court shall make an order compelling the wit-  
16 ness to testify. Violation of the order is contempt of court.

17 Sec. 29.48.090. FURTHER PROCEEDINGS. A hearing under sec. 70  
18 of this chapter shall begin at the time stated in the notice but may  
19 be continued from time to time. At least a quorum of the assembly or  
20 council shall be present at the hearing. At the conclusion of the  
21 hearing the parties interested may make such arguments before the  
22 assembly or council, either in person or by attorney as they consider  
23 proper, touching the matters at issue, and thereafter the assembly or  
24 council shall proceed to regulate and fix the rates by ordinance. The  
25 date upon which the rates fixed or regulated take effect shall be  
26 stated in the ordinance and shall be at least 10 days after passage and  
27 approval of the ordinance.

28 Sec. 29.48.100. APPLICATION. (a) In the case of conflict between  
29 the provisions of secs. 50 - 70 of this chapter and the provisions of

1 AS 42.05 as to the regulation of rates of a utility, the provisions of  
2 AS 42.05 shall prevail.

3 (b) Secs. 50 - 100 of this chapter apply to home rule and  
4 general law municipalities.

5 ARTICLE 3. MUNICIPAL ENACTMENTS.

6 Sec. 29.48.130. ACTS REQUIRED TO BE BY ORDINANCE. (a) In addi-  
7 tion to other actions which this title requires to be by ordinance,  
8 the assembly or council of a municipality shall use ordinances to

- 9 (1) establish, alter or abolish municipal departments;  
10 (2) fix the compensation of members of the assembly or  
11 council;  
12 (3) provide for a fine or other penalty for establishing  
13 rules or regulations for violation of which a fine or other penalty  
14 is imposed;  
15 (4) provide for the levying of taxes;  
16 (5) make appropriations and supplemental appropriations or  
17 transfer appropriations;  
18 (6) grant, renew, or extend a franchise;  
19 (7) regulate the rate charged by a public utility;  
20 (8) adopt, modify or repeal the comprehensive plan, zoning  
21 and subdivision ordinances, building and housing codes, and the official  
22 map;  
23 (9) approve the transfer of a power to a borough from a  
24 city;  
25 (10) designate the borough seat.

26 (b) This section grants no authority but requires the assembly or  
27 council to use ordinances in exercising certain of its powers.

28 Sec. 29.48.140. FORM OF ORDINANCES. Ordinances are introduced  
29 in writing in the form required by the assembly or council.

1           Sec. 29.48.150. ORDINANCE PROCEDURE. (a) The following proce-  
2           dure governs the enactment of all ordinances except emergency ordi-  
3           nances. An ordinance may be introduced by a member or committee of the  
4           assembly or council or by the municipal executive or chief administrator. An ordi-  
5           nance shall be set for hearing by the affirmative vote of a majority of the votes  
6           authorized on the question. A summary of the ordinance and its amend-  
7           ments is published together with a notice of time and place for public  
8           hearing. The hearing follows publication by at least five days. Copies  
9           of the ordinance must be available to all persons present or the  
10          ordinance must be read in full. The assembly or council shall hear  
11          all interested persons wishing to be heard. After the hearing, the  
12          assembly or council shall consider the ordinance and may adopt it with  
13          or without amendment. The assembly or council shall print and make  
14          available copies of adopted ordinances.

15                 (b) Ordinances take effect upon adoption or at a later date  
16                 specified in the ordinance.

17           Sec. 29.48.160. EMERGENCY ORDINANCES. (a) To meet a public  
18           emergency the assembly or council may adopt ordinances effective on  
19           adoption. Every emergency ordinance must contain a finding by the  
20           assembly or council that an emergency exists and a statement of the  
21           facts upon which the finding is based. The ordinance may be adopted,  
22           amended and adopted, or rejected at the meeting at which it is intro-  
23           duced. The affirmative vote of all members present, or the affirmative  
24           vote of three-fourths of the total membership, whichever is less, is  
25           required for adoption. The assembly must print and make available  
26           copies of adopted emergency ordinances.

27                 (b) An emergency ordinance may not be used to levy taxes, to  
28                 grant, renew or extend a franchise, or to regulate the rate charged by  
29                 a public utility for its services.

1 (c) Emergency ordinances are effective for 60 days.

2 Sec. 29.48.170. CODES OF REGULATIONS. The assembly or council  
3 may in a single ordinance adopt or amend by reference provisions of a  
4 standard published code of regulations. The regular ordinance proce-  
5 dure applies except that neither the ordinance nor its amendments need  
6 be distributed to the public or read in full at the hearings. For a  
7 period of 15 days before adoption at least five copies of the code must  
8 be made available for public inspection at a time and place set out  
9 in the hearing notice. Only the adopting ordinance need be printed  
10 after adoption. The assembly or council shall provide for the adopted  
11 code to be sold to the public.

12 Sec. 29.48.180. CODIFICATION. (a) Each ordinance and resolution  
13 after adoption shall be codified.

14 (b) Within three years after incorporation of the municipality,  
15 the municipal executive, with the advice and assistance of a legal  
16 advisor, shall have prepared a general codification of all municipal  
17 ordinances of general applicability having the force and effect of law.  
18 The municipal code shall be revised and printed at least every five  
19 years, unless the code is kept current by regular supplements.

20 (c) In (a) of this section, codified means

21 (1) the ordinance has been given a serial number or other  
22 permanent identifying number and, bearing a notation of the date of  
23 adoption and the designation of the adopting authority, it has been  
24 entered by the municipal clerk in a properly indexed book maintained  
25 for the purposes of organizing and recording the ordinances; or

26 (2) the ordinance is a provision included, or to be included,  
27 in a code of ordinances or other complete system of positive law promul-  
28 gated by the council and kept current by the city at reasonable inter-  
29 vals.

1 (d) This section applies to general law and home rule  
2 municipalities.

3 Sec. 29.48.190. BUDGET AND CAPITAL PROGRAM. (a) The  
4 assembly or council shall establish the manner for the prepara-  
5 tion and submission of the budgets and capital programs by the  
6 executive. After public hearing, the assembly or council  
7 may approve the budgets with or without amendments and shall  
8 appropriate the funds required for the approved budgets.

9 (b) A bond, contract, lease, or other obligation requiring  
10 the payment of funds from the appropriations of a later fiscal  
11 year or of more than one fiscal year shall be made or approved  
12 by ordinance adopted by a majority of the votes authorized on the  
13 question.

14 (c) The assembly or council may make supplemental and  
15 emergency appropriations. No payment may be authorized or made  
16 and no obligation incurred except in accordance with appropri-  
17 ations.

18 (d) Nothing in this section is intended to prevent the authoriz-  
19 ing of payment or making of contracts for capital improvements to  
20 be financed wholly or partly by the issuance of bonds.

21 Sec. 29.48.200. PENALTIES. For the violation of an ordinance,  
22 the assembly or council may prescribe punishment not to exceed a  
23 fine of \$500 or imprisonment for 30 days, or both. However, the  
24 punishment authorized under this subsection may be imposed only  
25 if an ordinance is codified and copies of the ordinance are made  
26 available for distribution to the public.

27 Sec. 29.48.210. EXPENDITURE OF BOROUGH REVENUES. Borough  
28 revenues levied and collected on an areawide basis by a home rule  
29 or general law borough may be expended on general administrative

1 costs and on areawide functions only. Revenues levied and collected  
2 in the area outside cities only may be expended on general adminis-  
3 trative costs and functions which render service to the area outside  
4 cities only.

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

14 ARTICLE 4. MISCELLANEOUS PROVISIONS.

15 Sec. 29.48.250. CENTRALIZED PURCHASING. The assembly or  
16 council may provide for centralized purchasing, storage and distri-  
17 bution of supplies, material and equipment for the municipality and  
18 its departments.

19 Sec. 29.48.260. MUNICIPAL PROPERTIES. (a) A municipality may  
20 acquire and hold real and personal property or interest in property,  
21 and may sell, lease or otherwise dispose of property no longer re-  
22 quired for municipal purposes.

23 (b) Notwithstanding the provisions of (c) of this section,  
24 a municipality may sell, lease, donate or exchange with the United  
25 States, the state, or a political subdivision real estate or  
26 other property, or interest in property, when in the judgment of  
27 the assembly or council it is advantageous to the municipality to  
28 do so.

29 (c) The assembly or council shall by ordinance establish a formal

1 procedure for the sale, lease or disposition of real property or inter-  
2 est in real property. The ordinance shall require (1) an estimated  
3 value of the property by a qualified appraiser or the assessor; (2) a  
4 notice of sale published in a newspaper of general circulation distri-  
5 buted within the municipality at least 30 days before the date of the  
6 sale, lease, or disposition, or posted within that time in at least  
7 three public places in the municipality; (3) public auction or opening  
8 of sealed bids, if any; and (4) other terms and conditions fixed by  
9 the assembly or council. However, no ordinance for the sale, lease, or  
10 disposition of real property or interest in real property valued at  
11 \$25,000 or more is valid unless ratified by a majority of the qualified  
12 voters voting at a regular or special election at which the question of  
13 the ratification of the ordinance is submitted. Thirty days notice  
14 shall be given of the election and during that period the assembly or  
15 council shall have published at least once a week in a newspaper of  
16 general circulation distributed within the municipality a notice  
17 stating the time of the election and the place of voting, describing  
18 the property to be sold, leased or disposed of, giving a brief state-  
19 ment of the terms and conditions of the sale and the consideration, if  
20 any, and stating the title and date of passage of the ordinance. Notice  
21 shall also be given by posting a copy of it in at least three public  
22 places in the municipality at least 30 days before the election. If  
23 no newspaper of general circulation is distributed within the munic-  
24 ipality, the notice given by posting is sufficient for the purposes of  
25 this section.

26 (d) The assembly or council may by ordinance establish a formal  
27 procedure for acquisition from the state of land or rights in land and  
28 the disposal of the land or rights in land, in which event the pro-  
29 visions of (c) of this section do not apply.

1 (e) A municipality, in order to make sites available for benefi-  
2 cial new industries, may acquire and hold real property, either inside  
3 or outside the corporate limits, and may sell, lease or dispose of it  
4 to persons who agree to operate a beneficial new industry upon the  
5 terms and conditions the assembly or council considers advantageous to  
6 the municipality.

7 Sec. 29.48.270. EMERGENCY DISASTER POWERS. (a) A municipality  
8 which is wholly or partially within an area which is declared by the  
9 President to be a disaster area may participate in and provide for  
10 housing and urban renewal and redevelopment in the same manner as a  
11 home rule city. The exercise of these powers by a borough is limited  
12 to the area outside a city in the borough.

13 (b) A borough may exercise the powers for a housing or urban  
14 renewal and redevelopment project transferred to it by a city located  
15 in the borough as provided by AS 29.33.260.

16 (c) AS 29.38.020 - 29.38.050 are not applicable to the housing  
17 and urban renewal and redevelopment powers granted by this section.

18 (d) Powers granted by this section must be initiated within a  
19 period of not more than five years from the date of declaration of a  
20 natural disaster by the President, but these powers may be extended for  
21 an additional period of not more than three years.

22 ARTICLE 5. CONSTRUCTION OF POWERS.

23 Sec. 29.48.310. GENERAL CONSTRUCTION. A liberal construction  
24 shall be given to all powers and functions of boroughs and cities con-  
25 ferred in this title.

26 Sec. 29.48.320. EXTENT OF POWERS. Unless otherwise limited by  
27 law, boroughs and cities have and may exercise all powers and functions  
28 necessarily or fairly implied in or incident to the object or purpose  
29 of all powers and functions conferred in this title.

1           Sec. 29.48.330. ENUMERATION OF POWERS. Specific examples within  
2 an enumerated power or function conferred upon boroughs or cities in  
3 this title are illustrative of the object and not a limitation or ex-  
4 clusion upon the exercise of the power or function.

5           CHAPTER 53. MUNICIPAL ASSESSMENT AND TAXATION.

6           ARTICLE 1. BOROUGH PROPERTY TAX.

7           Sec. 29.53.010. GENERAL PROPERTY TAX. Home rule and general law  
8 boroughs may levy (1) an areawide property tax for areawide functions,  
9 and (2) a property tax limited to the area outside cities for functions  
10 limited to the area outside cities. A property tax if levied must be  
11 assessed, levied and collected on real and personal property as pro-  
12 vided in this chapter.

13          Sec. 29.53.020. REQUIRED EXEMPTIONS. (a) The following property  
14 is exempt from general taxation:

15           (1) municipal, state or federally owned property, except  
16 that private leaseholds, contracts or other interest in the property  
17 shall be taxable to the extent of those interests;

18           (2) household furniture of the head of a family or a house-  
19 holder not exceeding \$500 in value;

20           (3) property used exclusively for nonprofit religious,  
21 charitable, cemetery, hospital or educational purposes;

22           (4) property of a nonbusiness organization composed entirely  
23 of persons with 90 days or more of active service in the armed forces  
24 of the United States whose conditions of service and separation were  
25 other than dishonorable, or the property of the auxiliary of such  
26 organization;

27           (5) money on deposit;

28           (6) the real property of certain residents of the state to  
29 the extent and subject to the conditions provided in (e) of this section.

1 (b) "Property used exclusively for religious purposes" includes  
2 the following property owned by a religious organization:

3 (1) the residence of the pastor, priest, rabbi, minister or  
4 religious order of a recognized religious organization;

5 (2) a structure, its furniture and its fixtures used solely  
6 for public worship, charitable purposes, religious education or a non-  
7 profit hospital;

8 (3) lots supporting and adjacent to a structure or residence  
9 mentioned in (1) or (2) of this subsection which are necessary to  
10 convenient use;

11 (4) lots required by local ordinance for parking near a  
12 structure defined in (2) of this subsection.

13 (c) Property described in (a) or (b) of this section from which  
14 income is derived is exempt only if that income is solely from use of  
15 the property by nonprofit religious, charitable, hospital, or educa-  
16 tional groups for classroom space.

17 (d) Laws exempting certain property from execution under the  
18 Code of Civil Procedure do not exempt the property from taxes levied  
19 and collected by municipalities.

20 (e) After January 1, 1973 the real property owned and occupied  
21 as a permanent place of abode by a resident 65 years of age or over  
22 whose gross annual income totals less than \$10,000 is exempt from  
23 taxation of the assessed value of the real property. Only one exemption  
24 may be granted with respect to the same property and, if two or more  
25 persons are eligible for an exemption with respect to the same property,  
26 the parties shall decide between or among themselves which shall receive  
27 the benefit of the exemption; however, in the case of more than one  
28 party eligible for an exemption with respect to the same property, the  
29 total combined gross annual income of the parties may not exceed \$10,000.

1 No real property may be exempted under this subsection which the as-  
2 sessor determines, after notice and hearing to the parties concerned,  
3 has been conveyed to the applicant primarily for the purpose of obtain-  
4 ing the exemption. The determination of the assessor is appealable  
5 under AS 44.62.560 - 44.62.570.

6 (f) No exemption may be granted except upon written application  
7 for the exemption upon a form prescribed by the state assessor for use  
8 by local assessors. The claimant must file the application no later  
9 than January 15 of the assessment year for which the exemption is sought  
10 and must file a separate application for each assessment year in which  
11 the exemption is sought. If an application is filed within the required  
12 time and is approved by the assessor, he shall allow an exemption in  
13 accordance with the provisions of this section. The assessor may at  
14 any time require proof in the form he considers necessary of the right  
15 and amount of an exemption claimed under this section, and in that  
16 respect may as one form of proof require authorization from the tax-  
17 payer to verify gross income level by reference to gross income shown  
18 in the latest state income tax return available for all or part of the  
19 assessment year for which an exemption is sought.

20 (g) The state shall reimburse a borough or city, as appropriate,  
21 for the real property tax revenues lost to it by the operation of (e)  
22 of this section.

23 (h) Nothing in (e) - (i) of this section affects similar exemptions  
24 from property taxes granted by municipalities on the effective date of  
25 this Act or prevents municipalities from granting similar exemptions  
26 by ordinance as provided in sec. 25 of this chapter. However, under  
27 (e) - (i) of this section only the amount of revenue lost to the  
28 municipality by reason of the exemption authorized in those provisions  
29 may be reimbursed to the municipality by the state.

1 (1) In (e) - (1) of this section the term "real property" includes  
2 but is not limited to mobile homes, whether classified as real or per-  
3 sonal property for municipal tax purposes.

4 Sec. 29.53.025. OPTIONAL EXEMPTIONS AND EXCLUSIONS. (a) Muni-  
5 cipalities may exclude or exempt or partially exempt residential  
6 property from taxation by ordinance ratified by the voters at a  
7 regular or special election.

8 (b) Municipalities may by ordinance

9 (1) classify boats and vessels for purposes of taxation  
10 and may establish the assessed valuation of boats and vessels on the  
11 basis of their registered or certificated net tonnage; a tax based  
12 upon a tonnage valuation shall not exceed \$5 a year for a boat or  
13 vessel of less than five net tons and shall not exceed \$15 a year  
14 for a boat or vessel of more than five net tons;

15 (2) classify and exempt from taxation

16 (A) the household furniture over \$500 in value and  
17 the effects of the head of a family or a householder; and

18 (B) the property of an organization not organized for  
19 business or profit-making purposes and used exclusively for  
20 community purposes, provided that income derived from rental of  
21 such property does not exceed the actual cost to the owner of  
22 the use by the renter; and

23 (C) historic sites, buildings and monuments.

24 (c) The provisions of (a) of this section notwithstanding,

25 (1) a home rule or first or second class borough may, by  
26 ordinance adopted without weighted voting, adjust its property tax  
27 structure in whole or in part to the property tax structure of a city  
28 within it, including but not limited to, excluding personal property  
29 from taxation, establishing exemptions, and extending the redemption

1 period;

2 (2) a home rule or first class city shall have the same  
3 power to grant exemptions or exclude property from borough taxes that  
4 it has as to city taxes, provided that the exemptions or exclusions  
5 have been adopted as to city taxes and further provided that the  
6 city appropriate to the borough sufficient money to equal revenues  
7 lost by the borough because of the exemptions or exclusions, the  
8 amount to be determined annually by the assembly without weighted  
9 voting.

10 (d) Exemptions or exclusions from property tax which have  
11 been granted by home rule municipalities in addition to exemptions  
12 authorized or required by law, and which are in effect on the effec-  
13 tive date of this Act and not later withdrawn, are not affected by  
14 this Act.

15 Sec. 29.53.030. MINING CLAIMS. The assessed value of an  
16 unimproved unpatented mining claim which is not producing, and a  
17 nonproducing patented mining claim upon which the improvements  
18 originally required for patent have become useless and valueless  
19 through depreciation, removal or otherwise, is fixed at \$200 for  
20 each 20 acres or fraction of 20 acres. If the surface ground of a  
21 claim has a separate and independent value for nonmining uses,  
22 the real and personal property is assessed at its full and true  
23 value.

24 Sec. 29.53.035. FARM OR AGRICULTURAL LANDS. (a) Farm use lands  
25 shall be assessed on the basis of full and true value for farm use,  
26 and shall not be assessed as if subdivided or used for some other non-  
27 farm purpose. The assessor shall maintain separate assessment records  
28 evaluating the farm use land for other than farm use purposes, where  
29 applicable. Should the farm use land be sold, leased, or otherwise

1 disposed of, for other than farm use purposes, the owner shall be  
2 liable to pay the additional tax for the preceding two years, and the  
3 applicable portion of the current tax year, as though the land had  
4 not been assessed for farm use purposes.

5 (b) An owner of farm use land must, to secure the assessment,  
6 make application to the assessor before February 1 of each year in  
7 which the assessment is desired. The application shall be made upon  
8 forms prepared and supplied by the assessor and shall include information  
9 which may reasonably be required to determine the entitlement of the  
10 applicant.

11 (c) In this section "farm use" means the use of land for raising  
12 and harvesting crops or for the feeding, breeding and management of  
13 livestock or for dairying or another agricultural use or any combina-  
14 tion thereof and includes the preparation of the products raised on  
15 the farm use land and disposal by marketing or otherwise. It includes  
16 the construction and use of dwellings and other buildings customarily  
17 provided in conjunction with the farm use. To be farm use land, the  
18 owner must be actively engaged in farming the land, and derive at least  
19 one-fourth of his yearly gross income from the farm use land. The  
20 provisions of this section shall not apply to land which the owner  
21 has granted, and has outstanding, a lease or option to buy the surface  
22 rights.

23 Sec. 29.53.040. MOBILE HOMES. Mobile homes, trailers, house  
24 trailers, trailer coaches and similar property used or intended to  
25 be used for residential, office or commercial purposes and attached  
26 to the land or connected to water, gas, electric or sewage facilities  
27 are classed as real property for tax purposes except where expressly  
28 classified as personal property by ordinance. This section does not  
29 apply to house trailers and mobile homes which are unoccupied and held

1 for sale by persons engaged in the business of selling mobile homes.

2 Sec. 29.53.050. TAX LIMITATION. No municipality may levy and tax  
3 for any purpose in excess of three per cent of the assessed valuation  
4 of property within the municipality in any one year.

5 Sec. 29.53.055. NO LIMITATION ON TAXES TO PAY BONDS. The limita-  
6 tion provided for in sec. 50 of this chapter does not apply to taxes  
7 levied or pledged to pay or secure the payment of the principal and  
8 interest on bonds. Taxes to pay or secure the payment of principal  
9 and interest on bonds may be levied without limitation as to rate  
10 or amount.

11 Sec. 29.53.060. FULL AND TRUE VALUE. (a) The assessor of a  
12 municipality shall assess property at its full and true value as of  
13 January 1 of the assessment year, except as provided in this section  
14 and sec. 30, 35 and 160 of this chapter. The full and true value  
15 is the estimated price which the property would bring in an open market  
16 and under the then prevailing market conditions in a sale between a  
17 willing seller and a willing buyer both conversant with the property  
18 and with prevailing general price levels.

19 (b) Assessment of business inventories may be based on the  
20 average monthly method of assessment rather than the value existing on  
21 January 1. The method used to assess business inventories shall be  
22 prescribed by the borough assembly.

23 Sec. 29.53.070. RETURNS. (a) The assembly may require every  
24 person having ownership or control of or an interest in property to  
25 submit a return in the form prescribed by the assessor, based on  
26 property values existing on January 1, except as otherwise provided in  
27 this chapter.

28 (b) The assessor may, by written notice, require a person to  
29 provide additional information within 30 days.

1           Sec. 29.53.080. INDEPENDENT INVESTIGATION. (a) The assessor is  
2 not bound to accept a return as correct. He may make an independent  
3 investigation of property returned or of taxable property upon which no  
4 return has been filed. In either case, the assessor may make his  
5 own valuation of the taxable property, which is prima facie evidence.

6           (b) For investigation, the assessor or his agent may enter  
7 any premise during reasonable hours and may examine property on the  
8 premises. He may examine all property records involved. A person  
9 shall, upon request, furnish to the assessor or his agent every  
10 facility and assistance for the purposes of the investigation. If re-  
11 fused entry, the assessor may seek a court order to compel entry.

12           (c) An assessor may examine a person on oath. Upon request,  
13 the person shall present himself for examination by the assessor.

14           Sec. 29.53.090. STATEMENT. A person who fails to file a state-  
15 ment required by ordinance or who knowingly makes a false affidavit  
16 to a statement required by a tax ordinance relative to the amount,  
17 location, kind or value of property subject to taxation with intent  
18 to evade the taxation, is guilty of a misdemeanor. Upon conviction,  
19 he is punishable by a fine of not more than \$500, or by imprisonment  
20 for not more than 30 days, or by both, together with costs of prosecu-  
21 tion.

22           Sec. 29.53.095. REEVALUATION. A systematic reevaluation of taxable  
23 real and personal property undertaken by the assessor, whether of speci-  
24 fic areas in which real property is located or of specific classes  
25 of real or personal property to be assessed, shall be made only in  
26 accordance with a resolution or other act of the assembly directing a  
27 systematic reevaluation of all taxable property within the borough  
28 over the shortest period of time practicable, as determined by the  
29 assembly and fixed in the resolution or other act of the assembly.

1           Sec. 29.53.100. ASSESSMENT ROLL. (a) The assessor shall pre-  
2 pare an annual assessment roll. The roll contains

- 3                   (1) a description of all taxable property;  
4                   (2) the assessed value of all taxable property;  
5                   (3) the names and addresses of persons with property subject  
6 to assessment and taxation.

7           (b) The assessor may list real property by any description that  
8 may be made certain. Real property is assessed to the owner of record  
9 as shown in the records of the district recorder, who shall at least  
10 monthly provide the assessor a copy of each recorded change of owner-  
11 ship and the address of the party recording the change of ownership.  
12 Other persons having an interest in the property may be listed on the  
13 assessment records with the owner. The person in whose name property  
14 is listed as owner is conclusively presumed to be the legal owner of  
15 record. If the property owner is unknown, the property may be assessed  
16 to "unknown owner". No assessment is invalidated by a mistake, omis-  
17 sion or error in the name of the owner, if the property is correctly  
18 described.

19           Sec. 29.53.110. ASSESSMENT NOTICE. (a) The assessor shall give  
20 every person named in the assessment roll a notice of assessment,  
21 showing the assessed value of his property. On each notice is printed  
22 a brief summary of the dates when taxes are payable, delinquent and  
23 subject to penalty and interest, and the dates when the board of  
24 equalization will sit.

25           (b) Sufficient assessment notice is given if mailed by first class  
26 mail 30 days before the equalization hearings. If the address is not  
27 known to the assessor, the notice may be addressed to the person at  
28 the post office nearest the property. Notice is effective on the date  
29 of mailing.

1           Sec. 29.53.120. CORRECTIONS. (a) A person receiving an assess-  
2 ment notice shall advise the assessor of errors or omissions in the  
3 assessment of his property. The assessor may correct errors or omis-  
4 sions in the roll before the board of equalization hearing.

5           (b) If errors found in the preparation of the assessment roll are  
6 adjusted, the assessor shall mail a corrected notice allowing 30 days  
7 for appeal to the board.

8           Sec. 29.53.130. APPEAL. (a) A person whose name appears on  
9 the assessment roll or his agent or assigns may appeal to the board of  
10 equalization for relief from an alleged error in valuation not adjusted  
11 by the assessor to the taxpayer's satisfaction.

12           (b) The appellant shall, within 30 days from the date of mailing of  
13 notice of assessment, submit to the assessor a written appeal specifying  
14 grounds in the form which the board may require. Otherwise, the right of  
15 appeal ceases unless the board finds that the taxpayer was unable to comply

16           (c) The assessor shall notify appellants by mail of the time and  
17 place of their hearing.

18           (d) The assessor shall prepare for use by the board a summary  
19 of assessment data relating to each assessment which is appealed.

20           (e) A city may appeal an assessment to the board of equalization  
21 in the same manner as a taxpayer. Within five days after receipt of  
22 the appeal, the assessor shall notify the person whose property assess-  
23 ment is being appealed by the city.

24           Sec. 29.53.135. BOARD OF EQUALIZATION. The assembly sits as a board  
25 of equalization for the purpose of hearing any appeal from determina-  
26 tions of the borough assessor, or it may delegate this authority to a  
27 board appointed by it for that purpose. The board of equalization shall  
28 consist of at least that number of members of the assembly over and  
29 above the number required for a quorum to transact business. The board

1 is governed in its proceedings by such procedures consistent with  
2 general rules of administrative law and the laws governing equaliza-  
3 tion proceedings as may be adopted by ordinance, including but not  
4 limited to quorum and voting requirements. The assembly shall by  
5 ordinance adopt rules for the membership and conduct of the board.

6 Sec. 29.53.140. HEARING. (a) If an appellant fails to appear,  
7 the board of equalization may proceed with the hearing in his absence.

8 (b) The appellant bears the burden of proof.

9 (c) The only grounds for adjustment is proof of unequal, excessive  
10 or improper valuation based on facts which are stated in a valid written  
11 appeal timely filed or proved at the hearing.

12 (d) The board shall certify its actions to the assessor within  
13 seven days.

14 (e) The assessor shall enter the changes and certify the final  
15 assessment roll by June 1.

16 (f) An appellant may appeal to the superior court for, and is en-  
17 titled to, trial de novo of the board's action. Either party to the  
18 appeal may demand a jury trial.

19 Sec. 29.53.150. SUPPLEMENTARY ASSESSMENT ROLLS. The assessor shall  
20 include property omitted from the assessment roll on a supplementary roll,  
21 using the procedures set out in this chapter for the original roll.

22 Sec. 29.53.160. TAX ADJUSTMENTS ON PROPERTY AFFECTED BY A NATURAL  
23 DISASTER. (a) The assembly may provide for reassessment and reduction  
24 of taxes for property destroyed, damaged, or otherwise reduced in value  
25 as a result of a natural disaster.

26 (b) A reassessment may be made by the assessor only upon the receipt  
27 of a sworn statement of the taxpayer that his losses exceed \$1,000. A  
28 reduction of taxes may be made only on losses in excess of \$1,000 for  
29 the remainder of the year following the disaster. Upon reassessment,

1 the borough shall recompute this tax and refund taxes which have al-  
2 ready been paid.

3 (c) The borough shall make notice of assessment or reassessment  
4 and shall hold an equalization hearing as provided in this chapter,  
5 except that a notice of appeal is filed with the board of equalization  
6 within 10 days after notice of assessment is given to the person  
7 appealing. Otherwise, the right of appeal ceases unless the board  
8 finds that the taxpayer is unable to comply

9 (d) In enacting an ordinance or resolution authorized by this  
10 section, the assembly may, consistent with this section, prescribe  
11 procedures, restrictions and conditions of assessing or reassessing  
12 property and of remitting, refunding or forgiving taxes.

13 (e) In this section "disaster" means a major disaster declared  
14 by the President of the United States under the provisions of the  
15 Federal Disaster Act of 1950, Title 42, United States Code, sec. 1855-  
16 1855g, or other federal law.

17 Sec. 29.53.170. TAX LEVY AND RATE. (a) The power granted to  
18 the assembly to assess, levy and collect a general property tax shall  
19 be exercised by means of general ordinances, but the rate of levy, the  
20 date of equalization and the date when taxes become delinquent shall  
21 be fixed by resolution.

22 (b) The assembly shall annually determine the rate of levy before  
23 June 15. By July 1 the tax collector shall mail tax statements setting  
24 out the levy, dates when taxes are payable and delinquent, and penalties  
25 and interest.

26 Sec. 29.53.180. RATES OF PENALTY AND INTEREST. (a) If the tax-  
27 payer is required to pay the entire tax on the due date set by the  
28 assembly, a penalty not to exceed 10 per cent may be added to all  
29 delinquent taxes, and interest at the rate of eight per cent a year

1 shall accrue upon all unpaid taxes, not including penalty, from the  
2 due date until paid in full. If the taxpayer is given the right to pay  
3 the tax in two installments and the first half is not paid when due,  
4 the entire tax becomes delinquent and penalty and interest accrue as  
5 follows:

6 (1) if the first half is paid when due, the second half is  
7 payable on the due date fixed by the assembly for the second half and  
8 if not paid is delinquent after that date;

9 (2) a penalty not to exceed eight per cent shall be added  
10 to all taxes delinquent until the due date fixed for payment of the  
11 second half, and interest at the rate of eight per cent a year shall  
12 be charged on the whole of the unpaid taxes, not including penalty,  
13 from due date until paid in full;

14 (3) after the due date for the payment of the second half,  
15 a total penalty of not more than 10 per cent may be added to all  
16 delinquent taxes, and interest at the rate of eight per cent a year  
17 shall accrue upon all unpaid taxes, not including penalties, from due  
18 date until date paid in full.

19 (b) If the assembly impose a penalty for the nonpayment of  
20 property taxes when due, or the late return of personal property as-  
21 sessment forms, the rate of penalty or combined rates of penalty  
22 may not exceed 10 per cent of the tax due on the property concerned.

23 (c) If the assembly charges interest on property taxes not paid  
24 when due, the rate of interest may not exceed eight per cent a year  
25 upon the delinquent taxes and shall be charged from the due date until  
26 paid in full.

27 ARTICLE 2. ENFORCEMENT OF TAX LIENS.

28 Sec. 29.53.200. VALIDITY. Certified assessment and tax rolls are  
29 valid and binding on all persons, notwithstanding any defect, error,

1 omission or invalidity in the assessment rolls or proceedings pertain-  
2 ing to the assessment roll.

3 Sec. 29.53.210. TAX LIABILITY. (a) The owner of personal  
4 property assessed is personally liable for the amount of taxes assessed  
5 against his property. The tax, together with penalty and interest,  
6 may be collected in a personal action brought in the name of the  
7 borough.

8 (b) Real property taxes, together with penalty and interest,  
9 are a lien upon the property assessed, and the lien is prior and  
10 paramount to all other liens or encumbrances against the property.

11 Sec. 29.53.220. ENFORCEMENT OF PERSONAL PROPERTY TAX LIENS  
12 BY DISTRAINT AND SALE. The lien of personal property taxes may  
13 be enforced by distraint and sale of the property. The assembly  
14 shall provide the procedure for distraint and sale by ordinance.  
15 No seizure, levy or distraint is legal unless demand is first made  
16 of the person assessed for the amount of the tax, penalty and interest,  
17 and no sale is valid unless made at public auction after 15 days  
18 notice given by posting or publication. The seizure is made by  
19 virtue of a warrant issued by the borough clerk to a peace officer.  
20 If the property sold is not sufficient to satisfy the tax, penalty,  
21 interest, and costs of sale, the warrant may authorize the seizure of  
22 other personal property sufficient to satisfy the tax, penalty, inter-  
23 est and costs of sale.

24 Sec. 29.53.230. REAL PROPERTY TAX COLLECTION. (a) The borough  
25 shall enforce delinquent real property tax liens by annual foreclosure,  
26 unless otherwise provided by ordinance.

27 (b) If the tax on property described in sec. 40 of this chapter  
28 or on a leasehold interest in tax exempt property is not paid when  
29 due, a borough may enforce the tax by a personal action against the

1 delinquent taxpayer brought in the district or superior court,  
2 in addition to other remedies available to the borough to enforce  
3 the lien.

4 Sec. 29.53.240. FORECLOSURE LIST. (a) The borough shall

5 (1) annually present a petition for judgment and a certified  
6 copy of the foreclosure list for the previous year's delinquent taxes  
7 in the superior court for judgment;

8 (2) publish the foreclosure list for four consecutive  
9 weeks in a newspaper of general circulation distributed within  
10 the borough or, if there is no newspaper of general circulation dis-  
11 tributed within the borough, post the list at three public places for  
12 at least 30 days;

13 (3) within 10 days after the first publication or posting,  
14 mail to the last known owner of each property as his name and address  
15 appear on the list a notice advising of the foreclosure proceeding  
16 in which a petition for judgment of foreclosure has been filed  
17 and describing the property and the amount due as stated on the  
18 list.

19 (b) The list shall be arranged in alphabetical order as to  
20 the last name and shall include

21 (1) the last known owner;

22 (2) the property description as stated on the assessment  
23 roll;

24 (3) years and amounts of delinquency;

25 (4) penalty and interest due;

26 (5) a statement that the list is available for public  
27 inspection at the clerk's office;

28 (6) a statement that the list has been presented to  
29 the superior court with a petition for judgment and decree.

1 (c) Completion of the requirements of (a) of this section consti-  
2 tutes and has the same force and effect as the filing of an individual  
3 and separate complaint and service of summons to foreclose a lien  
4 against each property described on the foreclosure list.

5 Sec. 29.53.250. CLEARING DELINQUENCIES. During the publication or  
6 posting of the foreclosure list and up to the time of transfer to the  
7 borough a person may pay the taxes, together with the penalty, interest  
8 and costs. The collector shall note payment on the foreclosure list.

9 Sec. 29.53.260. LIST TO LIENHOLDER. A holder of a mortgage or  
10 other lien on real property may request the clerk to send by certified  
11 mail notice of a foreclosure list which includes such real property.

12 Sec. 29.53.270. GENERAL FORECLOSURE. The borough shall bring  
13 one general foreclosure proceeding in rem against the properties  
14 included in the list. If the owner is unknown, the property is pro-  
15 ceeded against as belonging to "unknown owner". Tax foreclosure pro-  
16 ceedings have priority over all other civil proceedings except board  
17 of adjustment appeals as provided in AS 29.33.130(e).

18 Sec. 29.53.280. ANSWER AND OBJECTION. A person having an interest  
19 in a tract on the foreclosure list may file an answer within 30 days  
20 of the date of last publication, specifying his objection. The court  
21 shall make its decision in summary proceedings. The foreclosure list  
22 is prima facie evidence that the assessment and levy of the tax is  
23 valid and that the tax is unpaid.

24 Sec. 29.53.290. JUDGMENT. The court shall in a proper case give  
25 judgment and decree that the tax liens be foreclosed. It is a several  
26 judgment against and a lien on each parcel.

27 Sec. 29.53.300. TRANSFER AND APPEAL. (a) Foreclosed properties  
28 are transferred to the borough for the lien amount. When answers are  
29 filed the court may enter judgment against and order the transfer to

1 the borough of all other properties on the list pending determination  
2 of the matters in controversy. The court shall hear and determine the  
3 issues raised by the complaint and answers in the same manner and under  
4 the same rules as it hears and determines other actions.

5 (b) The court clerk shall deliver a certified copy of the judgment  
6 and decree to the borough clerk. The certified judgment and  
7 decree constitutes a transfer to the borough.

8 (c) The judgment and decree stops objections to it which could  
9 have been presented before judgment and decree.

10 (d) Appeal from a judgment and decree of foreclosure, or from a  
11 final order in the proceeding, may be taken in the manner provided for  
12 appeals in civil actions.

13 Sec. 29.53.310. REDEMPTION PERIOD. (a) Properties transferred  
14 to the borough are held by the borough for at least one year. During  
15 the redemption period a party having an interest in the property may  
16 redeem it by paying the lien amount plus penalties, interest and  
17 costs. Property redeemed is subject to all taxes, assessments, liens  
18 and claims as though it had continued in private ownership. Only the  
19 amount applicable under the judgment and decree must be paid in order  
20 to redeem the property.

21 (b) A person holding a mortgage or other lien of record covering  
22 a part only of a parcel of real property included in the judgment and  
23 decree of foreclosure may redeem that part by paying the proportionate  
24 amount applicable under the judgment and decree.

25 Sec. 29.53.320. EFFECT. Receipt of redemption money by the clerk  
26 releases all claims of the borough to the property. The clerk shall  
27 record the redemption and issue a certificate containing a property  
28 description, the redemption amount, and the dates of judgment and  
29 decree of foreclosure. The clerk shall file the certificate with

1 the recorder and collect the recording fee from the person redeeming  
2 at the time of redemption. The court clerk shall file the certificate  
3 as part of the judgment roll.

4 Sec. 29.53.330. ADDITIONAL LIENS. If a property included in a  
5 foreclosure list is removed after payment of delinquencies or redemp-  
6 tion by another lienholder, the payment represented by receipt for  
7 payment constitutes an additional lien on the property, collectible  
8 by the lienholder in the same manner as the original lien.

9 Sec. 29.53.340. POSSESSION DURING REDEMPTION PERIOD. Foreclosure  
10 does not affect the former owner's right to possession during the  
11 redemption period. In the event that waste is committed by the former  
12 owner, or by anyone acting under his permission or control, the borough  
13 may declare an immediate forfeiture of the right to possession.

14 Sec. 29.53.350. EXPIRATION. Not earlier than 30 days before the  
15 expiration of the redemption period the clerk shall publish a redemption  
16 period expiration notice. The notice shall contain the date of judgment,  
17 the date of expiration of the period of redemption and a warning to  
18 the effect that all properties ordered sold under the judgment, unless  
19 redeemed, shall be deeded to the borough or city immediately on expira-  
20 tion of the period of redemption and that every right or interest of  
21 any person in the properties will be forfeited forever to the borough  
22 or city. The notice is published once a week for four consecutive  
23 weeks in a newspaper of general circulation distributed within the  
24 borough. If there is no newspaper of general circulation distributed  
25 within the borough, the notice is posted in three public places for  
26 at least four consecutive weeks. The clerk shall send a copy of the  
27 published notice by certified mail to each record owner of property  
28 against whom a judgment of foreclosure has been taken. The notice  
29 shall be mailed within five days of the first publication. The mailing

1 shall be sufficient if mailed to the property owner at the last address  
2 of record. The right of redemption shall expire 30 days after the  
3 date of the first publication notice.

4 Sec. 29.53.360. DEED TO BOROUGH OR CITY. (a) Unredeemed proper-  
5 ties in the area of the borough outside cities are deeded to the borough  
6 by the clerk of the court. Unredeemed properties within a city are  
7 deeded to the city subject to the payment by the city of unpaid borough  
8 taxes and costs of foreclosure levied against the property before fore-  
9 closure. The deeds shall be recorded in the recording district in  
10 which the property is located.

11 (b) Conveyance gives the borough or the city clear title except  
12 for prior recorded liens of the United States and the state.

13 (c) If unredeemed property lies within a city and if the city  
14 has no immediate public use for the property but the borough does have  
15 an immediate public use, the city shall deed the property to the  
16 borough. If unredeemed property lies within the borough outside a  
17 city and if the borough does not have an immediate public use for the  
18 property but the city does have an immediate public use, the borough  
19 shall deed the property to the city.

20 (d) No deed is invalid for irregularities, omissions or defects,  
21 unless the former owner has been misled to his injury. After two years  
22 from the date of the deed and its validity is conclusively presumed  
23 and any claim of the former owner is forever barred.

24 Sec. 29.53.370. SALE OF FORECLOSED PROPERTIES. Tax-foreclosed  
25 properties conveyed to a borough or city by tax foreclosure may be  
26 sold. Before the sale of any property held for a public purpose, the  
27 assembly or council by ordinance shall determine that the public need  
28 no longer exists.

29 Sec. 29.53.375. REPURCHASE BY RECORD OWNER. (a) The record owner

1 at the time of tax foreclosure of property acquired by a borough  
2 or city, or his assigns, may, at any time before the sale or contract  
3 of sale of the tax-foreclosed property by the borough or city, repur-  
4 chase the property. The borough or city shall sell the property, for  
5 the full amount applicable to the property under the judgment and  
6 decree, with interest at the rate of eight per cent a year from the  
7 date of entry of the judgment of foreclosure to the date of repurchase,  
8 together with delinquent taxes assessed and levied as though it had  
9 continued in private ownership.

10 (b) After termination of the right of redemption there is no  
11 right to repurchase property held for, or devoted to, a public purpose.

12 Sec. 29.53.380. PROCEEDS OF TAX SALE. Upon sale of foreclosed  
13 real or personal property the borough or city shall divide the proceeds  
14 less cost of collection, between the borough and the city having unpaid  
15 taxes against the property. The division is in proportion to the  
16 respective municipal taxes against the property at the time of fore-  
17 closure.

18 Sec. 29.53.385. PAYMENT OF TAXES UPON PUBLIC UTILIZATION. If a  
19 city or borough holds or takes title to tax-foreclosed property for a  
20 public purpose, the city or borough shall satisfy unpaid taxes and  
21 assessments against the property held by other municipalities, with  
22 accrued interest but without penalty. If the amount required to satis-  
23 fy the unpaid taxes and assessments exceeds the assessed valuation of  
24 the property, the city or borough shall pay the other municipalities  
25 the assessed valuation, which shall be divided between the other muni-  
26 cipalities in proportion to their respective taxes and assessments  
27 against the property at the time of foreclosure.

28 Sec. 29.53.390. REFUND OF TAXES. (a) If a taxpayer pays taxes  
29 under protest, he may bring suit in the superior court against the

1 borough for recovery of the taxes. If judgment for recovery is given  
2 against the borough, the borough shall refund the amount of the taxes  
3 to the taxpayer with interest at eight per cent from the date of pay-  
4 ment plus costs.

5 (b) If, in payment of taxes legally imposed, a remittance by a  
6 taxpayer through error or otherwise exceeds the amount due, and the  
7 borough, on audit of the account in question, is satisfied that this  
8 is the case, the borough shall refund the excess to the taxpayer with  
9 interest at eight per cent from the date of payment. A claim for refund  
10 filed after one year of the due date of the tax is forever barred.

#### 11 ARTICLE 3. CITY PROPERTY TAX.

12 Sec. 29.53.400. POWER OF LEVY. Home rule and first class cities  
13 within boroughs may levy a general property tax. A property tax, if  
14 levied, is subject to secs. 50 and 310 - 350 of this chapter. The  
15 council shall by June 15 of each year present to the borough assembly  
16 a statement of the city's rate of levy, unless a different date is  
17 agreed upon by the borough and city.

18 Sec. 29.53.405. DIFFERENTIAL TAX ZONES. Cities may by ordinance  
19 establish, alter and abolish differential tax zones to provide and levy  
20 property taxes for services not provided generally within the city or  
21 a different level of service than that provided generally within the  
22 city.

23 Sec. 29.53.410. LIMITED PROPERTY TAXING POWER FOR SECOND CLASS  
24 CITIES. A second class city may by referendum levy real and personal  
25 property taxes as provided for first class cities. However, levy by a  
26 second class city may not exceed one-half of one per cent of the assessed  
27 valuation of the property taxed, except that the limit does not apply  
28 to a levy necessary to avoid a default upon payment of principal and  
29 interest of bonded or other indebtedness which is secured by a pledge to

1 levy ad valorem or other taxes without limit to meet debt payments.

2 ARTICLE 4. BOROUGH SALES AND USE TAXES.

3 Sec. 29.53.415. SALES AND USE TAX. (a) A borough may levy and  
4 collect a sales tax not exceeding three per cent on sales or rents,  
5 and on services made within the borough. The sales tax may apply to  
6 any or all of these sources. Exemptions may be granted by ordi-  
7 nance.

8 (b) A borough levying a sales tax may also by ordinance lev,  
9 a use tax on the storage, use or consumption of tangible personal  
10 property within the borough. The use tax rate must equal the sales  
11 tax rate and the use tax shall be levied only upon buyers.

12 (c) A person who furnishes proof, in the form required by the  
13 borough tax collector, that he has paid a sales tax on the source on  
14 which a use tax is levied by the borough is required to pay the use  
15 tax only to the extent of the difference between the amount of the  
16 sales tax paid and the amount of the use tax levied by the borough.  
17 This subsection applies to a sales tax levied in any taxing jurisdiction  
18 whether in or outside the state.

19 (d) If the assembly of a home rule or general law borough charges  
20 interest on sales taxes not paid when due, the rate of interest may  
21 not exceed eight per cent a year upon the delinquent taxes and shall  
22 be charged from the date until paid in full.

23 Sec. 29.53.420. REFERENDUM, ADOPTION AND MODIFICATION. (a) The  
24 assembly shall hold a referendum vote on the question of levy of sales  
25 taxes. Borough sales tax propositions may be presented only once in  
26 any 12-month period.

27 (b) If the proposition receives a majority of the votes cast,  
28 the assembly may enact the sales tax as a levy upon buyers, sellers,  
29 or both. The sales tax is collected at the time of sale or at the

1 time of payment in credit transactions and transmitted to the borough.

2 ARTICLE 5. CITY SALES AND USE TAXES.

3 Sec. 29.53.440. POWER OF LEVY. Cities within a borough which  
4 levies and collects sales or use taxes for areawide borough functions  
5 may levy sales or use taxes upon all sources taxed by the borough in  
6 the manner provided for boroughs.

7 Sec. 29.53.450. POWER OF LEVY AND COLLECTION. Cities within a  
8 borough which does not levy and collect sales or use taxes for areawide  
9 borough functions may levy and collect sales or use taxes in the manner  
10 provided for boroughs.

11 Sec. 29.53.460. COMBINING SALES TAX WITH INCORPORATION. A peti-  
12 tion for second class city incorporation may request that a sales tax  
13 proposal be placed on the same ballot. The petition must state the  
14 proposed tax rate. The petition may request that incorporation be  
15 dependent upon the passage of the sales tax proposition. If so, the  
16 incorporation proposition fails if the sales tax fails.  
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CHAPTER 58. MUNICIPAL DEBT.

ARTICLE 1. REVENUE ANTICIPATION NOTES.

Sec. 29.58.010. BORROWING IN ANTICIPATION OF REVENUE. A municipality of the state which is authorized to incur indebtedness may borrow money in a fiscal year to meet appropriations for that fiscal year in anticipation of the collection of taxes and estimated revenues for the fiscal year and may issue its revenue anticipation notes as evidence of the borrowing.

Sec. 29.58.020. ISSUANCE OF NOTES. The governing body of a municipality may, by ordinance or resolution, authorize the issuance of revenue anticipation notes and prescribe the form and details of the notes and the manner of their execution. The governing body of the municipality may delegate to its chief fiscal officer the power to issue the notes from time to time under the terms and conditions of the ordinance or resolution which provides for the manner of their sale. Revenue anticipation notes and notes issued to renew notes previously issued mature not later than the end of the fiscal year in which they are issued.

Sec. 29.58.030. LIMITATION ON ISSUANCE OF NOTES. The aggregate amount of revenue anticipation notes at any time outstanding may not exceed 50 per cent of the amount of revenues estimated to be collected in the fiscal year in which the notes are issued, less the amount of estimated revenues actually collected in the fiscal year before the issuance of the notes.

Sec. 29.58.040. ISSUANCE OF NOTES IN ANTICIPATION OF STATE, FEDERAL GRANTS. (a) The governing body of a municipality, upon adoption of a long-range capital improvement budget by ordinance or resolution, may by resolution provide for revenue anticipation notes in an amount not to exceed the total amount of any state or federal grants

1 finally committed for these projects. The notes mature no later  
2 than the end of the next fiscal year. The notes may be for  
3 single or multiple projects outlined in the adopted capital improvement  
4 budget.

5 (b) If the state or federal grants for capital improvement  
6 projects have not been paid to the municipality before maturity of  
7 the notes issued in anticipation of the receipt of the revenue, the  
8 governing body of the municipality may issue new notes in order to  
9 meet payment of the notes then maturing or may renew the outstanding  
10 revenue anticipation notes. New notes issued or renewals of outstand-  
11 ing revenue anticipation notes shall mature not later than the end of  
12 the next fiscal year.

13 Sec. 29.58.050. PRIORITY OF REPAYMENT. The payment of the  
14 principal and interest on revenue anticipation notes shall be  
15 payable from revenues, and their payment additionally shall be  
16 secured by a pledge of the full faith, credit and unlimited taxing  
17 power of the municipality issuing them.

18 Sec. 29.58.060. SALE OF NOTES. The municipality may sell revenue  
19 anticipation notes in the manner and at the price it determines, at  
20 either public or private sale.

21 ARTICLE 2. BOND ANTICIPATION NOTES.

22 Sec. 29.58.070. BOND ANTICIPATION BORROWING. A municipality may  
23 borrow money in anticipation of the sale of general obligation and  
24 revenue bonds if

25 (1) the general obligation bonds to be sold have been  
26 authorized by the assembly or council and ratified by a majority vote  
27 at a regular or special election;

28 (2) the revenue bonds to be sold have been authorized by  
29 ordinance.

1           Sec. 29.58.080. ISSUANCE OF NOTES. The assembly or council shall  
2 issue negotiable or nonnegotiable notes for the amounts borrowed with  
3 a maturity date not to exceed one year from the date of issue. All  
4 notes and the interest on them are payable at fixed places on or before  
5 a fixed time, from the proceeds of the sale of bonds in anticipation  
6 of which the original note or notes were issued, unless the bonds have  
7 not been sold by the maturity date of the notes.

8           Sec. 29.58.090. ISSUANCE OF NEW NOTES. If the sale of the bonds  
9 has not occurred before the maturity of the notes issued in anticipation  
10 of the sale, the assembly or council shall issue new notes in order  
11 to meet payment of the notes then maturing or shall renew the outstand-  
12 ing bond anticipation notes. New notes issued or renewals of out-  
13 standing bond anticipation notes shall bear a maturity date not to  
14 exceed one year from the date of issue. Notes, new notes, and renewals  
15 of notes shall not be outstanding for a total elapsed time of more than  
16 three years.

17           Sec. 29.58.100. REPAYMENT OF NOTES. Every note is payable from  
18 the proceeds of the sale of bonds which the notes anticipated or from  
19 the proceeds of the sale of new bond anticipation notes.

20           Sec. 29.58.110. SECURITY. (a) Notwithstanding any other pro-  
21 visions of this chapter as to payment of notes, notes issued in antici-  
22 pation of the sale of general obligation bonds and the interest on  
23 them are secured by the full faith, credit, taxing power and resources  
24 of the municipality. The municipality may levy ad valorem taxes for  
25 payment without limitation of rate or amount.

26           (b) Notes issued in anticipation of the sale of revenue bonds  
27 and the interest on them are secured in the same manner as are the  
28 revenue bonds in anticipation of which the notes are issued.

29           Sec. 29.58.120. LIMITATION. The total amount of notes issued

1 and outstanding shall at no time exceed the total amount of bonds  
2 authorized to be issued.

3 Sec. 29.58.130. USE OF PROCEEDS. The proceeds from the sale of  
4 notes shall be used only for the purposes for which the proceeds from  
5 the sale of bonds may be used or to meet payment of outstanding bond  
6 anticipation notes.

7 Sec. 29.58.140. SALE OF NOTES. Notes issued under this chapter  
8 shall be sold by the municipality in the manner and at the price it  
9 determines, at either public or private sale, but no note may be sold  
10 for less than par and accrued interest.

11 ARTICLE 3. GENERAL OBLIGATION BONDS.

12 Sec. 29.58.150. GENERAL OBLIGATION BONDS. A municipality may  
13 acquire, construct, improve and equip capital improvements and issue  
14 negotiable or nonnegotiable general obligation bonds for these purposes.

15 Sec. 29.58.160. VOTE AND NOTICE OF EXISTING INDEBTEDNESS REQUIRED.

16 (a) A municipality may incur general obligation bond debt only after  
17 a bond authorization ordinance is approved by a majority of those voting  
18 on the question at a regular or special election. Any municipal voter  
19 may vote in the bond election, except as otherwise provided by  
20 charter or law.

21 (b) Before a general obligation bond issue election, the  
22 assembly or council shall have published a notice of the munici-  
23 pality's total existing bond indebtedness at least once a week for  
24 three consecutive weeks. The first notice shall be published  
25 at least 20 days before the date of the election. A notice shall  
26 include

27 (1) the current total general obligation bonded  
28 indebtedness, including authorized but unsold bonds of the munici-  
29 pality;

1 (2) the cost of the debt service on the current indebted-  
2 ness;

3 (3) the total assessed valuation within the  
4 municipality.

5 Sec. 29.58.170. FORM AND TERMS OF SALE. The assembly or council  
6 shall fix the date of the bonds, denominations, maturities, rate of  
7 interest, place and manner of payment, redemption terms, registration  
8 privileges, manner of execution, and signatures required. If an  
9 officer whose signature appears on the bonds or coupons ceases to be  
10 an officer before delivery of the bonds, his signature is valid as  
11 if he had remained in office until delivery.

12 Sec. 29.58.180. PAYMENT. (a) The full faith and credit  
13 of a municipality are pledged for the payment of principal and  
14 interest on general obligation bonds. The municipality may levy  
15 ad valorem taxes for payment without limitation of rate or  
16 amount.

17 (b) General obligation bonds issued for acquiring, construct-  
18 ing, improving and equipping a municipally-owned utility or other  
19 revenue-generating enterprise may be additionally secured by a pledge  
20 of the revenue derived from operation. Bonds so secured are not sub-  
21 ject to a debt limitation imposed by a borough or city home rule  
22 charter.

23 ARTICLE 4. REVENUE

24 BONDS.

25 Sec. 29.58.200. REVENUE BONDS. A municipality may acquire,  
26 construct, improve and equip capital improvements to be operated  
27 upon a revenue-producing basis, and bonds for these purposes are  
28 payable solely from unpledged revenue of the public facilities for  
29 which the bonds are issued.

1           Sec. 29.58.205. NO ELECTION REQUIRED. No election is required  
2 to authorize the issuance and sale of revenue bonds unless otherwise  
3 provided by ordinance.

4           Sec. 29.58.210. FORMS AND TERMS. The assembly or council shall  
5 fix the date of the bonds, denominations, maturities, rate of interest  
6 place and manner of payment, redemption terms, registration privileges  
7 manner of execution and signatures required. If an officer whose  
8 signature appears on the bonds or coupons ceases to be an officer  
9 before delivery of the bonds, his signature is valid as if he had  
10 remained in office until delivery.

11           Sec. 29.58.220. PAYMENT. Bonds issued under secs. 200 - 220  
12 of this chapter or the proceedings of the assembly or council  
13 authorizing their issuance may contain the covenants which the  
14 assembly or council considers advisable concerning

15           (1) the rates or fees to be charged for services rendered  
16 by the public facilities, the revenue of which is pledged to the  
17 payment of the bonds;

18           (2) the deposit and use of the revenue of the public  
19 facilities;

20           (3) the issuance of additional bonds payable from revenue  
21 of the public facilities;

22           (4) the rights of the bondholders in case of default in  
23 the payment of the principal or interest on the bonds, including  
24 the appointment of a receiver to operate the public facilities;

25           (5) other covenants as the assembly determines.

26           ARTICLE 5. REFUNDING BONDS.

27           Sec. 29.58.240. AUTHORIZATION. If a municipality has outstanding  
28 general obligation or revenue bonds and the assembly or council deter-  
29 mines that it would be financially advantageous to refund the bonds,

1 the assembly or council may provide by ordinance for the issuance of  
2 general obligation or revenue refunding bonds.

3 Sec. 29.58.250. EFFECT OF BONDS. The refunding bonds may take  
4 up and refund all or any part of outstanding bonds at or before their  
5 maturity or redemption date. The assembly or council may include  
6 various series and issues of bonds in a single issue of refunding  
7 bonds.

8 Sec. 29.58.260. NO ELECTION REQUIRED. No election is required  
9 to authorize the issuance and sale of refunding bonds. Their issuance  
10 may be authorized and all proceedings with reference to them  
11 prescribed by ordinance of the assembly or council. However, when it  
12 is desirable to use general obligation bonds to refund a revenue  
13 bond issue, the governing body shall call an election on the question.

14 Sec. 29.58.270. PAYMENT OF REFUNDING BONDS. General obligation  
15 refunding bonds are payable according to sec. 180 of this chapter.  
16 Revenue refunding bonds are payable according to sec. 220 of this  
17 chapter.

18 Sec. 29.58.280. SALE. General obligation or revenue refunding  
19 bonds may, in the discretion of the assembly or council, be exchanged  
20 at par for the bonds being refunded, or may be sold at public or  
21 private sale for an amount not less than par and accrued interest.  
22 They may be issued and delivered at any time before the date of maturity  
23 or redemption of the refunded bonds.

24 ARTICLE 6. MISCELLANEOUS  
25 PROVISIONS.

26 Sec. 29.58.300. PUBLIC SALE. The municipality shall sell all  
27 bonds at a public or private sale as provided by ordinance. No bonds  
28 may be sold at less than par value.

29 Sec. 29.58.310. INTEREST RATE. No municipal bond or note may

1 bear an interest rate exceeding the contract usury rate of interest  
2 provided by law.

3 Sec. 29.58.315. BOND ATTORNEYS, BOND AND FINANCIAL CONSULTANTS.  
4 The governing body or its designee of a home rule or general law  
5 municipality shall be the sole contracting authority for bond at-  
6 torneys, bond consultants and financial consultants engaged in long-  
7 range financial planning of the municipality which leads to sale of  
8 bonds.

9 Sec. 29.58.320. REDEMPTION BEFORE MATURITY. A bond or note may  
10 be made subject to redemption before maturity as stated in the  
11 authorization or in the bond or note.

12 Sec. 29.58.340. BOROUGH INDEBTEDNESS. (a) Boroughs may incur  
13 indebtedness

14 (1) on an areawide basis for areawide functions; or

15 (2) on a noncity basis for functions performed in the  
16 area outside cities only; or

17 (3) on a service area basis for functions performed in a  
18 service area only.

19 (b) Payment of debt principal and interest as well as other  
20 costs shall be limited to the area incurring the debt under (a)(2) or  
21 (a)(3) of this section, except that the full faith and credit of the  
22 entire borough may be pledged to guarantee payment of principal and  
23 interest.

24 (c) If the bonded debt to be incurred by a borough is an  
25 areawide debt, the vote is areawide; if the full faith and credit of  
26 the entire borough is pledged for the payment of the debt of the area  
27 outside cities or of a service area, an areawide election is held and  
28 the proposition must pass both areawide and in the area which will  
29 benefit from the improvement; if the bonded indebtedness to be

1 special assessment roll for the local improvement;

2 (6) published notice of each public hearing required by this  
3 section and mailing notice to each legal owner of record of real pro-  
4 perty within the special assessment district;

5 (7) a resolution confirming the special assessment roll for  
6 the local improvement;

7 (8) if protests as to the necessity of a local improvement  
8 are made by owners of property which will bear 50 per cent or more of  
9 the estimated cost of the improvement, the assembly or council shall  
10 not proceed with the improvement until the objections have been reduced  
11 to less than 50 per cent, except upon approval of not fewer than  
12 three-fourths of the assembly or council.

13 (b) If the assembly or council does not prescribe a procedure  
14 for special assessments as permitted by this section, the assembly or  
15 council shall comply with the special assessment procedures set out  
16 in secs. 20 - 70 of this chapter.

17 Sec. 29.63.020. DECISION AND NOTICE. (a) When an improvement  
18 proposal has been filed with the municipal clerk and presented to the  
19 assembly or council, the assembly or council shall find by resolution  
20 whether (1) the improvement request is necessary and should be made,  
21 and (2) the request has sufficient and proper petitioners. The  
22 findings of the assembly or council are conclusive.

23 (b) If the assembly or council passes a resolution approving an  
24 improvement proposal with the necessary findings, it shall develop a  
25 proposed improvement plan including cost estimate and the percentage of  
26 the improvement plan cost to be assessed against the property benefited.  
27 This plan is to be filed with the municipal clerk.

28 (c) The assembly or council shall set a time for public hearing  
29 on the improvement plan. The assembly or council shall publish a

1 incurred is limited to areas outside cities only or to service areas,  
2 the vote is limited to voters in those areas.

3 CHAPTER 63. SPECIAL ASSESSMENTS  
4 AND SERVICE AREAS.

5 ARTICLE 1. SPECIAL ASSESSMENTS.

6 Sec. 29.63.010. ASSESSMENT AND PROPOSAL. The assembly or council  
7 may assess against the property of a governmental unit and private  
8 real property benefited all or a portion of the cost of constructing  
9 or improving capital improvements. The state shall pay an assessment  
10 levied, except as otherwise provided by law and subject to its right  
11 of protest under sec. 15(8) of this chapter. If a governmental unit  
12 other than the state benefited by an assessment refuses to pay the  
13 assessment, it shall be denied the benefit of the improvement. An  
14 improvement proposal may be initiated by

- 15 (1) petition to the assembly or council of the owners of  
16 one-half in value of the property to be benefited or  
17 (2) the assembly or council.

18 Sec. 29.63.015. PROCEDURE. (a) The assembly or council may  
19 prescribe by ordinance the complete special assessment procedure for  
20 local improvements, including and subject to the following:

- 21 (1) the procedure for filing petitions;  
22 (2) a survey and report by the borough or city executive  
23 concerning the need for, desirable extent of, and estimated cost of  
24 each proposed local improvement;  
25 (3) a public hearing on the necessity for the local improve-  
26 ment;  
27 (4) a resolution of the assembly or council determining to  
28 proceed or not to proceed with the proposed local improvement;  
29 (5) a public hearing by the assembly or council on the

1 notice at least once a week for four consecutive weeks in a newspaper  
2 of general circulation if distributed within the municipality and shall  
3 send notice by mail to every record owner of property within the  
4 special assessment district.

5 Sec. 29.63.025. RECORD OWNER. The person in whose name property  
6 is listed on the municipal property tax roll as owner is conclusively  
7 presumed to be the legal owner of record. If the owner is unknown, the  
8 assessment may be made against "unknown owner".

9 Sec. 29.63.030. OBJECTIONS AND REVISION. (a) Objections to the  
10 improvement plan may be filed not less than 30 nor more than 60 days  
11 after publication of notice on a date specified by the assembly or  
12 council. The assembly or council may by resolution approve the plan  
13 and proceed with the improvement if the owners of one-half in value of  
14 the property to be benefited do not object in writing.

15 (b) If objections are made by the owners of property bearing  
16 one-half of the estimated cost of the improvement, the assembly or  
17 council may not proceed with the improvement unless it revises the  
18 plan to meet the objections and the objections are reduced to less than  
19 50 per cent. A revised plan shall be approved and adopted as an ori-  
20 ginal plan.

21 Sec. 29.63.040. ASSESSMENT ROLL. (a) At any time after project  
22 approval, the assembly or council shall assess the authorized percentage  
23 of the cost against tracts in proportion to benefit received. Assess-  
24 ments may not exceed actual costs.

25 (b) The special assessment roll contains property descriptions,  
26 names of owners of record and assessment amounts.

27 (c) The assembly or council shall fix a time to hear objections  
28 to the roll. The municipal clerk shall send an assessment and hearing  
29 notice by mail to each record owner of an assessed tract not less than

1 15 days before the hearing.

2 Sec. 29.63.050. HEARING AND SETTLEMENT. After the public hearing  
3 the assembly or council shall correct errors and any inequalities in  
4 the roll. When the roll is corrected, the clerk shall so certify.

5 Sec. 29.63.060. PAYMENT. (a) The assembly or council shall fix  
6 times of payment, rate of interest on unpaid installments, and delin-  
7 quency of assessments. Payment may not be required sooner than 60 days  
8 after assessment. Payment may be in one sum or by installments, but  
9 a sum or installment may not exceed 25 per cent of the assessed value  
10 of the property affected. Penalty and interest are the same as for  
11 real property taxes.

12 (b) Within 30 days after fixing the time of payment, the municipal  
13 clerk shall mail a statement to the owner of record of each property  
14 assessed. The statement designates the property, the assessment  
15 amount, the time of delinquency, and penalties.

16 (c) Within five days after the statements are mailed, the clerk  
17 shall publish notice that the statements have been mailed.

18 (d) Assessments are liens upon the property assessed and are  
19 prior and paramount to all liens except municipal tax liens. They may  
20 be enforced as provided in AS 29.53.200 - 29.53.390 for enforcement  
21 of property tax liens.

22 Sec. 29.63.070. REASSESSMENT. (a) The assembly or council shall  
23 within one year correct any deficiency in a special assessment found  
24 by a court

25 (b) Notice and hearing must conform to the initial assessment  
26 procedures.

27 (c) Payments on the initial assessment are credited to the  
28 property upon reassessment.

29 (d) The reassessment becomes a charge upon the property

1 notwithstanding failure to comply with any provision of the assessment  
2 procedure.

3 Sec. 29.63.080. OBJECTION AND APPEAL. (a) The regularity or  
4 validity of an assessment may not be contested by a person who did not  
5 file with the municipal clerk a written objection to the assessment  
6 roll before its confirmation.

7 (b) The decision of the assembly or council upon an objection may  
8 be appealed to the superior court within 30 days of the date of con-  
9 firmation of the assessment roll.

10 (c) If no objection is filed or an appeal taken within the time  
11 provided in this section, the assessment procedure shall be considered  
12 regular and valid in all respects.

13 Sec. 29.63.085. SPECIAL ASSESSMENT BONDS. The assembly or  
14 council may by ordinance authorize the issuance and sale of special  
15 assessment bonds to pay all or part of the cost of an improvement in  
16 a special assessment district. The principal and interest of bonds  
17 issued shall be payable solely from the levy of special assessments  
18 against the property to be benefited. The assessments shall constitute  
19 a sinking fund for the payment of principal and interest on the bonds.  
20 The property benefited may be pledged by the assembly or council to  
21 secure a payment.

22 (b) Upon default in a payment due on a special assessment bond,  
23 a bondholder may enforce payment of principal and interest and costs  
24 of collection in a civil action in the same manner and with the same  
25 effect as actions for the foreclosure of mortgages on real property.  
26 Foreclosure shall be against all property on which assessments are in  
27 default. The period for redemption shall be the same as in the case  
28 of a mortgage for closure on real property.

29 (c) Before the assembly or council may issue special assessment

1 bonds, it shall establish a guarantee fund and appropriate to the fund  
2 annually a sum adequate to cover any deficiency in meeting payments  
3 of principal and interest of bonds issued by reason of nonpayment of  
4 assessments when due. Money received from actions taken against  
5 property for nonpayment of assessments shall be credited to the  
6 guarantee fund. Interest on the guarantee funds shall be a cost of  
7 the improvement district.

ARTICLE 2. SERVICE AREAS.

9 Sec. 29.63.090. SERVICE AREAS. (a) Service areas to provide  
10 special services within a borough may be established, operated,  
11 altered or abolished by the assembly by ordinance. Special services  
12 include services not provided on an areawide basis within the borough  
13 or the borough area outside cities or a higher or different level of  
14 service than that provided on an areawide basis or in the borough area  
15 outside cities. In a first class borough the assembly may exercise  
16 within a service area any power granted a first class city by general  
17 law; in a second class borough an exercise of the powers must be  
18 approved by a majority of the qualified voters residing within the  
19 service area and voting on the question at a regular or special election.

20 (b) The assembly may levy or authorize the levying of taxes,  
21 charges, or assessments in service areas to finance the special ser-  
22 vices.

23 (c) The assembly may provide for appointed or elected boards to  
24 supervise the furnishing of special services in service areas.

25 (d) A new service area may not be established if, consistent  
26 with the purposes of art. X of the constitution, the new service can  
27 be provided by an existing service area, by annexation to a city, or  
28 by incorporation as a city.

29 (e) The assembly may exercise or delegate to a service area any

1 powers which may be exercised by a first class borough in the area  
2 outside cities. In a second class borough, each exercised or delegated  
3 power must be approved by a majority vote at a regular or special  
4 election held within the service area. The rate of taxation and the  
5 issuance of bonds are subject to assembly approval.

6 CHAPTER 68. ALTERATION OF BOUNDARIES.

7 ARTICLE 1. ANNEXATION AND EXCLUSION.

8 Sec. 29.58.010. LOCAL BOUNDARY COMMISSION. (a) The Local  
9 Boundary Commission may consider any proposed local government boundary  
10 change. It may present proposed changes to the legislature during the  
11 first 10 days of any regular session. The change shall become effec-  
12 tive 45 days after presentation or at the end of the session, whichever  
13 is earlier, unless disapproved by a resolution concurred in by a  
14 majority of the members of each house.

15 (b) In addition to the regulations governing annexation by local  
16 action adopted under AS 44.19.260, the Local Boundary Commission shall,  
17 within 90 days of the effective date of this Act, establish procedures  
18 for annexation and exclusion of territory by cities and boroughs by  
19 local action. The procedures established under this subsection shall  
20 include

21 (1) a provision requiring that a proposed annexation and  
22 exclusion must be approved by a majority of the voters voting on the  
23 question residing within the area proposed to be annexed or excluded;

24 (2) provisions that municipally-owned property adjoining  
25 the municipality may be annexed by ordinance without voter approval;  
26 and

27 (3) provisions that an area adjoining the municipality may  
28 be annexed by ordinance without an election if all property owners  
29 and voters within the area petition the assembly or council.

1 (c) A boundary change effected under (a) of this section prevails  
2 over a boundary change initiated by local action, without regard to  
3 priority in time.

4 ARTICLE 2. MERGER AND CONSOLIDATION.

5 Sec. 29.68.030. METHODS OF MERGER OR CONSOLIDATION. Two methods  
6 may be used to initiate merger or consolidation of home rule and general  
7 law municipalities:

8 (1) petition to the Local Boundary Commission under regula-  
9 tions adopted by the commission, or

10 (2) the local option method specified in secs. 40 - 110 of  
11 this chapter.

12 Sec. 29.68.040. PETITION. (a) Residents of two or more munici-  
13 palities may file a merger or consolidation petition with the Local  
14 Affairs Agency. The petition must be signed by a number of municipal  
15 voters of each municipality equal to at least 25 per cent of the number  
16 of votes cast in its last regular election.

17 (b) The petition includes

18 (1) the name and class of each municipality;

19 (2) the name and class of the proposed municipality;

20 (3) the proposed composition and apportionment of the assembly  
21 or council;

22 (4) maps, documents, and other information which show that the  
23 proposed municipality meets the standards for municipal incorporation.

24 Sec. 29.68.050. REVIEW. The Local Affairs Agency shall review a  
25 petition for content and signatures and shall return a deficient petition  
26 for correction or completion.

27 Sec. 29.68.060. INVESTIGATION. If the petition contains the re-  
28 quired information and signatures, the Local Affairs Agency shall in-  
29 vestigate the proposal.

1           Sec. 29.68.070. REPORT AND HEARING. (a) The Local Affairs Agency  
2 shall report its findings to the Local Boundary Commission with its  
3 recommendations regarding the merger or consolidation.

4           (b) The Local Boundary Commission shall hold at least one public  
5 hearing in each of the municipalities included in the merger or consoli-  
6 dation petition, unless officials of the municipalities agree to a single  
7 hearing.

8           Sec. 29.68.080. DECISION. If the Local Boundary Commission deter-  
9 mines that the proposed municipality fails to meet the standards for in-  
10 corporation, it shall reject the petition. If the commission determines  
11 that the proposed municipality meets these standards, it shall accept the  
12 petition. If the commission determines that the proposed boundaries or  
13 the composition and apportionment of the assembly or council can be  
14 altered to meet the standards, it may change the proposal and accept the  
15 petition. The decision may be appealed under the Administrative Pro-  
16 cedure Act (AS 44.62).

17           Sec. 29.68.090. ELECTION. (a) The Local Boundary Commission shall  
18 immediately notify the lieutenant governor of its acceptance of a mer-  
19 ger or consolidation petition. Within 30 days after notification, the  
20 lieutenant governor shall order an election within the area to be in-  
21 cluded in the new municipality to determine whether the voters desire  
22 merger or consolidation. The election is held not less than 30 nor  
23 more than 90 days after the election order.

24           (b) A voter who is a resident of the area to be included within  
25 the proposed municipality may vote.

26           (c) The lieutenant governor shall supervise the election in the  
27 general manner prescribed by the Alaska Election Code (AS 15.05 - 15.60).  
28 The state shall pay all election costs.

29           (d) The lieutenant governor shall certify the election results.

1 If merger or consolidation is approved, he shall, within 10 days, set  
2 a date for election of officers of the new municipality under AS 29.18.-  
3 120. The election date is not less than 60 nor more than 90 days after  
4 the election order. This date is the effective date for the merger or  
5 consolidation.

6 Sec. 29.68.100. ASSETS AND LIABILITIES. (a) When two or more  
7 municipalities merge, one municipality succeeds to the rights, powers,  
8 duties, assets and liabilities of the others.

9 (b) When two or more municipalities consolidate, the newly-  
10 incorporated municipality succeeds to the rights, powers, duties,  
11 assets and liabilities of the consolidated municipalities.

12 Sec. 29.68.110. ORDINANCES. The ordinances, resolutions, rules,  
13 regulations, procedures and orders of the former municipalities remain  
14 in force within their respective territories until superseded by the  
15 action of the successor municipality.

16 ARTICLE 3. UNIFICATION OF LOCAL GOVERNMENTS.

17 Sec. 29.68.240. UNIFICATION OF LOCAL GOVERNMENTS AUTHORIZED. An  
18 organized borough and all cities within the borough may unite to form a  
19 single unit of home rule local government by complying with this chapter.

20 Sec. 29.68.250. UNIFICATION TO BE PROPOSED BY PETITION. (a) Form-  
21 ation of a charter commission to propose a unification charter shall be  
22 proposed by resolution of the assembly or by petition. An assembly  
23 resolution for the purpose may be adopted not more often than once every  
24 12 months.

25 (b) The borough assembly, a city council, or a person living with-  
26 in the area of proposed unification may initiate the petition.

27 Sec. 29.68.260. PETITION REQUIREMENTS. (a) The petition shall read:  
28 "PETITION FOR ELECTION OF CHARTER COMMISSION TO PROPOSE UNIFICATION

29 CHARTER

1 We, the undersigned, qualified voters of the \_\_\_\_\_  
2 Borough do hereby petition that the following proposition be placed  
3 before the voters as provided by law:

4 'Shall a charter commission be formed (and charter commission  
5 members be elected as elsewhere provided on this ballot) to prepare,  
6 adopt and submit to the voters for their approval or rejection a  
7 proposed charter uniting the \_\_\_\_\_ Borough and all cities  
8 within it as a single unit of home rule government having the  
9 powers, duties and functions of a unified government as authorized  
10 by law?

11 Yes [ ] No [ ]'

12 Inside First Outside First  
13 Class or Home Class or Home

14 Signature Address Rule City Rule City"

15 (b) The petition shall be signed by at least

16 (1) that number of qualified voters of the borough living  
17 outside all first class and home rule cities in the borough equal to  
18 25 per cent of the qualified voters who voted in the last regular  
19 borough election; and

20 (2) that number of qualified voters residing in each first  
21 class and home rule city located in the borough equal to 25 per cent  
22 of the qualified voters who voted in the last regular borough election  
23 in each city.

24 Sec. 29.68.270. REVIEW OF PETITION. Upon receipt of a petition,  
25 the borough assembly shall review the petition within 15 days after its  
26 receipt to determine whether it complies with sec. 260 of this chapter.  
27 If the petition does not meet the designated requirements, it shall be  
28 immediately returned to the person who initiated the petition with a  
29 statement indicating which requirements have not been satisfied.

1           Sec. 29.68.280. CALL FOR CHARTER COMMISSION NOMINATIONS. Once  
2 it is determined by the borough assembly that a petition meets the  
3 requirements of sec. 260 of this chapter, or the assembly by its  
4 resolution proposes an election on formation of a charter commission  
5 to propose a unification charter, the assembly shall issue a call for  
6 the nomination of charter commission candidates, specifying the filing  
7 deadline and outlining the procedure described for making nominations  
8 under sec. 290 of this chapter.

9           Sec. 29.68.290. NOMINATION OF CHARTER COMMISSION CANDIDATES. (a)  
10 Charter commission candidates shall be nominated by petition signed by  
11 at least 50 qualified voters of the area from which the candidate seeks  
12 election or by a number of qualified voters from that area equal to  
13 at least 10 per cent of the number of votes cast from that area in  
14 the last regular borough election, whichever is less.

15           (b) Nomination petitions shall be filed with the borough clerk  
16 on or before the date fixed by the borough assembly, which date shall  
17 not be less than 30 days after notice of the call for nominations has  
18 been given through the borough.

19           Sec. 29.68.300. QUALIFICATIONS OF CHARTER COMMISSION CANDIDATES.  
20 A person is eligible to be nominated as a candidate for the charter  
21 commission if he has been a qualified voter of the area from which he  
22 seeks election for at least one year immediately preceding the date  
23 his nomination petition is filed with the borough clerk.

24           Sec. 29.68.310. COMPOSITION OF CHARTER COMMISSION. The charter  
25 commission members shall be qualified voters and shall consist of  
26 11 members, three of whom shall be residents elected at large from the  
27 area of the borough and eight of whom shall be (1) residents of and  
28 elected from the area outside cities in the borough or (2) residents  
29 of and elected from a city or cities in the borough. The number

1 representing each of these areas shall be proportionate to the  
2 respective populations as determined by the Local Affairs  
3 Agency.

4 Sec. 29.68.320. ELECTION. (a) After receipt of a valid  
5 petition or adoption of an assembly resolution for the purpose,  
6 the borough assembly shall submit to the voters the question  
7 of whether that borough and all cities within it shall unite  
8 to form a single unit of home rule government. The vote shall  
9 be held at the next regular borough election scheduled at least  
10 90 days after receipt of the valid petition or adoption of the  
11 resolution.

12 (b) The ballot on the question of unification shall be  
13 worded exactly as in sec. 260(a) of this chapter.

14 (c) The election of charter commission members shall take  
15 place at the same time as the election on the question of unifica-  
16 tion.

17 (d) All costs incurred in conducting an election under this  
18 chapter shall be paid by the borough.

19 Sec. 29.68.330. REQUIREMENTS FOR APPROVAL OF UNIFICATION  
20 AND ELECTION OF CHARTER COMMISSION. (a) The votes on unifica-  
21 tion shall be tabulated in two separate classifications. One  
22 classification shall consist of all votes cast in the first class  
23 and home rule cities of the borough. The other classification  
24 shall consist of all votes cast in the remaining areas of the  
25 borough. In order for unification to be approved, it is neces-  
26 sary that a majority of the votes in each classification favor  
27 unification.

28 (b) If unification is approved, those charter commission candi-  
29 dates who received the highest number of votes from their respective

1 areas shall serve as members of the commission.

2 Sec. 29.68.340. CHARTER COMMISSION ORGANIZATION AND PROCEDURE.

3 (a) The charter commission authorized by this chapter shall hold its  
4 first meeting within 30 days of the date of certification of its elec-  
5 tion. The commission shall elect from among its members a chairman  
6 and a deputy chairman.

7 (b) A majority of the total membership of the charter commission  
8 constitutes a quorum. No decision of the commission is valid or binding  
9 unless approved by that number of members necessary to constitute a  
10 quorum.

11 (c) The charter commission may elect other officers from among  
12 its membership, adopt rules governing its procedures and hire and  
13 discharge commission employees. Rules adopted must conform with the  
14 provisions of this chapter.

15 (d) Meetings of the charter commission shall be open to the  
16 public at all times. A journal of commission proceedings shall be  
17 kept and shall be available for public inspection at the borough office.

18 (e) Except as provided in sec. 390(e) of this chapter, vacancies  
19 on the charter commission shall be filled by a majority vote of the  
20 commission. The person appointed to fill a vacancy must be a qualified  
21 voter of the same area as the person whom he succeeds and must have  
22 been a qualified voter of that area for at least one year immediately  
23 preceding the date of his appointment.

24 (f) The borough assembly may grant a per diem allowance to the  
25 commission members and may reimburse the members for travel expenses  
26 incurred in carrying out the duties prescribed by this chapter.

27 (g) Costs, fees, and other expenses incurred by the charter  
28 commission are a debt of the borough and shall be paid upon proper  
29 verification.

1           Sec. 29.68.350. CHARTER PREPARATION. (a) A charter commission  
2 established under this chapter shall prepare, adopt and submit a pro-  
3 posed home rule charter for the area to be unified to the voters for  
4 approval or rejection at a regular or special borough election called  
5 by the borough assembly held within 60 days of the date of publication  
6 and posting of the proposed charter as required in sec. 380 of this  
7 chapter. The charter shall include among its provisions:

8           (1) provisions for adjustment of existing bonded indebted-  
9 ness and other obligations in a manner which will reserve a fair and  
10 equitable burden of taxation for debt service, subject to sec. 410 of  
11 this chapter;

12           (2) provision for the establishment of

13                   (A) service areas;

14                   (B) sections, if desired; and

15                   (C) reapportionment of the sections, if established;

16           (3) provision for nonpartisan government and provision for  
17 the selection, organization, authority and responsibilities of the  
18 governing body and its executive and administrator;

19           (4) the transfer or other disposition of property and other  
20 rights, claims, assets and franchises of the local government to be  
21 unified under the charter;

22           (5) provision for exercise of the rights of initiative and  
23 referendum as required by AS 29.13.050;

24           (6) a method of amending the charter;

25           (7) the date on which the charter, if approved at the  
26 charter election required by sec. 390 of this chapter, is effective;

27           (8) designation of the new municipality's official name,  
28 subject to the provisions of (b) of this section;

29           (9) other charter provisions which the charter commission

1 elects to include and which may be included in a home rule charter  
2 under this chapter and the state constitution.

3 (b) The area to be unified shall be known as a borough or a city  
4 or by some other designation consistent with existing law as determined  
5 by a plurality of the votes cast at the election held under sec. 320  
6 of this chapter.

7 Sec. 29.68.360. PUBLIC HEARINGS. Both before and after drafting  
8 the proposed charter, the charter commission shall hold a public hear-  
9 ing in each area of the borough represented on the borough assembly.  
10 Other public hearings may be held by the charter commission whenever  
11 and wherever it believes necessary and appropriate.

12 Sec. 29.68.370. FILING OF PROPOSED CHARTER. Upon the adoption  
13 of a proposed home rule charter by the charter commission, the charter  
14 shall be signed by at least a majority of the total membership of the  
15 commission and shall be filed with the borough clerk. A copy with  
16 signatures affixed shall also be filed with the clerk of each city  
17 within the borough.

18 Sec. 29.68.380. PUBLICATION AND POSTING OF PROPOSED CHARTER. Within  
19 10 days after filing the proposed charter, the borough clerk shall have  
20 it published once in at least one newspaper having general circulation  
21 distributed within the borough, if there is a newspaper having general  
22 circulation distributed within the borough. In addition, the clerk shall  
23 have a copy of the proposed charter posted in at least three public  
24 places within each city of the borough and each area outside cities.  
25 Copies of the proposed charter shall be made available by the borough  
26 assembly to the public at both the office of the borough clerk and the  
27 office of the clerk of each city within the borough. The clerk shall pub-  
28 lish notice by radio and television of the publication, posting, and  
29 availability of the proposed charter in a manner intended to apprise

1 the entire borough population of the existence of the proposed charter.

2 Sec. 29.68.390. ELECTION ON CHARTER. (a) The proposed charter  
3 adopted by the charter commission shall be submitted to the voters for  
4 ratification or rejection at the borough election specified in sec.  
5 350 of this chapter. The borough clerk shall prepare the ballots for  
6 use in the election and shall give published notice of and otherwise  
7 conduct the election in the manner in which regular municipal elections  
8 are conducted. In addition, the clerk shall publish notice of the  
9 election by radio and television in a manner intended to apprise the  
10 entire borough population of the election.

11 (b) A person who is a qualified voter of the borough may vote  
12 in the election on the proposed charter.

13 (c) If a majority of the votes cast in the area of the borough  
14 outside all first class and home rule cities and a majority of the  
15 votes cast in the remaining area of the borough, composed of all first  
16 class and home rule cities, are cast in favor of the proposed charter,  
17 the charter is ratified. If the charter is ratified, two copies of  
18 the charter shall be filed with each of the following authorities:

- 19 (1) lieutenant governor;  
20 (2) director of the Local Affairs Agency;  
21 (3) district recorder for the area of the borough;  
22 (4) clerk of the borough;  
23 (5) clerk of each city in the borough.

24 (d) If a proposed charter is rejected, the charter commission  
25 shall prepare, adopt and submit a proposed charter to the voters at a  
26 general or special borough election called by the borough and held  
27 within one year of the date of the first charter election. If the  
28 second proposed charter is also rejected, the charter commission shall  
29 be dissolved and the question of unification shall be treated as if it

1 had never been proposed or approved.

2 (e) If after the rejection of the first proposed charter, more  
3 than one-half of the charter commission members resign from the commis-  
4 sion, the borough assembly shall appoint new members to fill the  
5 vacancies in accordance with sec. 110(e) of this chapter.

6 Sec. 29.68.400. EFFECT OF THE CHARTER AFTER RATIFICATION. Upon  
7 ratification, the charter of a unified municipality organized under  
8 secs. 240 - 440 of this chapter operates to dissolve all local govern-  
9 ments within the area of unification in accordance with the charter.

10 Sec. 29.68.410. ASSETS AND LIABILITIES. A municipality created  
11 by unification shall succeed to all the assets and liabilities of the  
12 local governments it unified. A bonded indebtedness or other debt  
13 incurred before unification shall remain the tax obligation of the area  
14 which contracted the debt, except that the tax obligation may be spread  
15 over a larger area by ordinance if the governing body determines that  
16 the asset for which the bonded indebtedness or other debt was incurred  
17 was used for the benefit of the larger area before unification, or is  
18 so used after unification. However, pre-unification bonded indebtedness  
19 or other debt for sewage collection systems, water distribution systems,  
20 and streets, even if determined to be used for the benefit of a larger  
21 area than that which incurred the debt, shall remain the tax obligation  
22 of the area which incurred the debt.

23 Sec. 29.68.420. ORDINANCES. Within two years after ratification  
24 of the charter, the governing body of the unified municipality shall  
25 revise, repeal, or reaffirm all borough and city ordinances, resolutions  
26 and orders in force within the borough at the time of unification.  
27 Each ordinance, resolution, regulation, or order in force at the time  
28 of unification shall remain in force until superseded by action of the  
29 new governing body.

1           Sec. 29.68.430. RIGHT TO STATE AND FEDERAL FUNDS PRESERVED. All  
2 provisions of law authorizing contributions of any kind, in money or  
3 otherwise, from the state or federal government to boroughs and cities  
4 shall remain in full force and effect with respect to a unified municipi-  
5 pality organized under secs 240 - 440 of this chapter.

6           Sec. 29.68.440. POWERS OF A UNIFIED MUNICIPALITY. A municipality  
7 organized under secs. 240 - 440 of this chapter shall have all powers

8           (1) not prohibited it by law or charter:

9           (2) granted to organized boroughs and first class cities.

10                           ARTICLE 4. DISSOLUTION.

11           Sec. 29.68.500. METHODS OF DISSOLUTION. (a) Two petition methods  
12 may be used to initiate dissolution of home rule and general law  
13 municipalities:

14           (1) petition to the Local Boundary Commission under regula-  
15 tions adopted by the commission; or

16           (2) the local option method specified in secs. 510 - 580  
17 of this chapter.

18           (b) A home rule or general law borough is dissolved when its  
19 entire territory is included within a home rule or first class city or  
20 cities. A city is dissolved when all its powers become areawide  
21 borough powers.

22           (c) The Local Affairs Agency shall investigate a municipality  
23 which it considers to be inactive and shall report to the Local  
24 Boundary Commission on the status of the municipality. The commission  
25 may submit its recommendation to the legislature that the municipality  
26 be dissolved in the manner provided for submission of boundary changes  
27 in sec. 12, art. X of the state constitution.

28           Sec. 29.68.510. PETITION. (a) Municipal residents may file a  
29 dissolution petition with the Local Affairs Agency in the form

1 prescribed by the agency. The petition must be signed by a number of  
2 municipal voters equal to at least 25 per cent of the number of votes  
3 cast in the last regular municipal election.

4 (b) The petition includes

5 (1) the name of the municipality;

6 (2) maps, documents, and other information showing that the  
7 municipality meets the standards for dissolution.

8 Sec. 29.68.520. STANDARDS. (a) Except as provided in (b) of  
9 this section, a municipality may petition for dissolution when

10 (1) it is free of debt, or if in debt, each of its creditors  
11 is satisfied with a method of repayment; and

12 (2) either it no longer meets the minimum standards pre-  
13 scribed for incorporation by ch. 18 of this title, or it ceases to use  
14 each and every one of its mandatory powers.

15 (b) A home rule or general law city in a borough may petition for  
16 dissolution if the borough consents to assume the city's rights, powers  
17 duties, assets and liabilities. The consent must be ratified by a  
18 majority of borough voters voting on the question.

19 Sec. 29.68.530. REVIEW. The Local Affairs Agency shall review  
20 a petition for content and signatures and shall return a deficient  
21 petition for correction or completion.

22 Sec. 29.68.540. INVESTIGATION. If the petition contains the  
23 required information and signatures, the Local Affairs Agency shall  
24 investigate the proposal.

25 Sec. 29.68.550. REPORT AND HEARING. (a) The Local Affairs  
26 Agency shall report its findings to the Local Boundary Commission with  
27 its recommendation regarding the dissolution.

28 (b) The Local Boundary Commission shall hold at least one public  
29 hearing in the area proposed to be dissolved.

1           Sec. 29.68.560. DECISION. If the Local Boundary Commission deter-  
2 mines that the municipality fails to meet the standards for dissolution,  
3 it shall reject the petition. If the commission determines that the  
4 municipality meets the standards, it shall accept the petition.

5           Sec. 29.68.570. ELECTION. (a) The Local Boundary Commission  
6 shall immediately notify the lieutenant governor of its acceptance of  
7 a dissolution petition. Within 30 days after notification, the  
8 lieutenant governor shall order an election within the municipality to  
9 determine whether the voters desire dissolution. The election is at  
10 least 30 and not more than 90 days after the election order.

11           (b) A person who is a qualified voter of the municipality may  
12 vote in the dissolution election.

13           (c) The lieutenant governor shall supervise the election in the  
14 general manner prescribed by the Alaska Election Code (AS 15.05 - 15.60).  
15 The state shall pay all election costs.

16           (d) The lieutenant governor shall certify the election results.  
17 If dissolution is approved, he shall declare that the municipality is  
18 dissolved effective on the date of certification.

19           Sec. 29.68.580. SUCCESSION. The government succeeding to a  
20 dissolved municipality succeeds to all its rights, powers, duties,  
21 assets, and liabilities as provided in AS 29.18.140 - 29.18.150.

22           CHAPTER 73. MISCELLANEOUS PROVISIONS.

23           Sec. 29.73.020. EMINENT DOMAIN. A home rule or general law  
24 municipality may exercise the powers of eminent domain and declaration  
25 of taking in the performance of an authorized power or function of the  
26 municipality, in accordance with AS 09.55.250 - 09.55.460. In the  
27 case of a second class city, before exercising the power, the council  
28 shall request or petition the Local Affairs Agency for permission to  
29 exercise the power. The council may not exercise the power of eminent

1 domain or declaration of taking without the formal approval of the  
2 Local Affairs Agency. The exercise of the power of eminent domain  
3 or declaration of taking shall be by ordinance which shall be submitted  
4 to the qualified voters at the next regularly scheduled general  
5 election or special election call'd for that purpose. A majority of  
6 the qualified voters voting on the question is required for approval  
7 of the ordinance.

8 Sec. 29.73.030. ADVERSE POSSESSION. A home rule or general law  
9 municipality may not be divested of title to real property by adverse  
10 possession.

11 Sec. 29.73.040. TAXATION OF MUNICIPALITIES. No state law or  
12 regulation may assess or tax, or be construed to assess or tax, home  
13 rule or general law cities or boroughs of this state, unless the law  
14 or regulation expressly provides that the cities or boroughs are to  
15 be assessed or taxed by the particular law or regulation.

16 Sec. 29.73.050. CHANGE OF MUNICIPAL NAME. (a) The governing  
17 body of a home rule or general law municipality may change the official  
18 municipal name by adopting an ordinance for the purpose and filing  
19 the ordinance with the office of the lieutenant governor. Upon receipt  
20 of a legally adopted ordinance ratified by the qualified voters voting  
21 on the question at a regular or special election, the lieutenant gover-  
22 nor shall issue an appropriate order to the municipality changing its  
23 existing name. The name change shall become effective on a date fixed  
24 in the order and occurring within 45 days of receipt of the ordinance.  
25 A copy of the order shall be transmitted to the Local Affairs Agency.

26 (b) If an ordinance adopted under (a) of this section which  
27 results in an order changing the municipal name is subsequently  
28 repealed, the lieutenant governor shall issue a further order rein-  
29 stating the former municipal name within 45 days of the date of the

1 order, unless a different municipal name : adopted by ordinance trans-  
2 mitted to the lieutenant governor for implementation as provided in (a)  
3 of this section.

4 (c) When a municipal name change takes effect by means of an  
5 order issued under (a) or (b) of this section, civil or criminal suits,  
6 applications, petitions, hearings and other proceedings to which the  
7 municipality is a party and pending at or brought after the date the  
8 name change takes effect shall proceed in the name of the municipality  
9 as changed by the order.

10 CHAPTER 78. GENERAL PROVISIONS.

11 Sec. 29.78.010. DEFINITIONS. In this title, unless otherwise  
12 provided, or the context otherwise requires,

13 (1) "borough" means a general law first or second  
14 class organized borough;

15 (2) "city" means a general law first or second class city;

16 (3) "conditional use" means exception, special exception,  
17 special use, or special permit designated in the zoning ordinance;

18 (4) "consolidation" means dissolution of two or more munici-  
19 palities and their incorporation as a new municipality;

20 (5) "majority" means a simple majority;

21 (6) "merger" means dissolution of a municipality and its  
22 absorption by another municipality;

23 (7) "municipal election" includes but is not limited to  
24 elections to choose city councilmen, borough assemblymen, school board  
25 members and utility board members;

26 (8) "municipality" means a general law municipal corporation  
27 and political subdivision, which is a first or second class borough or  
28 city, or a third class borough, incorporated under the laws of the state

29 (9) "owner", "record owner", or "owner of record" means

1 owner of record or purchaser of record;

2 (10) "personal property" means tangible property other than  
3 real property, such as merchandise and stock in trade, machinery and  
4 equipment, furniture and fixtures, motor vehicles and vehicles, boats  
5 and vessels and aircraft;

6 (11) "property" means real and personal property;

7 (12) "published" means appearing at least once in a newspaper  
8 of general circulation distributed within the municipality or, if there  
9 is no newspaper of general circulation distributed within the munic-  
10 ipality, posting in three public places for at least five days;

11 (13) "real property" means land and improvements and all  
12 possessory rights and privileges appurtenant to the property, and  
13 includes personal property affixed to the land or improvements;

14 (14) "regular election" means the municipal election held  
15 on the first Tuesday of October annually, or on an election date or  
16 at an interval of years provided by ordinance;

17 (15) "street" includes streets, avenues, boulevards, roads,  
18 lanes, alleys, and other ways;

19 (16) "subdivision" means the division of a tract or parcel  
20 of land into two or more lots, sites, or other divisions for the  
21 purpose, whether immediate or future, of sale or building development,  
22 includes resubdivision, and, when appropriate to the context, relates  
23 to the process of subdividing or to the land or area subdivided;

24 (17) "voter" means a United States citizen who is qualified  
25 to vote in state elections and has been a resident of the municipality  
26 for 30 days immediately preceding the election and who is registered  
27 to vote in state elections and is not disqualified under art. V of the  
28 state constitution.

29 \* Sec. 3. A right or liability of a home rule or general law city or

1 borough existing on the effective date of this Act is not affected by the  
2 enactment of this Act. Except for those provisions of ordinances in con-  
3 flict with the provisions of AS 29.28.040, existing ordinances remain in  
4 force and effect for a period of 180 days from the effective date of this Act,  
5 unless earlier superseded, in order to permit amendment of the ordinances to  
6 comply with the provisions of this Act. On the effective date of this Act,  
7 the provisions of AS 29.28.040 supersede any conflicting provisions of  
8 ordinances of general law cities and boroughs.

9 \* Sec. 4. AS 40.15 is amended by adding a new section to read:

10 Sec. 40.15.200. APPLICATION TO STATE AND POLITICAL SUBDIVISIONS.

11 All subdivisions of land made by the state, its agencies, instrumentali-  
12 ties and political subdivisions are subject to the provisions of  
13 this chapter and AS 29.33.150 - 29.33.240 and shall comply with  
14 local regulations adopted under this chapter and AS 29.33.150 - 29.-  
15 33.240 in the same manner and to the same extent as subdivisions  
16 made by other landowners.

17 \* Sec. 5. AS 29.33.240 is amended by adding a new subsection to read:

18 (c) Provisions of (a) of this section notwithstanding, the council  
19 of a second class city located outside an organized borough may vacate  
20 such streets, alleys, crossings, sidewalks or other public ways as  
21 may have been previously dedicated or established when the council,  
22 in its discretion, finds that the streets, alleys, crossings, side-  
23 walks or other public ways are no longer necessary for the public wel-  
24 fare, or when the public welfare will be enhanced by the vacation. If  
25 the council determines that all or a portion of the area vacated under  
26 this subsection should be devoted to another public purpose, title to  
27 the area vacated and held for another public purpose does not vest  
28 as provided in (a) of this section but remains in the city.

29 \* Sec. 6. AS 38.05 is amended by adding a new section to read:

1           Sec. 38.05.037. ZONING REGULATIONS IN THE UNORGANIZED BOROUGH TO FACILITATE  
2 FEDERAL LAND SALES. (a) In areas of the unorganized borough where there is  
3 no political subdivision of the state with a zoning power, the division  
4 of lands shall exercise the zoning power by adopting zoning regulations.

5           (b) The division of lands shall exercise its zoning power within  
6 federal lands in the unorganized borough only at the times and in the  
7 areas it is requested to do so by the Secretary of the Interior to  
8 facilitate sales of federal lands within the unorganized borough under  
9 Public Law 88-608, 78 Stat. 988.

10           (c) Any zoning done by the division of lands under (b) of this  
11 section is final unless disapproved by concurrent resolution at the  
12 next regular session of the legislature.

13 \* Sec. 7. AS 40.15.075 is amended to read:

14           Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH AND THIRD CLASS BOROUGH.  
15 The division of lands is the platting authority in the area outside or-  
16 ganized boroughs and outside cities in the unorganized borough and in the  
17 third class borough for only the purposes of hearing and acting on peti-  
18 tions for the change or vacation of plats and shall execute this function  
19 substantially in conformity with the provisions of AS 29.33.210 - 29.33.  
20 240 [SECS. 150 - 180 OF THIS CHAPTER]. Costs of publication and mailing as  
21 well as other costs authorized in AS 29.33.210 [SEC. 150 OF THIS  
22 CHAPTER] shall be paid to the division by the petitioner. The De-  
23 partment of Natural Resources shall adopt reasonable regulations  
24 governing the exercise of the authority conferred by this section  
25 upon the division of lands.

26 \* Sec. 8. AS 14.14 is amended by adding a new section to read:

27           Sec. 14.14.060. RELATIONSHIP BETWEEN BOROUGH SCHOOL DISTRICT AND  
28 BOROUGH. (a) The borough assembly may by ordinance require that all  
29 school money be deposited in a centralized treasury with all other

1 borough money. The borough administrator shall have the custody of, invest  
2 and manage all money in the centralized treasury. However, the  
3 borough assembly, with the consent of the borough school board, may  
4 by ordinance delegate to the borough school board the responsibility  
5 of a centralized treasury.

6 (b) When the borough school board by resolution consents, the  
7 borough assembly may by ordinance provide a centralized accounting  
8 system for school and all other borough operations. The system shall  
9 be operated in accordance with accepted principles of governmental  
10 accounting. However, the assembly, with the consent of the borough  
11 school board, may by ordinance delegate to the borough school board  
12 the responsibilities of the accounting system.

13 (c) The borough school board shall submit the school budget for  
14 the following school year to the borough assembly by April 1 for  
15 approval of the total amount. Within 30 days after receipt of the  
16 budget the assembly shall determine the total amount of money to be  
17 made available from local sources for school purposes and shall furnish  
18 the school board with a statement of the sum to be made available.  
19 If the assembly does not, within 30 days, furnish the school board  
20 with a statement of the sum to be made available, the amount requested  
21 in the budget is automatically approved. By May 31, the assembly  
22 shall appropriate the amount to be made available from local sources  
23 from money available for the purpose.

24 (d) The borough assembly shall determine the location of school  
25 buildings with due consideration to the recommendations of the borough  
26 school board.

27 (e) The borough school board is responsible for the design  
28 criteria of school buildings. To the maximum extent consistent with  
29 education needs, a design of a school building shall provide for

1 multiple use of the building for community purposes. Subject to the  
2 approval of the assembly, the school board shall select the appropriate  
3 professional personnel to develop the designs. The school board shall  
4 submit preliminary and subsequent designs for a school building to the  
5 assembly for approval or disapproval; if the design is disapproved, a  
6 revised design shall be prepared and presented to the assembly.

7 (f) The borough school board shall provide custodial services  
8 and routine maintenance for school buildings and shall appoint, compen-  
9 sate, and otherwise control personnel for these purposes. The borough  
10 assembly through the borough administrator, shall provide for all  
11 major rehabilitation, all construction and major repair of school  
12 buildings. The recommendations of the school board shall be considered  
13 in carrying out the provisions of this section.

14 (g) State law relating to teacher salaries and tenure, to  
15 financial support, to supervision by the Department of Education and  
16 other general laws relating to schools, governs the exercise of the  
17 functions by the borough. The school board shall appoint, compensate,  
18 and otherwise control all school employees and administration officers  
19 in accordance with this title.

20 (h) School boards within the borough may determine their own  
21 policy separate from the borough for the purchase of supplies and  
22 equipment.

23 \* Sec. 9. AS 14.14.065 is amended to read:

24 Sec. 14.14.065. RELATIONSHIP BETWEEN CITY SCHOOL DISTRICT AND  
25 CITY. The relationships between the school board of a city school  
26 district and the city council and executive or administrator are governed  
27 in the same manner as provided in sec. 60 of this chapter [AS 07.15.330]  
28 for the school board of a borough school district and the borough  
29 assembly and executive or administrator.

1 \* Sec. 10. AS 29.18.120(b) is amended to read:

2 (b) Nominations for initial officers are made by petition. The  
3 petition is in the form prescribed by the lieutenant governor and  
4 includes the name and address of the nominee and a statement of the  
5 nominee that he is qualified under the provisions of this title for  
6 the office that he seeks. A person may file for and occupy more than  
7 one office, but he may not serve simultaneously as borough mayor  
8 and as a member of the borough assembly or as mayor and as a member  
9 of the council of a home rule or first class city. Petitions to  
10 nominate officers of a second class city must include the signature  
11 and resident address of 10 voters in the area of the proposed city.  
12 [PETITIONS TO NOMINATE BOROUGH ASSEMBLYMEN MUST INCLUDE THE SIGNATURE  
13 AND RESIDENT ADDRESS OF 50 VOTERS WHO ARE RESIDENTS OF THE PROPOSED  
14 BOROUGH IN THE AREA OUTSIDE HOME RULE AND FIRST CLASS CITIES.] Peti-  
15 tions to nominate elected [OTHER] municipal officers must include the  
16 signature and resident address of 50 voters in the area of the proposed  
17 municipality, or that area of the proposed municipality from which  
18 the officers are to be elected under the composition and apportionment  
19 set out in the accepted incorporation petition.

20 \* Sec. 11. AS 29.18.120(d) is amended to read:

21 (d) The initial elected municipal officials take office on the  
22 first Monday following certification of their election. Borough  
23 assembly members representing home rule or first class cities [ARE]  
24 appointed by the city council [AND] serve until the next regular city  
25 election and until their successors are elected and have qualified.  
26 All other elected municipal officials serve until the first regular  
27 election occurring after they have served two years in office and  
28 until their successors are elected and have qualified.

29 \* Sec. 12. AS 29.27.020 is repealed and re-enacted to read:

1           Sec. 29.23.020. COMPOSITION, APPORTIONMENT, AND REAPPORTIONMENT.

2           (a) The assembly shall be composed of the number of members and be  
3           apportioned in a manner set out in the incorporation petition approved  
4           by the voters or, if a borough is already incorporated, the assembly  
5           shall be composed and apportioned in a manner prescribed by charter  
6           or ordinance. Assembly composition and apportionment, including voting  
7           procedures based on the apportionment, may be prescribed in any manner  
8           consistent with the equal representation standards of the Constitution  
9           of the United States.

10           (b) Within six months of the effective date of this section, and  
11           thereafter within six months of the official report of a federal  
12           decennial census and issuance of any supplementary data to the report  
13           necessary to establish population distribution within the borough, the  
14           assembly shall

15                   (1) determine and declare by resolution whether the existing  
16           assembly apportionment meets the standards designated under (a) of  
17           this section;

18                   (2) if the existing apportionment does not meet the desig-  
19           nated standards, provide by ordinance for reapportionment and, if it  
20           chooses, changes in assembly composition, in accordance with the  
21           designated standards;

22                   (3) submit the ordinance to borough voters for approval  
23           or rejection as provided in (c) of this section.

24           (c) The vote on an ordinance submitted under (b)(3) of this  
25           section shall be tabulated in two separate classifications. One  
26           classification shall consist of all votes cast in the first class and  
27           the home rule cities of the borough. The other classification shall  
28           consist of all votes cast in the remaining areas of the borough. In  
29           order for the ordinance to be approved it must receive majority approval

1 in each classification. If, at the end of the time period prescribed  
2 in (b) of this section, no ordinance has been approved, the Local  
3 Affairs Agency shall provide for the reapportionment in accordance  
4 with the standards designated in (a) of this section.

5 (d) In addition to providing for apportionment at the times  
6 required under (b) of this section, the borough assembly shall provide  
7 for its reapportionment and, if it chooses, a change in assembly  
8 composition, whenever, on the basis of federal census reports or other  
9 reliable population data, it determines that the existing apportion-  
10 ment does not meet the standards for apportionment designated in (a)  
11 of this section. The assembly is required to determine whether the  
12 standards are being met upon petition of 50 borough voters. The peti-  
13 tion must include reliable evidence that the existing apportionment  
14 of the assembly does not meet the designated standards. Reapportion-  
15 ment under this section shall be implemented by ordinance or by act  
16 of the Local Affairs Agency in the same manner as prescribed for  
17 reapportionment in (c) of this section.

18 (e) Members of the assembly are selected according to assembly  
19 composition and apportionment set out in the incorporation petition  
20 approved by the voters or subsequently provided in accordance with  
21 this section. A change in assembly composition or apportionment under  
22 this section shall be effective beginning with the next regular elec-  
23 tion to the assembly.

24 (f) Assembly or Local Affairs Agency determinations or reapportion-  
25 ments made under this section are subject to judicial review. The  
26 running of time periods specified in (b) of this section shall be  
27 tolled until a final judgment is rendered in an action brought under  
28 this subsection.

29 (g) This section applies to home rule and general law boroughs.

1 \* Sec. 13. AS 29.23.040 is repealed and re-enacted to read:

2       Sec. 29.23.040. REGULAR TERM OF OFFICE. Assemblymen are selected  
3 for three-year terms and until their successors are selected and have  
4 qualified, unless different terms not exceeding four years are pre-  
5 scribed by borough charter or ordinance. However, if under a borough  
6 apportionment city councilmen are appointed as assemblymen or elected  
7 to dual assembly-council seats, they may not be replaced until their  
8 assembly term expires as provided by city charter or ordinance, or  
9 they cease to be a member of either the assembly or council. The  
10 current term of incumbent assemblymen may not be altered under this  
11 section. This section applies to home rule and general law boroughs.

12 \* Sec. 14. AS 29.23.050 is repealed and re-enacted to read:

13       Sec. 29.23.050. QUALIFICATIONS. A resident of the borough is  
14 eligible to be an assemblyman if he is a borough voter. An assemblyman  
15 who ceases to be a borough voter immediately forfeits his office. An  
16 assemblyman elected from or selected to represent a borough area less  
17 than the borough area at large and who becomes a resident of another  
18 area may continue to serve only until the next regular election. The  
19 assembly may by ordinance establish residence requirements for assembly-  
20 men not exceeding three years. This section applies to home rule and  
21 general law boroughs.

22 \* Sec. 15. AS 29.23.080 is repealed and re-enacted to read:

23       Sec. 29.23.080. ASSEMBLY VACANCIES. The assembly shall provide  
24 by ordinance the manner in which a vacancy in assembly representation  
25 occurs. A vacancy is filled by the majority of the remaining assembly-  
26 men, who designate a voter and, if the assembly seat vacated is other  
27 than an at-large seat, a resident of the borough area to which the  
28 seat was apportioned, to serve until the next regular election. How-  
29 ever, if under a borough apportionment city councilmen are appointed

1 as assemblymen or elected to dual assembly-council seats, a vacancy  
2 in a councilman's seat on the assembly shall be filled by a councilman  
3 designated by a majority of the remaining membership of the council  
4 to serve until the next regular election.

5 \* Sec. 16. AS 29.23.030, 29.23.060(f), (g), (h), (i), (j) and 29.23.090 -  
6 29.23.100 are repealed.

7 \* Sec. 17. Secs. 10 - 16 of this Act take effect upon the condition and  
8 at the time that the Supreme Court of the State of Alaska finds that sec. 4,  
9 art. X of the Constitution of the State of Alaska as it relates to representa-  
10 tion of cities on borough assemblies is in violation of the Constitution of  
11 the United States or an amendment to the Constitution of the State of Alaska  
12 relating to assembly representation and consistent with the provisions of  
13 secs. 6 - 12 of this Act becomes effective, whichever occurs earlier.

14 \* Sec. 18. AS 29.23 is amended by adding new sections to read:

15 Sec. 29.23.395. PURPOSE. It is the intent of secs. 395 - 401 of  
16 this chapter to provide an opportunity for the young people of Alaska  
17 to become involved in the institutions and processes of local government  
18 comparable to that embodied in legislation under consideration at the  
19 First Session of the Seventh Legislature providing for participation  
20 in the executive branch of state government.

21 Sec. 29.23.397. COMMISSION. (a) The governing body of a munici-  
22 pality may by ordinance establish a commission on the involvement of  
23 young people in local government.

24 (b) The commission may consist of not more than nine members,  
25 drawn from fields of public affairs, education, the sciences, the  
26 professions, other fields of private endeavor, from the state or local  
27 service, and three additional members from the 17 - 22 age group, and  
28 shall include women and representatives of minority groups. The members  
29 shall be appointed by the governing body in the manner prescribed by

1 ordinance without regard to political affiliation and shall serve at the  
2 pleasure of that body. One member shall be designated by the governing  
3 body as chairman of the commission.

4 (c) Members of the commission serve without compensation but  
5 are entitled to per diem and travel expenses as may be authorized by  
6 ordinance.

7 (d) The commission shall establish procedures to enable it to  
8 recommend annually to the governing body a group of promising young men  
9 and women from whom the governing body may select interns and youth  
10 voting members of municipal boards and commissions. The commission,  
11 in establishing these procedures, shall enlist the aid of municipal  
12 residents who are actively interested in working with young people.  
13 Following adoption of the procedures, the commission shall accept appli-  
14 cations from persons and nominations for consideration, and shall  
15 interview all applicants or nominees.

16 (e) Recommendations of the commission shall be limited to young  
17 people who

18 (1) have a capacity, desire, interest, ability and potential  
19 for leadership and service to the community and to the state;

20 (2) will have attained the age of 17 but not the age of 22  
21 before the beginning of their service.

22 (f) Annually, the commission shall evaluate the program and  
23 shall submit a written report to the governing body.

24 Sec. 29.23.399. INTERNS. An intern may be appointed to serve  
25 on the staff of the governing body or the municipal administration  
26 for a period of time prescribed by the governing body, with a maximum  
27 of one year. He may be assigned responsibilities in any office, depart-  
28 ment or agency of the municipality. Service will begin at a time  
29 prescribed by the governing body. Interns shall be appointed without

1 regard to political affiliation. Salaries shall be individually estab-  
2 lished by the governing body on the basis of prior experience and the  
3 responsibilities of the position to which the intern is assigned.

4 Sec. 29.23.401. APPOINTMENT TO MUNICIPAL BOARDS AND COMMISSIONS.

5 (a) Notwithstanding AS 39.05.100 or a provision of law relating to age,  
6 the municipal appointing authority for a municipal board or commission  
7 may appoint a 17 - 21 year old municipal resident to the board or  
8 commission if recommended by the commission, established in sec. 397  
9 of this chapter.

10 (b) A young person recommended by the commission may be appointed  
11 to a municipal board or commission having special qualifications for  
12 membership if the proposed nominee, except for his age, meets the  
13 required qualifications set by law.

14 (c) An individual appointed to a municipal board or commission  
15 under this section is entitled to the rights, privileges and responsi-  
16 bilities of other members, and his appointment is subject to confirma-  
17 tion by the governing body when required by law.

18 (d) No additional seat on a municipal board or commission is  
19 created by virtue of secs. 395 - 401 of this chapter.

20 \* Sec. 19. AS 29.18 is amended by adding new sections to read:

21 ARTICLE 4. DEVELOPMENT CITIES.

22 Sec. 29.18.220. LEGISLATIVE FINDINGS. The legislature finds that  
23 the development of natural resources in isolated and relatively un-  
24 populated areas requires a policy and procedure which will provide  
25 planning, financial and other assistance necessary for encouraging  
26 orderly development of well-planned, diversified and economically sound  
27 new cities necessary to support the sound development of the state's  
28 resources by both the private and public sector. It is the purpose of  
29 secs. 220 - 460 of this chapter to set out the mutual responsibilities

1 of the private and public sectors to achieve these objectives with a  
2 view to securing information valuable to future legislatures so that  
3 general legislation applicable to the establishment of development  
4 cities may be perfected.

5 Sec. 29.18.230. DEVELOPMENT CITIES. Subject to reclassification  
6 under sec. 400(c) of this chapter, a development city is a city of the  
7 class designated by the Local Affairs Agency.

8 Sec. 29.18.240. INCORPORATION. An area not served by an existing  
9 municipality which is not reasonably practicable to be served by an  
10 existing municipality may be incorporated as a development city by

11 (1) petition of the industrial developer to the Local Affairs  
12 Agency to be acted on by the Local Boundary Commission; or

13 (2) act of the legislature.

14 Sec. 29.18.250. PETITION FOR INCORPORATION. A development city  
15 incorporation petition proposed by an industrial developer shall  
16 include the following information about the proposed city:

17 (1) class,

18 (2) name,

19 (3) boundaries,

20 (4) composition of the council,

21 (5) maps, documents, preliminary economic development projec-  
22 tions, preliminary population projections, outline of the industrial  
23 developer's investigative and development expenditures and its proposed  
24 capital program, and other information required by the Local Affairs  
25 Agency to show that the proposed city meets the standards for incorpora-  
26 tion,

27 (6) the proposed agreement required under sec. 330 of this  
28 chapter.

29 Sec. 29.18.260. REVIEW. The Local Affairs Agency shall review

1 the petition for content and shall return deficient petitions for  
2 correction and completion.

3 Sec. 29.18.270. INVESTIGATION. If the petition contains the re-  
4 quired information, the Local Affairs Agency shall investigate the pro-  
5 posal to determine whether the development expenditures and proposed  
6 capital program by the developer serve the public interest and  
7 demonstrate a probability of being carried forward to a successful con-  
8 clusion.

9 Sec. 29.18.280. REPORT. (a) The Local Affairs Agency shall  
10 report its findings to the Local Boundary Commission with its recom-  
11 mendations regarding the incorporation within 60 days of receipt of  
12 the petition for incorporation.

13 (b) The Local Boundary Commission shall review the petition and  
14 the findings and recommendations of the Local Affairs Agency within 60  
15 days of receiving them.

16 Sec. 29.18.290. DECISION ON DEVELOPMENT CITY INCORPORATION. (a)  
17 The Local Boundary Commission may reject a petition for incorporation  
18 if it finds that

19 (1) the area proposed for incorporation is served by an  
20 existing municipality or could be served by an existing municipality;

21 (2) it is improbable that the proposed development will  
22 take place;

23 (3) the program and activities contemplated by this chapter  
24 may be undertaken through expansion of the corporate limits of an  
25 existing city and then declares that city to be a development city  
26 for the purpose of preferential designation under secs. 10 and 340 -  
27 460 of this chapter;

28 (4) the program and activities contemplated by this chapter  
29 may be undertaken by establishing a service area within an existing

1 organized borough for a development project, and declares the service  
2 area to be eligible for preferential designation under secs. 410 and  
3 450 of this chapter;

4 (5) the proposed development does not serve the public  
5 interest.

6 (b) If the Local Boundary Commission finds that a service area  
7 within an organized borough is to be designated for preferential  
8 treatment under (a)(4) of this section, the assembly may undertake the  
9 project in the manner of a development city and shall present to the  
10 Local Boundary Commission a contractual agreement outlining responsi-  
11 bilities assumed by the borough and the industrial developer to imple-  
12 ment the proposed development program.

13 (c) The assembly may decline findings under (b) of this section  
14 to establish a service area and in the alternative request the Local  
15 Boundary Commission to approve incorporation of a development city.

16 (d) The Local Boundary Commission may dissolve a development city  
17 established under sec. 20 of this chapter if subsequent to its in-  
18 corporation

19 (1) the major economic development projected does not occur  
20 within a period of five years; and

21 (2) if the development project had been reviewed as a new  
22 project the Local Boundary Commission determines it would have rejected  
23 the petition on the basis that it is improbable the proposed develop-  
24 ment would have taken place.

25 (e) A commission decision under this section may be appealed  
26 under the Administrative Procedure Act (AS 44.62).

27 Sec. 29.18.300. PRELIMINARY PLANNING. The city shall prepare  
28 and submit to the state preliminary plans in advance of completion of  
29 the final basic comprehensive plan for the city. The preliminary plans

1 shall include

2 (1) maps, documents, preliminary economic development pro-  
3 jections, preliminary population projections, outline of the industrial  
4 developer's investigative and development expenditures and its proposed  
5 capital program, and other information required by reviewing agencies  
6 of the state;

7 (2) a report on the physical and biological character of  
8 the proposed city's site and a land and water use plan and the design  
9 and siting of the community to be developed based upon these natural  
10 factors.

11 Sec. 29.18.310. REVIEW AND REPORT. (a) The division of planning  
12 and research, in conjunction with the Local Affairs Agency and the  
13 Departments of Natural Resources and Environmental Conservation and  
14 other departments as determined appropriate by the division of planning  
15 and research, shall review the preliminary planning and additional data  
16 may be requested.

17 (b) The division of planning and research shall coordinate the  
18 preparation of a report and recommendations, if any, which shall be  
19 submitted to the governor within 60 days of receipt by the state of  
20 the preliminary plans from the city. The city may proceed to the  
21 completion of the final basic comprehensive plan upon satisfying any  
22 specific recommendations contained in the report.

23 (c) During the course of planning toward completion of the basic  
24 comprehensive development plan the division of planning and research  
25 and the Local Affairs Agency shall be kept currently informed and the  
26 final plan shall be subject to review and recommendation by the divi-  
27 sion of planning and research, which shall act in its coordinating  
28 capacity to secure review by the Department of Environmental Conserva-  
29 tion and other state agencies as appropriate.

1           Sec. 29.18.320. LIMITATION. The city may not proceed with commit-  
2 ment of funds or formal undertakings for physical development until it  
3 has a signed contract or contracts for sale of the company's products  
4 in quantities shown in the economic data and submitted by the company  
5 to be adequate to sustain an economically viable operation. The  
6 company may submit alternative valid evidence that the projected  
7 operation will proceed. The company shall notify the Local Affairs  
8 Agency of the meeting of this requirement. Unless the Department of  
9 Economic Development makes a determination that the data is insuffi-  
10 cient, the city may proceed.

11           Sec. 29.18.330. LOCAL HIRE. In consideration of the incorpora-  
12 tion of a development city under this chapter, the major developer shall  
13 enter into an agreement with the appropriate agencies of the state  
14 concerning

15           (1) establishing and maintaining an approved Department of  
16 Labor on-the-job training program to qualify Alaska residents lacking  
17 in the requisite technical skills of the activities to be undertaken;

18           (2) establishing resident hire goals in terms of per cent  
19 of employees at the end of the first year, second year and third year  
20 of operation;

21           (3) establishing the responsibilities of the various state  
22 agencies towards providing technical assistance, manpower procurement,  
23 relocation assistance, job opportunity services to residents in the  
24 area, supplemental vocational training, and the scope of effort each  
25 state agency has in this regard with specific commitments in terms of  
26 numbers of residents, time schedule and dollar value of training;

27           (4) establishing the penalties and conditions of noncompli-  
28 ance with the agreement.

29           Sec. 29.18.340. DEVELOPMENT CITY COUNCIL. The council of a

1 development city has five members consisting of the director of the  
2 Local Affairs Agency, or his designee, and four public members desig-  
3 nated by the governor. The governor shall appoint no fewer than two  
4 public members from a list of nominees designated by the major developer  
5 providing the industrial base of the city as measured by employment  
6 and capital investment. The council shall serve at the pleasure of the  
7 governor. The designated councilmen need not be residents of the  
8 city during its development stage.

9 Sec. 29.18.350. FILLING A VACANCY. If a vacancy occurs in the  
10 council as constituted under sec. 340 of this chapter, the applicable  
11 appointing authority shall designate the replacement during the  
12 development stage of the city.

13 Sec. 29.18.360. POWERS AND DUTIES OF COUNCIL. During the develop-  
14 ment stage the council of a development city may

15 (1) exercise the powers and duties of a school board if the  
16 city is located outside an organized borough;

17 (2) exercise the powers and duties of a planning commission  
18 under AS 29.33.080, except that during the first five years or until  
19 the development city has 400 permanent residents, zoning and zoning  
20 changes will be reviewed and approved by the division of planning and  
21 research and the Department of Environmental Conservation.

22 Sec. 29.18.370. POWERS AND DUTIES OF DEVELOPMENT CITY EXECUTIVE  
23 DIRECTOR. During the development stage the council shall appoint an  
24 executive director of the development city, who may be one of its  
25 members, to serve at the pleasure of the council. The executive  
26 director shall have the powers and duties of all executive and adminis-  
27 trative city officials set out in this title in order to develop the  
28 city under a comprehensive community development plan.

29 Sec. 29.18.380. PROCEDURES. During the development stage, the

1 council may provide for conference telephone or radiophone meetings  
2 at times determined by the council and shall determine its own rules  
3 and order of business.

4 Sec. 29.18.390. DEVELOPMENT CITY CAPITAL IMPROVEMENT FUNDS.

5 All state agencies shall, where appropriate, adopt procedures to insure  
6 that, during the development stage, the needs of a development city  
7 are carefully considered in the allocation of funds available for  
8 capital improvement projects where those funds have not otherwise been  
9 committed by the legislature.

10 Sec. 29.18.400. TRANSITION. (a) When a development city has  
11 400 permanent residents elections shall take place according to the  
12 following schedule:

13 (1) in the first year two additional councilmen who shall be  
14 city residents elected for three-year terms;

15 (2) in the second year two councilmen who shall be city  
16 residents elected for three-year terms to replace one of the council-  
17 men nominated by the industrial developer and one of the public  
18 members designated by the governor;

19 (3) in the third year two councilmen who shall be city resi-  
20 dents elected for three-year terms to replace the local affairs director  
21 and one of the councilmen nominated by the industrial developer;

22 (4) in the fourth year a mayor who shall be a city resident  
23 elected for a three-year term to replace the remaining councilman  
24 nominated by the industrial developer.

25 (b) At the time of the election under (a)(4) of this section, or  
26 any time after it, the electorate may exercise the right to become a  
27 home rule city as authorized under this title.

28 (c) If, within a period of five years from the incorporation of  
29 a development city, the number of permanent residents does not reach 400,

1 the Local Affairs Agency shall order an election for city officials and  
2 designate a successor class of city based on population as provided in  
3 this title. If the agency designates a successor class of city, the  
4 provisions of this title relating to that class of city apply, and the  
5 city shall be reclassified accordingly.

6 Sec. 29.18.410. HOUSING POWERS. From the time of the appointment  
7 of the first city council and for a period of 10 years following the  
8 first election of councilmen, the council may act as its own housing and  
9 urban renewal authority if such powers have been granted to cities  
10 under applicable provisions of law.

11 Sec. 29.18.420. LAND SELECTION. (a) The Department of Natural  
12 Resources shall attempt to secure the transfer of the available federally  
13 owned land located within the boundaries of a development city into  
14 state ownership. After the transfer, a development city may select 10  
15 per cent of the vacant, unappropriated, unreserved state land located  
16 within its boundaries. Nothing in this section affects a valid existing  
17 claim, location, or entry under the laws of the state or the United  
18 States whether for homestead, mineral, right-of-way or other purposes  
19 or affects the rights of an owner, claimant, locator, or entryman to  
20 the full use and enjoyment of the land so occupied.

21 (b) If land desired by the development city is unsurveyed at the  
22 time of its selection, the Department of Natural Resources shall survey  
23 or approve a survey by the city of the exterior boundaries of the area  
24 requested without interior subdivision and shall issue a patent for  
25 the selected area in terms of the exterior boundary survey. The cost  
26 of the survey is borne by the city. If land desired by the city has  
27 been surveyed at the time of its selection, the boundaries of the  
28 areas requested must conform to the public land subdivisions established  
29 by the approval of the survey. Land selected by the city under this

1 section is patented to the city by the Department of Natural Resources.

2 (c) After the selection of the land by the development city but  
3 before the issuance of final patent, the city may execute conditional  
4 leases and make conditional sales of selected land.

5 Sec. 29.18.430. REVENUE BONDS. Revenue bonds may be issued by a  
6 development city under the provisions of AS 29.58.200 - 29.58.220.  
7 However, no vote of the people is required to issue revenue bonds  
8 during the development stage. During the development stage revenue  
9 bonds may be issued by a majority vote of the city council.

10 Sec. 29.18.440. SHARED REVENUE. A development city is entitled  
11 to shared revenue and other state funds on the same basis as a city or  
12 organized borough of the first class or, if reclassified under sec.  
13 400(c) of this chapter, on the basis of the reclassification. During  
14 the development stage the Local Affairs Agency may establish an  
15 assumed population figure which shall be used to determine shared  
16 revenue based on population on per capita grants.

17 Sec. 29.18.450. APPLICABILITY OF OTHER PROVISIONS OF THIS TITLE.  
18 All applicable provisions of this title consistent with the provisions  
19 of this chapter apply to development cities. Provisions of this  
20 chapter prevail over other provisions of this title which are inconsis-  
21 tent.

22 Sec. 29.18.460. DEFINITION. In this chapter "development stage"  
23 means that period of time extending from the date of incorporation of  
24 a development city until such time as the city may attain a population  
25 of 400 permanent residents, or five years from the date of incorpora-  
26 tion, whichever is earlier.

27 \* Sec. 20. The terms of elected officials who are incumbents  
28 on the effective date of this Act are not affected by this Act. Their terms  
29 expire as provided before enactment of this Act.

