

H/B-322

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE

March 11, 1976

The meeting was called to order at 9:15 am by Chairman Cotten for discussion of HB 322. Present were:

Rep. Cotten	Palmer McCarter, C&RA
Rep. Ose	Don Berry, Municipal League
Rep. Freeman	Jack Chenowith, Senate C&RA
Rep. Rudd	Ken Jacobus, Valdez City Attorney
Rep. Kelley	Herbert Lehfeldt, City Manager Valdez
Rep. Ostrosky	Chuck LaPage, City Councilman, Valdez
Rep. Specking	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

0000 First to testify was Representative Specking. Essentially in attempting to meet a particular problem, they came to the conclusion that they could do so with the concept contained in HB 322. What they are attempting to do is to create an additional bit of policy to cut through amounts of red tape in order to achieve the unification of a city into a borough status.

0063 Specking called attention to a letter from McCarter dated March 10th and explained the reasoning of the letter. He argued a couple of points in the letter.

Mr. Lehfeldt from Valdez was next to testify. He stated that basically the intent of the City of Valdez in proposing this particular bill is to simplify the manner in which a municipality can become a borough. The ultimate plan would be that subsequently they would anticipate a large annexation in the Valdez area in order to make it more meet the criteria for the regional type of government.

0219 Cotten asked when referring to future annexations which areas did they have in mind.

0220 Lehfeldt passed around a sketch of the area which they feel their sphere of influence includes. He explained the map and stated that quite possibly the most easterly boundary, the right hand boundary on the map, would be an area of dispute as far as jurisdictional concern between the City of Valdez and Cordova. They plan to meet with Cordova to obtain mutually satisfactory boundaries.

0243 Palmer McCarter from DC&RA testified and stated the Departmental position. It appears on the face of it that it is negative. He feels that if the language in that bill were to be adopted, they would be permitting the possibility of small boroughs in the future. He felt that there would be in the future thousands of potential municipalities. He stated that the Department is not opposed to the concept. They are not opposed to the idea of a unified government.

0255 Rep Rudd asked specific questions about the wording of the bill.

Lehfeldt explained the basic boundary principle. The City of Valdez would like to have a borough in a small community but he stated that this was not acceptable to the C&RA.

0549 Rep Rudd asked if it would be possible to fight the battle at the time that the state mandates boroughs or at the time that the local boundary commission makes decisions concerning this particular area. Lehfeldt agreed that this would be possible.

0671 Don Berry from the Municipal League stated that if the local community wants to do this, he can't see why they are not given a chance to try it.

0685 Ken Jacobus testified that the City of Valdez is in fact almost a borough right now. It exercises all of the Borough powers; taxing powers, education power; planning and zoning power. These are exercised in a 284 square mile area which is partially urban and partially rural. The City of Valdez is the only city in the state of Alaska which is actually divided up into service areas by constitution. The Constitution of the City of Valdez is suitable in its present form for borough government. The question that is really before the committee is not really what size the city of Valdez should be allowed to come, but rather should a new vehicle be created to get to the final result. As it is now, the only way to get to a unified government is for a first class city to create a borough in its area. You then have two governments. That is the first step. The next step is to put the package together; the municipality and the borough. What the City of Valdez wants to do is to set up a method whereby the municipality or the group of municipalities could get together and be unified and then be unified in one step rather than being forced to the intermediate government and then putting them together. They want to be able to go from one to the other without having to go through the intermediate step.

0728 Rep Rudd questioned the intermediate steps.

0908 Meeting adjourned at 10:00 am.

House Committee on  
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes  
May 13, 1975

Meeting was called to order at 9:10-to discuss HB 322. Present:

Rep. Cotten	Barbara Englert Thomas, Staff
Rep. Hershberger	Andrea Guernsey, Staff
REp. Ose	Don Berry, Municipal League
Rep. Davis	Jack Chenoweth, Director, Local Gov't
Rep. Ostrosky	Bob Pavitt, Planning Consultant
Rep. Freeman (late)	

BACKGROUND

Valdez, a home rule city, wants to change the statutes to allow them to petition to become a unified municipality. Presently, they can petition to Boundary Commission to become any sort of Borough. Jack said they are looking to protect themselves against encroachment by other governments. Local Government division has had two inquiries about borough government: One from Cordova and one from Chugiak Natives, Inc. who have employed Mr. Pavitt to research borough government.

LINE 14

Jackn said the Department doesn't like this bill but he suggests changing line 14 if the Committee is going to pass it out. Change to "29.18.030." This is the section that deals with standards for borough incorporation. The bill also doesn't say anything about elections.

DIFFERENCE IN POWERS

Cotten asked what the difference in powers would be. Jackn said a borough can establish service areas but Valdez has differential tax zones which is comparable to service areas. They have a charter now.

PAVITT

Pavitt said the lack of election is the only difference in the process we have now, so if they were to add that to bill then there is no reason for it. Valdez should go through the proper channels. Cotten said the idea seemed to be to avoid duplicate governments.

Jack said one concern was the other 3 home rule cities; Petersburg, Wrangell, and Cordova. This bill would allow Petersburg to become Unified municipality without regard to the 200 people living outside the city limits. This bill encourages fragmentation of the unorganized borough.

DON BERRY

There was a lot of discussion of the idea of borough government. Don Berry is in favor of the bill. He thinks the people are trying to help themselves and they should be able to do it. The League has no official opinion, this is his own.

Ose wants to table the bill. Without officially doing so, Cotten said they won't move it without more information.

Meeting was adjourned at 10:00.

House Committee on  
COMMUNITY & REGIONAL AFFAIRS

Meeting Minutes  
April 22, 1975

Meeting was called to order at 9:00 to discuss HB 322, HB 359. Present:

Rep. Cotten                      Rep. Ose  
Rep. Ostrosky                  Andrea Guernsey, Staff  
Rep. Freeman                  Barbara ENglert Thomas, Staff  
Rep. Davis  
Jack Chenoweth, Director, Local Government  
Keith Specking, Sponsor  
Rep. Huntington

STATEMENT BY  
CHENOWETH

HB 322

Mr. Chenoweth started by saying his department doesn't look kindly upon this bill, which says that a Home rule city can move to reclassify as a unified municipality. This is aimed at Valdez, which already has a substantial tax base. It's not so different from the procedures already in operation to warrant a different formula. There is no mechanism in the bill to form a Board to form a charter. Trying to step outside present provisions.

FREEMAN'S  
OPINION

Rep. Freeman asked if one could form a borough and vote on unified municipality simultaneously. No, it is a separate issue. Oral doesn't like the bill. It seems like special legislation like Eagle River and it isn't the proper way to go.

DIFFERENCE?

Cotten asked what would be different if Valdez reclassified? Jack said they could not be put in another borough. They don't really have much to gain. They already have a \$700 million tax base. These communities should have a cooperate effort instead of each going own way.

SPECKING COMMENTS

Rep. Specking now came in and made a few comments. He said the request came from the City of Valdez. He then read a memo concerning this from Greg Machowatz of Legislative Council. Copies were distributed to the Committee. Valdez area is large and as far as he knows they don't plan to expand their boundaries.

Freeman thinks this is a selfish move on Valdez's part. Also it would be unreasonable not to put Valdez and Cordova in the same governmental unit.

FREEMANS OPINION

They are already doing well with impact monies and taxable property. Specking said it would be unreasonable to combine Cordova and Valdez. The idea will never fly, they don't want to be associated with each other.

Specking said the way of life in Valdez has been destroyed. Valdez needs new school and their charter precludes them from bonding. This is not special legislation like Eagle river because it applies to everywhere and not just one area.

2ND CLASS BORO?

Cotten asked why they don't apply for second class borough status. They could use service areas and get forest receipts. they probably fear that the Boundary Commission would not look favorably upon them. Jack doesn't know what the Commission would do. Personally, Jack would turn them down. They can already do what they're doing as a city.

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HB 359

The Committee now took up HB 359 since Specking was the sponsor of this bill also. He said the subject needs to be looked at by the Legislature. the \$2million was plucked out of the air and will be adjusted in Finance to what is reasonable.

SEC. 2

Secion 2 places stringent controls. Bill is for emergency needs and not goodies bag. Opposed to the use of impact funds lowering taxes. He has no objection to putting in restrictive language in that capacity.

IMPACT FUNDS

Jack said this is the only sum that has been requested. He submitted for \$10 million to continue the program through next year but it was turned down. The Governor wants impact monies to go the foundation program for education. No continuation of grant programs.

Specking put the bill in so the Legislature would at least address the problem.

ADJOURN

Meeting was adjourned at 10:00.

HB 290, 291                    Chairman cotten asked for the consensus of the Committee on these two bills. The members wanted them left in Committee until next year.

HB 377                         Freeman doesn't see any reason for the bill. The rest of the Committee concurs. DEAD.

SB 125                         This is the same one as HB 172 passed out earlier. Hershberger suggests leaving this one in committee and letting HB 172 go through the stages. Let a representative have this one. Rest of the members concur.

HB 293                         The Chairman received a telegram from Kodiak who are opposed to this bill. Freeman said that the Anchorage city and borough are interested. Want to wait for more testimony on this one.

HB 259                         Hackney wants to study for the rest of the session. Cotten said the sponsor doesn't want to see it again. Dead for now.

HB 218  
SB 209                         Cotten said there was a constitutional problme with these bills. Dead for now.

HB 322, 359                    Hackney wants rep. Specking to come. Also Chenoweth. These bills will be taken up tomorrow.

ADJOURN                        Meeting was adjourned at 10:00.

HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

March 30, 1976

The meeting was called to order at 9:10 am by Chairman Cotten for discussion of HB 322. Present were:

Rep. Cotten	Rep. Davis
Rep. Ose	Rep. Kelley
Rep. Rudd	Don Berry, Municipal League
Rep. Ostrosky	Greg Machyowsky, Legislative Affairs
Rep. Freeman	Barbara Englert Thomas, Staff
	Vicci Hansen, Staff

0001 Chairman Cotten stated that the whole subject is a little confusing and there has been two different approaches suggested to the end result that the people in Valdez apparently want.

0015 Greg Machyowsky from Legislative Affairs testified and was able to answer questions. He started with a technical correction on the bill. On page 1 there should be a phrase inserted between lines 28 and 29. They left out the introductory language for that petition. He suggested that they take care of that matter after the committee is over.

He stated that the bill was prepared rapidly and he added some additional language because of a constitutional reason. That additional language starts out on page one at line 10. He discussed additional changes in the bill. The original draft left out that provision about petition of the local boundary commission but in evaluating the draft it became rather apparent that in effect the status as a unified municipality would be a borough status and the state constitution as was pointed out in a memo that accompanied the draft requires that the standards for incorporation of boroughs be set out by law and the constitution actually refers to specific standards like population, geography and economics. So, therefore, the thought is for constitutional reasons, if a city is going to go to unified municipality status which is more or less accepted as a borough status that it should satisfy the standards to be a borough, under the state constitution. Those standards have been spelled out in more detail in the state law through incorporation of boroughs therefore, that provision saying before you will invoke this unification process you have to satisfy the local boundary commission that you are qualified to be a borough was added. It was not in the original draft. Then assuming that qualification has been met a city that has developed to a point where it meets the standards for a borough under this bill can follow essentially the same process with a borough and cities within it would follow and would unify under present law.

0312 There were questions from the committee to Machyowsky and discussion on the bill.

0328 Machyowsky said that this bill goes on to cover one other situation where you have two or more cities. This provision was inserted in the bill and starts at line 19 of page 2. It is really a repetition of the first part of the bill except where you have a concept of two cities assuming unified municipality status. This was placed in the bill following the suggestion of Pal

of Palmer McCarter. His feeling was that HB 322 which deals with only a home rule city in an unorganized borough reclassifying that concept should be expanded into not just a home rule city in an unorganized borough reclassifying into a unified municipality but rather the concept should be carried farther and the unification law should be adapted to all cities in the unorganized borough or unincorporated community. Essentially this is a bill which tries to take the present unification law, the procedures for a petition and an election, the charter commission adopting a charter, take that and adopt this to a situation of a city, not a borough but a city and try to give them unified municipality status. Obviously what you might ask what does a unified municipality status mean. Under the law, if you are a unified municipality, you have the powers of both the city and an unorganized borough and you have home rule status. In actuality Machyowsky thinks that the real distinction between this kind of municipality and say a home rule borough or even a home rule city is that you could not incorporate a borough once you have the unified municipality.

0513 Cotten asked if this bill had been simplified somewhat. If they have to get approval from the Boundary Commission to prove that they satisfy the standards for a borough incorporation.

0529 Machyowsky says that this bill really follows the requirements of the unification law. The only thing is that you don't have to have a borough before you start.

There was committee discussion on this.

0591 Rep. Freeman stated that it is his feeling that what Valdez wants to do can be simply done by the original bill. He said that there is no question about what they want to do. They want to get themselves in a position so that they are not swallowed up in a borough.

There was discussion on this.

0901 Rep. Rudd suggested tableing the motion and Chairman Cotten said that he would not entertain a tableing motion.

Meeting was adjourned at 9:45 am.

# HUGHES THORSNESS GANTZ POWELL & BRUNDIN

Attorneys at Law

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DAVID H. THORSNESS	SIGURD E. MURPHY
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March 4, 1976

Please reply to: Anchorage

Representative Samuel Cotten, Chairman  
House Committee on Community and  
Regional Affairs  
Pouch V- State Capitol  
Juneau, AK 99801.

Re: House Bill 322, Allowing Certain Cities to Become  
Unified Municipalities with the Approval of the  
Local Boundary Commission

Dear Representative Cotten,

Thank you very much for the opportunity to speak with you  
in Juneau regarding House Bill 322, and your agreement that  
the committee will conduct a hearing on this bill on  
Thursday, March 11, 1976.

The City of Valdez is very interested in the enactment of  
House Bill 322 this session. The Bill is in the best interests  
of the State of Alaska, and the Prince William Sound area  
generally, because it should ultimately result in an  
organized and unified government for that area, consisting of  
people who have similar concerns and interests. The city does  
not intend to become a borough the same size as the present city.  
On the other hand, the city has no desire to come into any  
conflict with any of the other municipalities in the area.  
Unified local government can be very beneficial to an area,  
both because it is close to the people and responsive to their  
needs, and because it affords a vehicle whereby the local area  
can obtain state and federal benefits.

The present City of Valdez is very suitable for a borough form  
of government. As a first class, home rule city, located out-  
side an organized borough, it presently exercises the powers  
that it would as a borough, and is experienced in the exercise  
of these powers. Additionally, the differential tax zones  
already provided for by the Valdez City Charter will allow the  
borough to expand, but will ensure that the taxpayers in areas  
receiving fewer services will be taxed only for those services  
that they actually receive.

Representative Samuel Cotten, Chairman  
Page 2  
March 4, 1976

Under the present statutes, the only way to provide a single, unified government in the Valdez area would consist of two complicated, expensive and time consuming steps. First, a separate borough would have to be organized. Second, that organized borough would have to be unified with the city. The experience of Juneau and Anchorage, in which unification was accomplished the hard way, show that unified local government is desired by the people. House Bill 322 will allow the City of Valdez to reach the same result as Juneau and Anchorage, without the extreme difficulties and expense that has taken place in those areas because of the creation and existence of two separate local governments.


The city of Valdez is very interested in the enactment of House Bill 322 this session. The City Manager, Herb Lehfeldt, two members of the City Council, and I will be traveling to Juneau for the hearing on March 11, 1976. On March 1, 1976, the City Council, by a unanimous vote of the members present, adopted resolution No. 7607 requesting enactment of house Bill 322, and a copy of this resolution is attached.

I am sending copies of this letter to the other members of the House Committee on Community and Regional Affairs so that they will be aware of the importance that the city of Valdez attaches to the enactment of House Bill 322.

Thank you very much for your assistance and consideration of this Bill. If you or any of the committee members have any questions, or desire any further information, please let me know.

Very truly yours,

HUGHES, THORSNESS, GANTZ, POWELL & BRUNDIN  
Attorneys for the City of Valdez

By   
Kenneth P. Jacobus

KPJ:am

Enclosures

cc: Kathryn Ostrosky  
Lisa Rudd  
Ramona Kelley  
Al Ose  
Larry Davis  
Mike Hershberger  
Glenn Hackney  
Oral Freeman

CITY OF VALDEZ, ALASKA

Resolution No. 7607

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, SUPPORTING HOUSE BILL 322, ALLOWING CERTAIN CITIES TO BECOME UNIFIED MUNICIPALITIES WITH THE APPROVAL OF THE LOCAL BOUNDARY COMMISSION.

WHEREAS, it is in the public interest of the City of Valdez, the Prince William Sound area, and the State of Alaska to strengthen the powers of local government under our Constitution providing for home rule municipalities and mandated boroughs, and

WHEREAS, House Bill 322 is in furtherance of this end.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, THAT:

Section 1. House Bill 322, presently in the House Committee on Community and Regional Affairs, should be reported out of that committee with a favorable recommendation, and should be enacted into law this session of the legislature.

Section 2. Copies of this resolution shall be transmitted to the governor, the Department of Community and Regional Affairs, the chairman and members of the House Committee on Community and Regional Affairs, Rep. Specking, Sen. Kertulla, the Alaska Municipal League, and any other persons who are able to assist in having this legislation enacted.

Dated this 1st Day of March, 1976.

CITY OF VALDEZ, ALASKA

By \_\_\_\_\_

ATTEST:



HUGHES THORSNESS LOWE GANTZ & POWELL

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KENNETH P. JACOBUS  
JERRY E. MELCHER  
SIGURD E. MURPHY  
BILL LAWRENCE  
FRED B. ARVIDSON  
DENNIS M. BUMP

23 April 1975

Samuel R. Cotton  
Chairman House Community  
and Regional Affairs Committee  
Alaska State House of Representatives  
Pouch V  
Juneau, Alaska 99801

RE: House Bill No. 322 authorizing a home rule city outside an organized borough to reclassify as a unified municipality.

Dear Chairman Cotton:

As city attorneys for Valdez, we have reviewed House Bill No. 322 in light of the recent decision of the Alaska Supreme Court on April 15, 1975, relating to the Eagle River-Chugiak Borough. This decision does not affect the constitutionality of House Bill No. 322. The legislation authorizing the creation of the Eagle River-Chugiak Borough was both special and local in that it provided a new method of creating a borough which is peculiar to the Eagle River-Chugiak area. On the other hand, House Bill No. 322 is of general effect, and requires that the local boundary commission procedure be used to effect the unification. Any unification accomplished under the provisions of proposed AS29.08.040(j) would not be overturned by the Alaska Supreme Court.

House Bill No. 322 is a relatively simple concept, and simply provides for a method of unification which probably should be provided for in the statutes, but presently is not. The City of Valdez would appreciate it very much if this bill could be enacted prior to the adjournment of the present session so that the City of Valdez can go forward with this part of its difficult task in meeting the present pipeline impact.

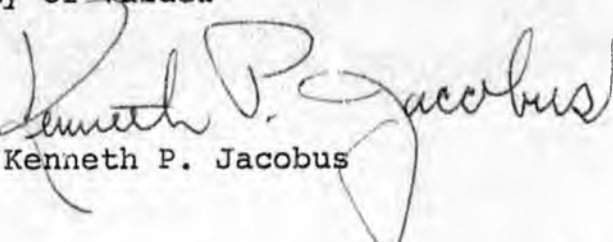
Samuel R. Cotton  
Page 2

I thank you very much for whatever efforts you might make to expedite this bill.

Very truly yours,

HUGHES, THORSNESS, LOWE,  
GANTZ & POWELL, Attorneys for the  
City of Valdez

By:

  
Kenneth P. Jacobus

KPJ:mv

cc: Herbert W. Lehfeldt  
P.O. Box 506  
Valdez, Alaska 99686

# STATE OF ALASKA

**DEPT. OF COMMUNITY & REGIONAL AFFAIRS**

*DIVISION OF LOCAL GOVERNMENT ASSISTANCE*

JAY S. HAMMOND, Governor

*POUCH B - JUNEAU 99811*

March 10, 1976

The Honorable Sam Cotten  
Chairman, Community and Regional Affairs  
Committee  
Alaska House of Representatives  
Pouch V  
Juneau, Alaska 99811

Dear Representative Cotten:

I would like to comment on House Bill 322, "An Act authorizing a home rule city outside an organized borough to reclassify as a unified municipality".

The Department is opposed to passage of this particular piece of legislation. First, the legislation appears applicable to only a very small number of municipalities (currently 4 would qualify). Second, there seems an inherent conflict in requiring a city to satisfy borough incorporation standards; in other words, it seems paradoxical to state that a city - - a form of local government designed to meet community needs - - could meet borough - - the form of local government designed to meet regional governmental needs - - incorporation standards. Third, we are opposed to any method of change in municipal status which does not allow the constituents of the local government affected the opportunity to approve or disapprove of the reclassification by referendum. Finally, allowing a home rule city in the unorganized borough to reclassify as a unified municipality, under HB 322, would have minimal, if any, effect upon the status of the municipality.

I would note, too, that we have contacted the Chairman of the Local Boundary Commission and he concurs in our comments.

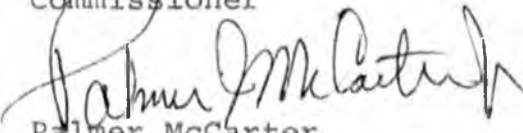
In closing, I would add that we do not find the concept of providing for a single regional government improper; on the contrary, we feel it is a commendable concept. However, we do think that the method of achieving "unification" suggested by HB 322, is improper.

March 10, 1976

One method of accomplishing this, would be to amend AS 29.68.240 to read as follows; "An organized borough and all cities within the borough or any city or group of cities or communities in the unorganized borough may unite to form a single unit of home rule government by complying with this chapter." Additional sections of Article 3 "Unification of Local Governments" must be reviewed for compliance with the proposed changes suggested by amending AS 29.68.240

Sincerely,

Lee McAnerney  
Commissioner

  
by: Palmer McCarter  
Director  
Division of Local Government  
Assistance

Presently this would  
affect only Cordova &  
Valdez and Wrangell  
& Petersburg

# STATE OF ALASKA THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801

## LEGISLATIVE AFFAIRS AGENCY

March 18, 1975

### MEMORANDUM

TO: Representative Specking

FROM: Greg Machyowsky, Legislative Counsel

SUBJECT: Attached bill relating to home rule city as unified municipality

Upon study of the draft and letter of the city attorney of Valdez submitted with the bill request, review of the municipal code, and discussion of the concept of the request with Bill Berrier of this office, who is also a specialist in local government matters, I have redrafted the draft submitted so as to provide for reclassification of a home rule city outside an organized borough to unified municipality status, rather than dissolution of the city and new incorporation as a unified municipality.

This more limited approach would seem to accomplish the intent of the draft and still integrate well with concepts of the municipal code relating to reclassification. If I have overlooked any aspect of intent and a dissolution and incorporation are indicated, the bill can be revised accordingly.

The reclassification provided in the bill follows the same principle as already authorized in the law for reclassification of boroughs, i.e., on the basis of powers authorized, and permits reclassification to a unified municipality having the home rule powers of both a city and borough.

The primary advantages of this dual status for the former home rule city would seem to be, as with existing unified municipalities, clear authority to utilize the service area concept of boroughs within the area of the former city and areas which may be annexed in the future, and the probable qualification of the unified municipality for (forest service receipts) allowed by federal law to counties (boroughs) for road and school purposes, and possibly other federal tax revenues.

As a practical matter, too, the dual status of the unified municipality as city and borough should also preclude the addition of

Representative Specking

-2-

March 18, 1975

another unit of government, an organized borough, within the area of the unified municipality, since the unified municipality already has satisfied the standards for incorporation of an organized borough and has the powers of an organized borough as well as a city.

Please let me know in the event I can be of further assistance with the bill request.

GM/sm

MB322

Dick - worst than 1<sup>st</sup>

totally unacceptable

at this pt. not making  
positive statement - wait till

I permit speaking of any city  
in standards for confidentiality  
any for 700

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y STATE CAPITOL  
JUNEAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

March 25, 1976

MEMORANDUM

TO: Representative Samuel Cotten, Chairman,  
House Community and Regional Affairs Committee

ATTN: Barbara Thomas, Administrative Assistant

FROM: Greg Machyowsky, Legislative Counsel

SUBJECT: Draft of proposed CS for HB 322 (unification of local governments)

On further review of the draft of the proposed committee substitute bill furnished yesterday, it appears that additional provisions should be inserted into the draft as follows:

Page 1, line 10, delete "A" and substitute: "Upon petition to the Local Boundary Commission setting out maps, documents and other information satisfying the standards for organized borough incorporation and approval of the petition, a"

Page 2, line 18, delete "Outside an organized borough two or more cities" and substitute: "Upon petition to the Local Boundary Commission setting out maps, documents and other information satisfying the standards for organized borough incorporation and approval of the petition, two or more cities located outside an organized borough and".

The reason for the additional provisions is to insure compliance with Article X, Section 3 of the state constitution requiring that boroughs be established according to standards provided by law. Since the unified municipality authorized under AS 29.68.240-29.68.440 has apparent organized borough status, the standards currently provided by law for organized borough incorporation would seem to require satisfaction as a prerequisite to incorporation of a city or cities as a unified municipality under the new sections to the unification law added by the proposed bill.

A revised draft of the proposed bill reflecting the changes noted above is being prepared; in the meantime I thought it advisable to furnish this memorandum in case the committee is presently considering the draft.

*Greg Machyowsky*

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 24, 1976

TO: Representative Samuel Cotten  
Chairman, House Committee on  
Community and Regional Affairs

ATTN: Barbara Thomas, Admin. Asst.

FROM: Greg Machyowsky, Legislative Counsel

SUBJECT: Attached bill (relating to unification of local  
governments)

The bill request, reflecting the recommendation of the Department of Community and Regional Affairs, calls for the procedures of AS 29.68.240 - 29.68.440 relating to home rule unified municipalities to be adapted and extended to apparently four categories:

- (1) a city outside an organized borough
- (2) a group of cities outside an organized borough
- (3) a group of unincorporated communities outside an organized borough
- (4) a combination of (2) and (3).

It would appear that only (1) and (2) are appropriate for inclusion in the bill because of Article X, Section 10 of the state constitution which limits the extension of home rule government to cities and boroughs. To permit unincorporated communities to assume home rule status immediately through application of the unification law, or cities to include unincorporated communities in a unification plan (without at least prior annexation of the unincorporated communities), would seem to contravene that provision. I've therefore limited application of the requested bill to a city in the unorganized borough and to two or more cities in the unorganized borough having contiguous boundaries and seeking to come under the unification law.

In the very short time available for execution of this request, I have thought it advisable to prepare the bill in draft form only.

GM/dd