

LEG. FINANCE - BILLS 1983 - 1984 1851

HB 172 Back-Up cont. 1851

1 Sec. 29.06.370. EFFECT OF THE CHARTER AFTER RATIFICATION. Upon
2 ratification, the home rule charter of a unified municipality operates
3 to dissolve all municipalities in the area unified in accordance with
4 the charter.

5 Sec. 29.06.380. ASSETS AND LIABILITIES. A unified municipality
6 shall succeed to all the assets and liabilities of the municipalities
7 it unified. A bonded indebtedness or other debt incurred before
8 unification remains the tax obligation of the area that contracted the
9 debt, except that by ordinance the tax obligation may be assumed by a
10 larger area if the governing body determines that the asset for which
11 the bonded indebtedness or other debt was incurred benefited the
12 larger area before unification, or benefits the larger area after
13 unification. However, bonded indebtedness or other debt for sewage
14 collection systems, water distribution systems, and streets, even if
15 determined to be benefiting a larger area than that which incurred the
16 debt, remains the tax obligation of the area that incurred the debt.

17 Sec. 29.06.390. TRANSITION. Within two years after ratification
18 of the home rule charter, the unified municipality shall revise,
19 repeal, or reaffirm all municipal ordinances, resolutions, and orders
20 in effect in the area of the unified municipality on the date of
21 unification. Each ordinance, resolution, regulation, or order in
22 effect on the date of unification remains in effect until superseded
23 by action of the unified municipality.

24 Sec. 29.06.400. RIGHT TO STATE AND FEDERAL AID. All provisions
25 of law authorizing aid from the state or federal government to a
26 former municipality that was in the area of a unified municipality
27 remain in effect after unification.

28 Sec. 29.06.410. POWERS OF A UNIFIED MUNICIPALITY. A municipal-
29 ity unified under AS 29.06.190 - 29.06.410 has all powers

1 (1) not prohibited by law or charter; and

2 (2) granted to a home rule borough.

3 Sec. 29.06.420. APPLICATION. AS 29.06.190 - 29.06.420 apply to
4 home rule and general law municipalities.

5 ARTICLE 5. DISSOLUTION.

6 Sec. 29.06.450. METHODS OF DISSOLUTION. (a) Two petition
7 methods may be used to initiate dissolution of a municipality;

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 AS 29.06.460 -
11 29.06.510.

12 (b) The department shall investigate a municipality that it con-
13 sidered to be inactive and shall report to the Local Boundary Commis-
14 sion on the status of the municipality. The commission may submit its
15 recommendation to the legislature that the municipality be dissolved
16 in the manner provided for submission of boundary changes in art. X,
17 sec. 12 of the state constitution.

18 (c) A borough is dissolved when its entire territory is included
19 in a home rule or first class city or cities. A city is dissolved
20 when all its powers become areawide borough powers.

21 Sec. 29.06.460. PETITION. (a) Voters of a municipality may
22 file a dissolution petition with the department in the form prescribed
23 by the department. The petition must be signed by a number of voters
24 equal to at least 25 percent of the number of votes cast in the last
25 regular election in that municipality.

26 (b) The petition must include

27 (1) the name of the municipality;

28 (2) maps, documents, and other information showing that the
29 municipality meets the standards for dissolution.

1 Sec. 29.06.470. STANDARDS. (a) Except as provided in (b) of
2 this section, voters of a municipality may petition for dissolution
3 when the municipality is free of debt, or, if in debt, each of its
4 creditors is satisfied with a method of repayment and

5 (1) it no longer meets the minimum standards prescribed for
6 incorporation by AS 29.05, or former AS 29.18.030 if it is a third
7 class borough; or

8 (2) the municipality ceases to use each of its mandatory
9 powers,

10 (b) Voters of a city in a borough may petition for dissolution
11 of the city if the borough consents to assume the city's rights,
12 powers, duties, assets, and liabilities. The consent must be ratified
13 by a majority of borough voters voting on the question.

14 Sec. 29.06.480. REVIEW. (a) The department shall review a dis-
15 solution petition for content and signatures, and shall return a defi-
16 cient petition for correction or completion.

17 (b) If the petition contains the required information and signa-
18 tures, the department shall investigate the proposal.

19 Sec. 29.06.490. REPORT AND HEARING. (a) The department shall
20 report its findings to the Local Boundary Commission with its recom-
21 mendation regarding the dissolution of a municipality.

22 (b) The Local Boundary Commission shall hold at least one public
23 hearing in the municipality proposed to be dissolved.

24 Sec. 29.06.500. DECISION. (a) If the Local Boundary Commission
25 determines that a municipality fails to meet the standards for disso-
26 lution, it shall reject the petition. If the commission determines
27 that the municipality meets the standards, it shall accept the peti-
28 tion.

29 (b) A Local Boundary Commission decision under this section may

1 be appealed under the Administrative Procedure Act (AS 44.62).

2 Sec. 29.06.510. ELECTION. (a) The Local Boundary Commission
3 shall immediately notify the director of elections of its acceptance
4 of a dissolution petition. Within 30 days after notification, the
5 director of elections shall order an election in the municipality to
6 determine whether the voters desire dissolution. The election must be
7 held at least 30 and not more than 90 days after the election order.
8 A person who is a voter of the municipality may vote in the dissolu-
9 tion election.

10 (b) The director of elections shall supervise the election in
11 the general manner prescribed by the Alaska Election Code (AS 15).
12 The state shall pay all election costs.

13 (c) The director of elections shall certify the election re-
14 sults. If dissolution is approved, the director of elections shall
15 declare that the municipality is dissolved effective on the date of
16 certification.

17 Sec. 29.06.520. SUCCESSION. The government succeeding to a dis-
18 solved municipality succeeds to all its rights, powers, duties, as-
19 sets, and liabilities.

20 Sec. 29.06.530. APPLICATION. AS 29.06.450 - 29.06.530 apply to
21 home rule and general law municipalities.

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

23 CHAPTER 10. HOME RULE MUNICIPALITIES.

24 ARTICLE 1. CHARTERS.

25 Sec. 29.10.010. MUNICIPAL CHARTER ADOPTION. (a) A general law
26 borough or first class city may adopt a charter for its own govern-
27 ment. A second class city may adopt a charter for its own government
28 if the department determines from the best figures available that the
29 population of the city is at least 600 permanent residents.

1 (b) At an election to incorporate as a city, an unincorporated
2 community with at least 600 permanent residents may adopt a charter
3 for its own government and incorporate as a home rule municipality.

4 (c) At an election for borough incorporation, an area in the
5 unorganized borough may adopt a charter for its own government and in-
6 corporate as a home rule municipality.

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

8 (e) A proposed charter for an existing municipality is prepared
9 by a charter commission of seven elected members. A charter commis-
10 sion election is called by filing a petition with the governing body
11 or by resolution of the governing body. The petition shall be signed
12 by a number of voters equal to 15 percent of the votes cast in the
13 last regular election in the municipality.

14 (f) The proposed charter for an unincorporated community or an
15 area of the unorganized borough shall be prepared by the petitioners
16 and filed under AS 29.05.060 with the petition to incorporate a home
17 rule municipality.

18 Sec. 29.10.020. MODEL CHARTERS. The department shall prepare at
19 least one model home rule charter for a borough and at least one model
20 home rule charter for a city. The model charters shall be made avail-
21 able to persons interested in filing a petition to incorporate a home
22 rule municipality under AS 29.05.060.

23 Sec. 29.10.030. INITIATIVE AND REFERENDUM. (a) A home rule
24 charter shall provide procedures for initiative and referendum.

25 (b) A charter may not require an initiative or referendum peti-
26 tion to have a number of signatures greater than 25 percent of the
27 total votes cast in the municipality at the last regular election.

28 (c) A charter may not permit the initiative and referendum to be
29 used for a purpose prohibited by art. XI, sec. 7 of the state

1 constitution.

2 Sec. 29.10.040. CHARTER COMMISSION CANDIDATES. (a) A candidate
3 for a charter commission shall be a voter of an existing municipality
4 for three years immediately preceding the charter commission election.

5 (b) A charter commission candidate is nominated by a petition
6 signed by at least 50 voters or the number of voters equal to 10
7 percent of the number of votes cast in the municipality during the
8 last regular election, whichever is less. A nomination petition shall
9 be filed with the municipal clerk on or before a date fixed by the
10 governing body.

11 (c) If at least seven nominations for qualified charter commis-
12 sion candidates are not filed, the petition or resolution calling for
13 a charter commission is void and no election on the question may be
14 held.

15 Sec. 29.10.050. CHARTER COMMISSION ELECTION. At a charter com-
16 mission election the voters of an existing municipality shall consider
17 the question "Shall a charter commission be elected to prepare a pro-
18 posed charter?" and shall elect the members of the commission. If the
19 question is approved, the seven candidates receiving the highest
20 number of votes shall immediately organize as a charter commission.

21 Sec. 29.10.060. PREPARATION OF CHARTER BY CHARTER COMMISSION.
22 The charter commission shall, within one year, prepare a proposed home
23 rule charter for an existing municipality. The proposed charter shall
24 be signed by a majority of the members of the commission and filed in
25 the office of the municipal clerk. Within 15 days, the clerk shall
26 have the proposed charter published and make copies available. The
27 commission shall give published notice of and hold at least one public
28 hearing on the proposed charter before the signing and filing of the
29 charter.

1 Sec. 29.10.070. CHARTER ELECTION. The proposed home rule char-
2 ter for an existing municipality shall be submitted to the voters at
3 an election held not less than 30 days or more than 90 days after the
4 proposed charter is published. The proposed home rule charter for an
5 unincorporated community or for an area in the unorganized borough
6 shall be submitted to the voters at an incorporation election held
7 under AS 29.05.110.

8 Sec. 29.10.080. CHARTER ADOPTION. (a) If a majority of those
9 voting in an existing municipality favor the proposed charter or if a
10 majority of those voting in an unincorporated community or in an area
11 in the unorganized borough favor incorporation of a home rule
12 municipality, the proposed charter becomes the organic law of the
13 municipality effective on the date the election is certified.
14 Thereafter, a court shall take judicial notice of the charter. The
15 new home rule municipality shall file the indicated number of copies
16 of the charter with

- 17 (1) the lieutenant governor -- two copies;
18 (2) the department -- two copies;
19 (3) the district recorder -- one copy;
20 (4) the municipal clerk -- one copy.

21 (b) At the time of voting on the proposed charter in a third
22 class borough, voters shall vote also on whether the borough shall, on
23 adoption of the charter, retain a combined assembly and school board
24 or elect a separate assembly and board as otherwise provided for home
25 rule boroughs. If a combined assembly and school board are approved
26 at the charter election, the assembly serving at the time of the
27 election continues to serve as the assembly and board on voter ap-
28 proval of the charter and until terms of assembly members expire as
29 provided before adoption of the charter. If a separate board and

1 assembly are approved at the charter election, a school board shall be
2 elected in conformity with AS 14.12.030 - 14.12.100 at the next regu-
3 lar election, if it occurs within 90 days of the date of the charter
4 election, or otherwise at a special election within 90 days of the
5 date of the charter election. Expiration dates of terms of school
6 board members elected at a special election must coincide with the
7 date of the regular election. Until a board is elected and qualified,
8 the assembly continues to serve as the board.

9 Sec. 29.10.090. CHARTER REJECTION. (a) If a proposed charter
10 for an existing municipality is rejected, the charter commission shall
11 prepare another proposed charter to be submitted to the voters at an
12 election to be held within one year after the date of the first char-
13 ter election. If the second proposed charter is also rejected, the
14 charter commission shall be dissolved and the question of adoption of
15 a charter shall be treated as if it had never been proposed or ap-
16 proved.

17 (b) If incorporation of a home rule municipality is rejected by
18 the voters in an unincorporated community or area in the unorganized
19 borough, the proposed charter is rejected.

20 Sec. 29.10.100. CHARTER AMENDMENT. (a) A home rule charter may
21 be amended as provided in the charter, except that no amendment is
22 effective unless ratified by the voters.

23 (b) This section applies to home rule municipalities.

24 ARTICLE 2. HOME RULE LIMITATIONS.

25 Sec. 29.10.200. LIMITATION OF HOME RULE POWERS. Only the fol-
26 lowing provisions of this title apply to home rule municipalities as
27 prohibitions on acting otherwise than as provided. These provisions
28 supersede existing and prohibit future home rule enactments that
29 provide otherwise:

- 1 (1) AS 29.05.140 (transition)
- 2 (2) AS 29.06.010 (change of municipal name)
- 3 (3) AS 29.06.040 - 29.06.060 (annexation and detachment)
- 4 (4) AS 29.06.090 - 29.06.170 (merger and consolidation)
- 5 (5) AS 29.06.190 - 29.06.420 (unification of municipali-
- 6 ties)
- 7 (6) AS 29.06.450 - 29.06.530 (dissolution)
- 8 (7) AS 29.10.100 (charter amendment)
- 9 (8) AS 29.20.010 (conflict of interest)
- 10 (9) AS 29.20.020 (meetings public)
- 11 (10) AS 29.20.050 (legislative power)
- 12 (11) AS 29.20.060 - 29.20.120 (assembly composition and
- 13 apportionment)
- 14 (12) AS 29.20.140 (qualifications of members of governing
- 15 bodies)
- 16 (13) AS 29.20.150 (term of office)
- 17 (14) AS 29.20.220 (executive power)
- 18 (15) AS 29.20.630 (prohibitions)
- 19 (16) AS 29.20.640 (reports)
- 20 (17) AS 29.25.010(a)(10) (municipal exemption on contractor
- 21 bond requirements)
- 22 (18) AS 29.25.050 (codification)
- 23 (19) AS 29.25.060 (resolutions)
- 24 (20) AS 29.26.030 (notice of elections)
- 25 (21) AS 29.26.050 (voter qualification)
- 26 (22) AS 29.26.250 - 29.26.360 (recall)
- 27 (23) AS 29.35.020 (extraterritorial jurisdiction)
- 28 (24) AS 29.35.030 (eminent domain)
- 29 (25) AS 29.35.050 (garbage and solid waste services)

- 1 (26) AS 29.35.070 (public utilities)
2 (27) AS 29.35.080 (alcoholic beverages)
3 (28) AS 29.35.120 (post audit)
4 (29) AS 29.35.160 (education)
5 (30) AS 29.35.170(b) (assessment and collection of taxes)
6 (31) AS 29.35.180(b) (land use regulation)
7 (32) AS 29.35.250 (cities inside boroughs)
8 (33) AS 29.35.260 (cities outside boroughs)
9 (34) AS 29.35.340 (acquisition of areawide power)
10 (35) AS 29.40.160(a) - (c) (title to vacated areas)
11 (36) AS 29.40.200 (subdivisions of state land)
12 (37) AS 29.53.010 - 29.53.400 (property taxes)
13 (38) AS 29.53.415(d) (sales and use tax)
14 (39) AS 29.46.090 (exemption from special assessment)
15 (40) AS 29.47.200(b) (security for bonds)
16 (41) AS 29.47.260 (construction)
17 (42) AS 29.60.050(a) (limitation on computation and use of
18 payment)
19 (43) AS 29.60.120(a) and (c) (state aid for health facili-
20 ties and hospitals)
21 (44) AS 29.60.230 (state aid for hospital and health facil-
22 ity construction)
23 (45) AS 29.65.010 - 29.65.140 (general grant land)

24 * Sec. 6. AS 29 is amended by adding a new chapter to read:

25 CHAPTER 20. MUNICIPAL OFFICERS AND EMPLOYEES.

26 ARTICLE 1. CONFLICT OF INTEREST AND PUBLIC MEETINGS.

27 Sec. 29.20.010. CONFLICT OF INTEREST. (a) Each municipality
28 shall adopt a conflict of interest ordinance that provides that

29 (1) a member of the governing body shall declare a

1 substantial financial interest the member has in an official action
2 and ask to be excused from a vote on the matter;

3 (2) the presiding officer shall rule on a request by a
4 member of the governing body to be excused from a vote;

5 (3) the decision of the presiding officer on a request by a
6 member of the governing body to be excused from a vote may be
7 overridden by the majority vote of the governing body; and

8 (4) a municipal employee or official, other than a member
9 of the governing body, may not participate in an official action in
10 which the employee or official has a substantial financial interest.

11 (b) If a municipality fails to adopt a conflict of interest
12 ordinance within 180 days after July 1, 1984, the provisions of this
13 section are automatically applicable to and binding upon that
14 municipality.

15 (c) This section applies to home rule and general law municipal-
16 ities.

17 Sec. 29.20.020. MEETINGS PUBLIC. (a) Meetings of all municipal
18 bodies shall be public as provided in AS 44.62.310. The governing
19 body shall provide reasonable opportunity for the public to be heard
20 at regular and special meetings.

21 (b) This section applies to home rule and general law municipal-
22 ities.

23 ARTICLE 2. GOVERNING BODIES.

24 Sec. 29.20.050. LEGISLATIVE POWER. (a) The legislative power
25 of a borough is vested in the assembly. The legislative power of a
26 city is vested in the council.

27 (b) This section applies to home rule and general law municipal-
28 ities.

29 Sec. 29.20.060. ASSEMBLY COMPOSITION AND APPORTIONMENT. (a)

1 Assembly composition and apportionment shall be consistent with the
2 equal representation standards of the Constitution of the United
3 States.

4 (b) The assembly of a newly incorporated borough is, after
5 incorporation and until the adoption of an ordinance providing for a
6 change in composition or apportionment, composed of the number of
7 members and apportioned as set out in the incorporation petition
8 approved by the voters. If the borough is already incorporated, the
9 assembly shall be composed and apportioned in a manner that is consis-
10 tent with the requirements of this section and prescribed by charter
11 or ordinance.

12 (c) An assembly may not provide for weighted voting.

13 (d) A member of the assembly may not be elected or appointed by
14 and from the council of a city in the borough.

15 (e) This section applies to home rule and general law municipal-
16 ities.

17 Sec. 29.20.070. ASSEMBLY COMPOSITION AND FORM OF REPRESENTATION.

18 (a) The assembly shall provide for its composition and for the form
19 of its representation.

20 (b) Not later than the first regular election that occurs after
21 the report of a federal decennial census, the assembly shall propose
22 and submit to the voters of the borough, at that regular election or
23 at a special election called for the purpose, one or more forms of
24 assembly representation. The forms of representation that the assem-
25 bly may submit to the voters are:

26 (1) election of members of the assembly at large by the
27 voters throughout the borough;

28 (2) election of members of the assembly by district, in-
29 cluding

1 (A) election at large by the voters throughout the
2 borough, but with a requirement that a candidate live in an
3 election district established by the borough for election of
4 assembly members; or

5 (B) election from election districts established by
6 the borough for the election of assembly members by the voters of
7 a district;

8 (3) election of members of the assembly both at large and
9 by district.

10 (c) A form of assembly representation that includes election of
11 assembly members under (b)(2) or (b)(3) of this section shall be sub-
12 mitted to the voters of the borough with a plan of apportionment as
13 required by AS 29.20.080.

14 (d) The assembly shall, within 30 days after certification of
15 the results of the election held under this section, adopt an ordi-
16 nance providing for

17 (1) composition of the assembly;

18 (2) the form of assembly representation that received the
19 most votes; and

20 (3) if applicable, the apportionment of assembly seats in
21 accordance with the form of representation that received the most
22 votes.

23 (e) This section applies to home rule and general law
24 municipalities, except it does not apply to a

25 (1) unified municipality;

26 (2) home rule borough if the home rule charter contains
27 procedures for changing assembly composition and form of representa-
28 tion.

29 Sec. 29.20.080. ASSEMBLY RECOMPOSITION AND REAPPORTIONMENT. (a)

1 Not later than two months after the official report of a federal de-
2 cennial census, the assembly shall determine and declare by resolution
3 whether the existing apportionment of the assembly meets the standards
4 of AS 29.20.060. If the assembly submits to the voters a form of
5 representation that includes election of assembly members under
6 AS 29.20.070(b)(2) or (b)(3) the assembly shall submit with the propo-
7 sition a proposed plan of apportionment that corresponds to the form
8 of representation proposed. The assembly shall describe the plan of
9 apportionment in the ballot proposition, and may present the plan in
10 any manner that it believes accurately describes the apportionment
11 that is proposed under the form of representation. If the assembly
12 determines that its existing apportionment meets the standards of
13 AS 29.20.060, the assembly may include the existing apportionment as a
14 proposed plan of apportionment of assembly seats that corresponds to a
15 form of representation that is proposed.

16 (b) The assembly shall provide, by ordinance, for a change in an
17 existing apportionment of the assembly whenever it determines that the
18 apportionment does not meet the standards of AS 29.20.060. At the
19 same time, the assembly may, by ordinance, change the composition of
20 the assembly.

21 (c) If a petition signed by not less than 50 voters requests the
22 assembly to determine whether the existing apportionment meets the
23 standards for apportionment in AS 29.20.060, and the petition contains
24 evidence that the existing apportionment does not meet those stan-
25 dards, the assembly may make the determination requested. The assem-
26 bly shall make a determination required by this subsection within two
27 months of receipt of a petition that meets the requirements of this
28 subsection.

29 (d) An ordinance adopted by the assembly under (b) or (c) of

1 this section shall be submitted to the voters for approval. In order
2 for the ordinance to be approved it must receive the approval of a
3 majority of the votes cast.

4 (e) Within six months after a determination by the assembly
5 under (b) or (c) of this section that the current apportionment does
6 not meet the standards of AS 29.20.060 the assembly shall adopt an
7 ordinance providing for reapportionment and submit the ordinance to
8 the voters. If, at the end of the six-month time period, an ordinance
9 providing for reapportionment has not been approved by the voters, the
10 commissioner shall provide for the reapportionment in accordance with
11 the standards of AS 29.20.060 by preparing an order of reapportionment
12 and delivering the order to the borough mayor.

13 Sec. 29.20.090. APPORTIONMENT APPEALS. (a) A reapportionment
14 ordinance approved by the voters, or a decision of the assembly that
15 the standards of AS 29.20.060 do not require a change in apportion-
16 ment, may be appealed to the commissioner. Fifty voters may submit a
17 petition to the commissioner requesting the commissioner to determine
18 whether the proposed reapportionment ordinance approved by the voters
19 meets the standards of AS 29.20.060 or whether a decision of the
20 assembly that the standards of AS 29.20.060 do not require a change of
21 apportionment is correct. If the petition asks the commissioner to
22 review an ordinance approved by the voters under AS 29.20.080(e), the
23 petition shall be delivered to the commissioner not later than 20 days
24 after certification of the election. If the petition asks the commis-
25 sioner to review a decision of the assembly under AS 29.20.080(c), the
26 petition shall be delivered to the commissioner within 20 days of the
27 decision of the assembly.

28 (b) The commissioner shall review the petition and may make the
29 determination requested. The commissioner shall provide copies of the

1 determination to the persons petitioning for appeal and to borough
2 officials not later than 60 days after the commissioner receives the
3 petition.

4 (c) If the commissioner determines that the proposed reapportionment ordinance approved by the voters does not meet the standards
5 of AS 29.20.060, or if the commissioner determines that the decision
6 of the assembly that the standards of AS 29.20.060 do not require a
7 change of apportionment is not correct, the commissioner shall, by
8 order, direct the assembly to prepare a reapportionment ordinance that
9 meets the standards of AS 29.20.060 and submit the ordinance to the
10 voters.
11

12 (d) When the assembly has been directed by the commissioner to
13 prepare a reapportionment ordinance under (c) of this section, the
14 assembly shall, within two months after its receipt of the commis-
15 sioner's order, adopt an ordinance providing for reapportionment. The
16 assembly shall submit an ordinance adopted under this subsection to
17 the voters at an election held within 60 days after the date of adop-
18 tion of the reapportionment ordinance.

19 (e) If at the end of the time period provided under (d) of this
20 section an ordinance providing for reapportionment has not been ap-
21 proved by the voters, the commissioner shall provide for the reappor-
22 tionment of the assembly in accordance with the standards of AS 29.-
23 20.060 by preparing an order of reapportionment and delivering the
24 order to the borough mayor.

25 Sec. 29.20.100. JUDICIAL REVIEW AND RELIEF. (a) The commis-
26 sioner may request the superior court to enforce a reapportionment
27 order issued under AS 29.20.090(e).

28 (b) Each of the following is subject to judicial review:

29 (1) a plan of reapportionment approved by the voters under

1 AS 29.20.080(a);

2 (2) a determination by the assembly under AS 29.20.080 that
3 the standards of AS 29.20.060 do not require a change in apportion-
4 ment;

5 (3) a reapportionment ordinance approved by the voters
6 under AS 29.20.080(d);

7 (4) a reapportionment order of the commissioner made under
8 AS 29.20.090(c);

9 (5) a reapportionment ordinance approved by the voters
10 under AS 29.20.090(d); and

11 (6) a reapportionment order of the commissioner made under
12 AS 29.20.090(e).

13 Sec. 29.20.110. EFFECTIVE DATE OF APPORTIONMENT. (a) A change
14 in assembly apportionment or composition under AS 29.20.080 or 29.20.-
15 090 is effective beginning with the first regular election for members
16 of the assembly that is held more than 60 days after the later of

17 (1) approval of a reapportionment ordinance by the voters
18 under AS 29.20.080(a), 29.20.080(e), or 29.20.090(d); or

19 (2) the delivery to the mayor of a reapportionment order of
20 the commissioner under AS 29.20.090(d).

21 (b) The provisions of (a) of this section do not apply to a
22 borough in which a change in assembly composition or apportionment is
23 subject to review and approval or determination of nonobjection by the
24 Attorney General of the United States under the Voting Rights Act of
25 1965, as amended (42 U.S.C. 1971 - 1974). A change in assembly compo-
26 sition or apportionment subject to review under the Voting Rights Act
27 of 1965, as amended, is effective beginning with the first regular
28 election for members of the assembly that is held more than 60 days
29 after

1 (1) receipt by the assembly of approval by the Attorney
2 General of the United States of the proposed change in the composition
3 or apportionment of the assembly;

4 (2) the delivery to the mayor of a reapportionment order of
5 the commissioner under AS 29.20.090(e); or

6 (3) the last day on which the Attorney General of the
7 United States may review a proposed change in the composition or
8 apportionment of the assembly.

9 Sec. 29.20.120. APPLICABILITY OF APPORTIONMENT PROVISIONS. The
10 provisions of AS 29.20.080 - 29.20.110 apply to home rule and general
11 law municipalities, except they do not apply to a

12 (1) unified municipality;

13 (2) home rule borough if the borough, by home rule charter,
14 provides for reapportionment of the assembly.

15 Sec. 29.20.130. CITY COUNCIL COMPOSITION. Each first class city
16 has a council of six members elected by the voters at large. Each
17 second class city has a council of seven members elected by the voters
18 at large. The council of a first or second class city may by ordi-
19 nance provide for election of members other than on an at-large basis
20 for all members.

21 Sec. 29.20.140. QUALIFICATIONS. (a) A borough voter is eligi-
22 ble to be a member of the assembly and a city voter is eligible to be
23 a member of the council. A member of the governing body who ceases to
24 be a voter in the municipality immediately forfeits office.

25 (b) A municipality may by ordinance establish a durational resi-
26 dency requirement not to exceed three years for members of the govern-
27 ing body.

28 (c) A municipality may by ordinance establish district residency
29 requirements for members of its governing body. A member of the

1 governing body who represents a district and who becomes a resident of
2 another district in the municipality continues to serve until the next
3 regular election unless provided otherwise by ordinance.

4 (d) Except by ordinance ratified by the voters, no limit may be
5 placed on the total number of terms or number of consecutive terms a
6 voter may serve on the governing body.

7 (e) This section applies to home rule and general law municipal-
8 ities.

9 Sec. 29.20.150. TERM OF OFFICE. (a) A member of the governing
10 body is elected for a three-year term and until a successor qualifies,
11 unless a different term not exceeding four years is prescribed by home
12 rule charter or ordinance.

13 (b) Except when otherwise required by a change in composition or
14 apportionment, if the term of a member of a governing body is changed
15 by charter or ordinance the term of the member holding office when the
16 change becomes effective is not affected.

17 (c) The regular term of office begins on the first Monday fol-
18 lowing certification of the election, unless a different date is pre-
19 scribed by charter or ordinance.

20 (d) This section applies to home rule and general law municipal-
21 ities.

22 Sec. 29.20.160. PROCEDURES OF GOVERNING BODIES. (a) The assem-
23 bly shall elect from among its members a presiding officer and a
24 deputy presiding officer to serve at the pleasure of the members,
25 except that in a borough that has adopted a manager form of government
26 under AS 29.20.460 - 29.20.510 the mayor serves as presiding officer.
27 In a city the mayor serves as presiding officer. If the presiding
28 officer is not present or if the presiding officer is personally
29 disqualified, the deputy presiding officer shall preside.

1 (b) A governing body shall hold at least one regular meeting
2 each month unless otherwise provided by ordinance. If a majority of
3 the members are given at least 24 hours oral or written notice and
4 reasonable efforts are made to notify all members, a special meeting
5 of the governing body may be held at the call of the presiding officer
6 or at least one-third of the members. A special meeting may be con-
7 ducted with less than 24 hours notice if all members are present or if
8 absent members have waived in writing the required notice. Waiver of
9 notice can be made before or after the special meeting is held. A
10 waiver of notice shall be made a part of the journal for the meeting.

11 (c) A majority of the total membership of a governing body
12 authorized by law constitutes a quorum. A member disqualified by law
13 from voting on a question may be considered present for purposes of
14 constituting a quorum. In the absence of a quorum any number of
15 members may recess or adjourn the meeting to a later date.

16 (d) Actions of a governing body are adopted by a majority of the
17 total membership of the body. Each member present shall vote on every
18 question, unless required to abstain from voting on a question by law.
19 The final vote of each member on each ordinance, resolution, or sub-
20 stantive motion shall be recorded "yes" or "no", except that if the
21 vote is unanimous it may be recorded "unanimous".

22 (e) A governing body shall maintain a journal of its official
23 proceedings that shall be a public record.

24 (f) To the extent otherwise permitted by law, a governing body
25 may determine by ordinance its own rules of procedure and order of
26 business.

27 Sec. 29.20.170. VACANCIES. The governing body may provide by
28 ordinance the manner in which a vacancy occurs in any elected office
29 except the office of mayor or school board member. Unless otherwise

1 provided by ordinance, the governing body shall declare an elective
2 office, other than the office of mayor or school board member, vacant
3 when the person elected

4 (1) fails to qualify or take office within 30 days after
5 election or appointment;

6 (2) is physically absent from the municipality for 90
7 consecutive days unless excused by the governing body;

8 (3) resigns and the resignation is accepted;

9 (4) is physically or mentally unable to perform the duties
10 of office as determined by two-thirds vote of the governing body;

11 (5) is convicted of a felony or of an offense involving a
12 violation of the oath of office;

13 (6) is convicted of a felony or misdemeanor described in
14 AS 15.56 and two-thirds of the members of the governing body concur in
15 expelling the person elected;

16 (7) is convicted of a violation of AS 15.13;

17 (8) no longer physically resides in the municipality and
18 the governing body by two-thirds vote declares the seat vacant; or

19 (9) if a member of the governing body, misses three consec-
20 utive regular meetings and is not excused.

21 Sec. 29.20.180. FILLING A VACANCY. (a) If a vacancy occurs in
22 a governing body, the remaining members shall, within 30 days unless a
23 different period is provided by ordinance, appoint a qualified person
24 to fill the vacancy. If less than 30 days remain in a term, a vacancy
25 may not be filled.

26 (b) Notwithstanding (a) of this section, if the membership is
27 reduced to fewer than the number required to constitute a quorum, the
28 remaining members shall, within seven days, appoint a number of quali-
29 fied persons to constitute a quorum.

1 (c) A person appointed under this section serves until the next
2 regular election, when a successor shall be elected to serve the
3 balance of the term.

4 ARTICLE 3. MUNICIPAL EXECUTIVE AND ADMINISTRATOR.

5 Sec. 29.20.220. EXECUTIVE POWER. (a) The executive power in a
6 municipality is vested in a mayor. The mayor of a home rule or uni-
7 fied municipality is elected by the voters. The mayors of other
8 municipalities are elected in accordance with AS 29.20.230.

9 (b) The mayor acts as ceremonial head of government, executes
10 official documents on authorization of the governing body, and is
11 responsible for additional duties and powers prescribed by this chap-
12 ter or by home rule charter.

13 (c) This section applies to home rule and general law municipal-
14 ities.

15 Sec. 29.20.230. ELECTION AND TERM OF MAYOR. (a) The mayor of a
16 borough or first class city is elected at large. The mayor of a
17 borough or first class city serves a term of three years, unless by
18 ordinance a different term not to exceed four years is provided. The
19 current term of an incumbent mayor may not be altered. The regular
20 term of a mayor of a borough or first class city begins on the first
21 Monday following certification of the election.

22 (b) The mayor of a second class city is elected by and from the
23 council, and serves until a successor is elected and qualifies. The
24 council of a second class city shall meet on the first Monday after
25 certification of the regular election and elect a mayor who takes
26 office immediately. The mayor of a second class city serves a one-
27 year term, unless a longer term is provided by ordinance. The mayor
28 of a second class city may serve only while a member of the council
29 regardless of the term established for the office of mayor.

1 (c) Except by ordinance ratified by the voters, no limit may be
2 placed on the total number of terms or number of consecutive terms a
3 mayor may serve.

4 Sec. 29.20.240. QUALIFICATIONS FOR THE OFFICE OF MAYOR. (a) A
5 voter of the municipality is eligible to hold the office of mayor in a
6 borough or first class city. A member of the city council is eligible
7 to hold the office of mayor in a second class city.

8 (b) Residency requirements for the office of mayor not exceeding
9 three years may be prescribed by ordinance.

10 Sec. 29.20.250. POWERS AND DUTIES OF MAYOR. (a) If a munici-
11 pality has not adopted a manager plan of government, the mayor is the
12 chief administrator and the mayor has the same powers and duties as
13 those of a manager under AS 29.20.500.

14 (b) The mayor may take part in the discussion of a matter before
15 the governing body. The mayor may not vote, except that the mayor of
16 a first class city or the mayor of a borough with a manager form of
17 government may vote in the case of a tie. The mayor of a second class
18 city, as a council member, may vote on all matters.

19 Sec. 29.20.260. EXECUTIVE ABSENCE. The borough mayor, subject
20 to assembly approval, shall designate a person to act as mayor during
21 the borough mayor's temporary absence or disability. If a manager
22 plan has been adopted, the assembly shall designate by resolution a
23 borough administrative official to act as manager during the manager's
24 absence or disability.

25 Sec. 29.20.270. VETO. (a) Except as provided in (c) and (d) of
26 this section, the mayor may veto an ordinance, resolution, motion, or
27 other action of the governing body and may strike or reduce appropria-
28 tion items.

29 (b) A veto must be exercised before the next regular meeting of

1 the governing body and must be accompanied by a written explanation of
2 the reasons for the veto. A veto may be overridden by vote of two-
3 thirds of the authorized membership of the governing body within 21
4 days following exercise of the veto, or at the next regular meeting,
5 whichever is later.

6 (c) The veto does not extend to

7 (1) appropriation items in a school budget ordinance;

8 (2) actions of the governing body sitting as the board of
9 equalization or the board of adjustment;

10 (3) adoption or repeal of a manager plan of government.

11 (d) The mayor of a second class city has no veto power.

12 Sec. 29.20.280. VACANCY IN THE OFFICE OF MAYOR. (a) The gov-
13 erning body shall, by two-thirds concurring vote, declare the office
14 of mayor vacant only when the person elected

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

17 (2) unless excused by the governing body, is physically
18 absent for 90 consecutive days;

19 (3) resigns and the resignation is accepted;

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

22 (5) is convicted of a felony or of an offense involving a
23 violation of the oath of office;

24 (6) is convicted of a felony or misdemeanor described in
25 AS 15.56;

26 (7) is convicted of a violation of AS 15.13;

27 (8) no longer physically resides in the municipality; or

28 (9) if a member of the governing body in a second class
29 city, misses three consecutive regular meetings and is not excused.

1 (b) A vacancy in the office of mayor occurring six months before
2 a regular election shall be filled by the governing body. The person
3 appointed serves until the next regular election when a successor is
4 elected to serve the balance of the term. If a member of the govern-
5 ing body is appointed mayor, the member shall resign the seat on the
6 governing body. If a vacancy occurs more than six months before a
7 regular election, the governing body shall call a special election to
8 fill the unexpired term.

9 (c) Notwithstanding (b) of this section, a vacancy in the office
10 of mayor of a second class city shall be filled by and from the coun-
11 cil. A mayor appointed under this subsection serves the balance of
12 the term to which appointed, except the mayor may serve only while a
13 member of the council.

14 ARTICLE 4. BOARDS AND COMMISSIONS.

15 Sec. 29.20.300. SCHOOL BOARDS. (a) Each municipal school dis-
16 trict has a school board. Except as provided in (b) of this section,
17 members of a school board are elected at the regular election for
18 three-year terms and until their successors take office. Members are
19 elected at large unless a different method of election has been ap-
20 proved by the voters in a regular election.

21 (b) The assembly is the school board for a third class borough.
22 The mayor is the presiding officer of the assembly and president of
23 the school board. However, the mayor may not veto an action of the
24 school board.

25 Sec. 29.20.310. UTILITY BOARDS. (a) The governing body of a
26 municipality operating a public utility may provide by ordinance for a
27 utility board of five members and define the board's powers and
28 duties.

29 (b) As determined by ordinance, members of a utility board are

1 either appointed by the mayor and confirmed by the governing body or
2 are elected at a regular election. The term of a utility board member
3 is two years and until a successor is selected and qualifies. How-
4 ever, the governing body may by ordinance provide for a different term
5 not to exceed four years. The current term of an elected incumbent
6 may not be altered.

7 (c) Vacancies on a utility board are filled by the mayor.
8 Executive appointments shall be confirmed by the governing body. A
9 person appointed to fill a vacancy on a utility board serves until the
10 expiration of the term for which appointed and until a successor is
11 elected and qualifies.

12 (d) Unless otherwise provided by ordinance, a utility board
13 shall

14 (1) choose its chairman and secretary;

15 (2) appoint the manager of the public utility for a term
16 not longer than five years and set the manager's salary;

17 (3) formulate and enforce the general rules and policies of
18 the utility.

19 Sec. 29.20.320. OTHER BOARDS AND COMMISSIONS. (a) The govern-
20 ing body may by ordinance establish advisory, administrative, techni-
21 cal, or quasi-judicial boards and commissions.

22 (b) Members of boards and commissions, except for members of the
23 board of adjustment and assembly members serving on the board of
24 equalization, are appointed by the mayor and confirmed by the govern-
25 ing body.

26 ARTICLE 5. OTHER OFFICIALS AND EMPLOYEES.

27 Sec. 29.20.360. APPOINTMENT OF OFFICIALS. Unless otherwise pro-
28 vided by ordinance, the municipal clerk, attorney, treasurer, and
29 police chief are appointed by the chief administrator. Unless

1 otherwise provided by ordinance, an official described in this section
2 serves at the pleasure of the appointing authority and, if appointed
3 by the chief administrator, must be confirmed by the governing body.

4 Sec. 29.20.370. MUNICIPAL ATTORNEY. The municipal attorney is
5 the legal advisor of the governing body, the school board, and the
6 other officials of the municipality. The municipal attorney repre-
7 sents the municipality as attorney in civil and criminal proceedings.
8 The school board may hire independent counsel when in its judgment
9 independent counsel is needed.

10 Sec. 29.20.380. MUNICIPAL CLERK. (a) The municipal clerk shall

11 (1) give notice of the time and place of meetings of the
12 governing body to the governing body and to the public;

13 (2) attend meetings of the governing body and keep the
14 journal;

15 (3) arrange publication of notices, ordinances, and resolu-
16 tions;

17 (4) maintain and make available for public inspection an
18 indexed file containing municipal ordinances, resolutions, rules,
19 regulations, and codes;

20 (5) attest deeds and other documents;

21 (6) perform other duties specified in this title or pre-
22 scribed by the chief administrator or by the governing body.

23 (b) The governing body may combine the office of clerk with that
24 of treasurer. If the offices are combined, the clerk-treasurer shall,
25 as required of the treasurer, give bond to the municipality for the
26 faithful performance of the duties as clerk-treasurer.

27 Sec. 29.20.390. MUNICIPAL TREASURER. (a) Except as provided in
28 AS 14.14.060, the treasurer is the custodian of all municipal funds.
29 The treasurer shall keep an itemized account of money received and

1 more.

2 Sec. 29.20.470. ELECTION ON ADOPTION OF MANAGER PLAN. On re-
3 ceipt of a petition to adopt a manager plan or on its own motion to
4 adopt a manager plan, the governing body shall provide by ordinance or
5 resolution for a vote on the question at the next election.

6 Sec. 29.20.480. ADOPTION OF MANAGER PLAN. (a) If a manager
7 plan is approved, the governing body shall, within 60 days, adopt the
8 plan by ordinance or resolution.

9 (b) The governing body shall notify the department of the adop-
10 tion of a manager plan.

11 Sec. 29.20.490. APPOINTMENT OF MANAGER. (a) The governing body
12 shall appoint a manager by a majority vote of its membership. A
13 manager is chosen on the basis of administrative qualifications and
14 receives the compensation set by the governing body. A member of the
15 governing body may not be appointed manager of the municipality sooner
16 than one year after leaving office, except by a vote of three-fourths
17 of the authorized membership of the governing body.

18 (b) Subject to the contract of employment, the manager holds
19 office at the pleasure of the governing body.

20 Sec. 29.20.500. POWERS AND DUTIES OF A MANAGER: The manager may
21 hire necessary administrative assistants and may authorize an adminis-
22 trative official to appoint, suspend, or remove subordinates. As
23 chief administrator the manager shall

24 (1) appoint, suspend, or remove municipal employees and
25 administrative officials, except as provided otherwise in this title
26 and AS 14.14.065;

27 (2) supervise the enforcement of municipal law and carry
28 out the directives of the governing body;

29 (3) prepare and submit an annual budget and capital

1 improvement program for consideration by the governing body, and
2 execute the budget and capital improvement program adopted;

3 (4) make monthly financial reports and other reports on
4 municipal finances and operations as required by the governing body;

5 (5) exercise custody over all real and personal property of
6 the municipality, except property of the school district;

7 (6) perform other duties required by law or by the govern-
8 ing body; and

9 (7) serve as personnel officer, unless the governing body
10 authorizes the manager to appoint a personnel officer.

11 Sec. 29.20.510. INTERGOVERNMENTAL APPOINTMENT OF MANAGER. A
12 borough adopting a manager plan may, on agreement with a city in the
13 borough, provide that the manager of the city serve also as borough
14 manager. A city adopting a manager plan may, on agreement with the
15 borough in which it is located, provide that the manager of the bor-
16 ough serve also as city manager. Appointment and service of the
17 manager shall be as provided in AS 29.20.490 - 29.20.500. Nothing in
18 this section affects the authority of the governing body to provide
19 for other dual officeholding if the dual offices held are compatible,
20 or otherwise to appoint officials and employees in accordance with
21 law.

22 Sec. 29.20.520. REPEAL OF MANAGER PLAN. A municipality may
23 repeal a manager plan in the same manner used for its adoption.
24 Within 60 days after repeal of a manager plan, the governing body
25 shall enact provisions for the reorganization of the municipal execu-
26 tive and administrative functions.

27 ARTICLE 7. MISCELLANEOUS PROVISIONS.

28 Sec. 29.20.600. OATHS OF OFFICE. Before taking office a municip-
29 al official shall affirm in writing that the duties of the office

1 will be honestly, faithfully, and impartially performed by the offi-
2 cial. The oath is filed with the municipal clerk.

3 Sec. 29.20.610. BONDING. The manager and the other municipal
4 officials or employees that the governing body may designate shall
5 give bond in the amount and with the surety prescribed by the govern-
6 ing body. Premiums on bonds are paid by the municipality.

7 Sec. 29.20.620. COMPENSATION FOR ELECTED OFFICIALS. The govern-
8 ing body shall by ordinance provide a method of determining the sal-
9 aries of elected officials. The salary of the mayor may not be re-
10 duced during the term of office of the mayor, unless during the term a
11 manager plan is adopted. An elected official may not receive com-
12 pensation for service to the municipality in addition to the salary
13 received as an elected official, unless otherwise provided by ordi-
14 nance. Per diem payments or reimbursements for expenses are not
15 compensation under this section.

16 Sec. 29.20.630. PROHIBITIONS: (a) Subject to AS 14.14.140, a
17 state employee or school district employee may not be denied the right
18 to serve as an elected municipal official because of employment by the
19 state or a school district. For purposes of this section a school
20 district employee is not a municipal employee.

21 (b) This section applies to home rule and general law municipal-
22 ities.

23 Sec. 29.20.640. REPORTS. (a) A municipality shall file with
24 the department

25 (1) maps and descriptions of all annexed or detached ter-
26 ritory;

27 (2) a copy of the annual audit, or, for a second class
28 city, an audit or statement of annual income and expenditures;

29 (3) tax assessment and tax levy figures as requested;

1 (4) a copy of the current annual budget of the municipal-
2 ity;

3 (5) a summary of the optional property tax exemptions
4 authorized together with the estimate of the revenues lost to the
5 municipality by operation of each of the exemptions.

6 (b) Compliance with the provisions of this section is a prereq-
7 uisite to receipt of municipal tax resource equalization assistance
8 under AS 29.60.010 - 29.60.080 and state aid for miscellaneous munici-
9 pal services under AS 29.60.100 - 29.60.180. If a municipality does
10 not comply with this section, the department shall withhold the allo-
11 cations until the required reports are filed.

12 (c) This section applies to home rule and general law municipal-
13 ities.

14 * Sec. 7. AS 29 is amended by adding a new chapter to read:

15 CHAPTER 25. MUNICIPAL ENACTMENTS.

16 Sec. 29.25.010. ACTS REQUIRED TO BE BY ORDINANCE. (a) In addi-
17 tion to other actions that this title requires to be by ordinance, the
18 governing body of a municipality shall use ordinances to

19 (1) establish, alter, or abolish municipal departments;

20 (2) provide for a fine or other penalty, or establish rules
21 or regulations for violation of which a fine or other penalty is im-
22 posed;

23 (3) provide for the levying of taxes;

24 (4) make appropriations, including supplemental appropria-
25 tions or transfer of appropriations;

26 (5) grant, renew, or extend a franchise;

27 (6) adopt, modify, or repeal the comprehensive plan, land
28 use and subdivision regulations, building and housing codes, and the
29 official map;

1 (7) approve the transfer of a power to a first or second
2 class borough from a city;

3 (8) designate the borough seat;

4 (9) provide for the retention or sale of tax-foreclosed
5 property;

6 (10) exempt contractors from compliance with general re-
7 quirements relating to payment and performance bonds in the construc-
8 tion or repair of municipal public works projects within the limita-
9 tions set out in AS 36.25.025; this paragraph applies to home rule and
10 general law municipalities.

11 (b) This section grants no authority but requires the governing
12 body to use ordinances in exercising certain of its powers.

13 Sec. 29.25.020. ORDINANCE PROCEDURE. (a) An ordinance is
14 introduced in writing in the form required by the governing body.

15 (b) The following procedure governs the enactment of all ordi-
16 nances, except emergency ordinances:

17 (1) an ordinance may be introduced by a member or committee
18 of the governing body, or by the mayor or manager;

19 (2) an ordinance shall be set by the governing body for a
20 public hearing by the affirmative vote of a majority of the votes
21 authorized on the question;

22 (3) at least five days before the public hearing a summary
23 of the ordinance shall be published together with a notice of the time
24 and place for the hearing;

25 (4) copies of the ordinance shall be available to all
26 persons present at the hearing, or the ordinance shall be read in
27 full;

28 (5) during the hearing the governing body shall hear all
29 interested persons wishing to be heard;

1 (6) after the public hearing the governing body shall
2 consider the ordinance, and may adopt it with or without amendment;

3 (7) the governing body shall print and make available
4 copies of an ordinance that is adopted.

5 (c) An ordinance takes effect upon adoption or at a later date
6 specified in the ordinance.

7 Sec. 29.25.030. EMERGENCY ORDINANCES. (a) To meet a public
8 emergency the governing body may adopt an emergency ordinance effec-
9 tive on adoption. Each emergency ordinance shall contain a finding by
10 the governing body that an emergency exists and a statement of the
11 facts upon which the finding is based. An emergency ordinance may be
12 adopted, amended and adopted, or rejected at the meeting at which it
13 is introduced. The affirmative vote of all members present, or the
14 affirmative vote of three-fourths of the total membership, whichever
15 is less, is required for adoption of an emergency ordinance. The
16 governing body shall print and make available copies of adopted emer-
17 gency ordinances.

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

21 (c) An emergency ordinance is effective for 60 days.

22 Sec. 29.25.040. CODES OF REGULATION. The governing body may in
23 a single ordinance adopt or amend by reference provisions of a pub-
24 lished code of municipal regulations. The procedure under AS 29.25.-
25 020 applies to an ordinance adopted under this section, except that
26 neither the ordinance or its amendments must be distributed to the
27 public or read in full at the public hearing. For a period of 15 days
28 before adoption of an ordinance under this section, at least five
29 copies of the code of regulations shall be made available for public

1 inspection at a time and place set out in the hearing notice. Only
2 the ordinance must be printed after it is adopted under this section.
3 The governing body shall provide for an adopted code of regulations to
4 be made available to the public at no more than cost.

5 Sec. 29.25.050. CODIFICATION. (a) Each ordinance shall be
6 codified after it is adopted.

7 (b) Within three years after incorporation of a municipality,
8 the municipal clerk or the clerk's designee shall have prepared a
9 general codification of all municipal ordinances of general applica-
10 bility having the force and effect of law. The municipal code shall
11 be revised and printed at least every five years, unless the code is
12 kept current by regular supplements.

13 (c) In (a) of this section, "codified" means

14 (1) the ordinance has been given a serial number or other
15 permanent identifying number, and, bearing a notation of the date of
16 adoption and the adopting authority, it has been entered by the munic-
17 ipal clerk in a properly indexed book maintained for the purposes of
18 organizing and recording the ordinances; or

19 (2) the ordinance is a provision that establishes a rule of
20 conduct or behavior and that is included, or to be included, in a code
21 of ordinances or other complete system of law enacted and kept current
22 at reasonable intervals.

23 (d) This section applies to home rule and general law municipi-
24 palities.

25 Sec. 29.25.060. RESOLUTIONS. (a) The governing body shall
26 provide for the maintenance of a permanent file of resolutions that
27 have been adopted.

28 (b) This section applies to home rule and general law municipal-
29 ities.

1 Sec. 29.25.070. PENALTIES. (a) For the violation of an ordi-
2 nance, a municipality may by ordinance prescribe penalties not to
3 exceed those imposed for a class B misdemeanor.

4 (b) The municipality or an aggrieved person may institute a
5 civil action against a person who violates an ordinance. In addition
6 to injunctive and compensatory relief, a civil penalty not to exceed
7 \$1,000 may be imposed for each violation. An action to enjoin a
8 violation may be brought notwithstanding the availability of any other
9 remedy. On application for injunctive relief and a finding of a
10 violation or a threatened violation, the superior court shall grant
11 the injunction. Each day that a violation of an ordinance continues
12 constitutes a separate violation.

13 (c) The penalties authorized under this section may be imposed
14 only if copies of the ordinance are made available for distribution to
15 the public at no more than cost.

16 * Sec. 8. AS 29 is amended by adding a new chapter to read:

17 CHAPTER 26. ELECTIONS.

18 ARTICLE 1. REGULAR AND SPECIAL ELECTIONS.

19 Sec. 29.26.010. ADMINISTRATION. The governing body shall pre-
20 scribe the rules for conducting an election and shall appoint an elec-
21 tion board composed of at least three judges for each precinct. A
22 judge shall be a voter of the precinct for which appointed unless no
23 voter is willing to serve.

24 Sec. 29.26.020. NOMINATIONS. (a) Subject to other provisions
25 of this title, the governing body shall provide by ordinance for
26 nominations of elected officials by providing for declaration of
27 candidacy or for petition requiring the signatures of not more than 10
28 voters, or for both.

29 (i) A person may be nominated for and occupy more than one

1 office, but may not serve simultaneously as borough mayor and as a
2 member of the assembly or, in a first class city, as city mayor and as
3 a member of the council.

4 Sec. 29.26.030. NOTICE OF ELECTIONS. (a) Subject to other pro-
5 visions of this title, a municipality shall give at least 20 days
6 notice of an election.

7 (b) This section applies to home rule and general law municipal-
8 ities.

9 Sec. 29.26.040. DATE. The date of a regular election is the
10 first Tuesday of October annually, unless a different date or interval
11 of years is provided by ordinance.

12 Sec. 29.26.050. VOTER QUALIFICATION. (a) A person may vote in
13 a municipal election only if the person

14 (1) is a United States citizen who is qualified to vote in
15 state elections;

16 (2) has been a resident of the municipality for 30 days
17 immediately preceding the election;

18 (3) is registered to vote in state elections; and

19 (4) is not disqualified under art. V of the state constitu-
20 tion.

21 (b) Voter registration by the municipality may not be required.
22 However, a municipality may by ordinance require that a person be
23 registered to vote in state elections in the precinct in which that
24 person seeks to vote in municipal elections.

25 (c) This section applies to home rule and general law municipal-
26 ities.

27 Sec. 29.26.060. RUNOFF ELECTIONS. (a) Unless otherwise pro-
28 vided by ordinance, a runoff election shall be held if no candidate
29 receives over 40 percent of the votes cast for the office of

1 (1) mayor; or
2 (2) member of the governing body or school board if candi-
3 dates run for a designated seat.

4 (b) Unless otherwise provided by ordinance, if candidates for
5 the governing body or school board run at large, a runoff election for
6 a seat shall be held if no candidate receives a number of votes great-
7 er than 40 percent of the total votes cast for all candidates divided
8 by the number of seats to be filled.

9 (c) Unless otherwise provided by ordinance, a runoff election
10 shall be held within three weeks after the date of certification of
11 the election for which a runoff is required, and notice of the runoff
12 election shall be published at least five days before the election
13 date. The runoff election shall be between the two candidates receiv-
14 ing the greatest number of votes for the seat.

15 Sec. 29.26.070. ELECTION CONTEST AND APPEAL. (a) The governing
16 body may provide by ordinance the time and procedure for the contest
17 of an election.

18 (b) Unless otherwise provided by ordinance, an election may be
19 contested only by a voter by filing a written affidavit with the
20 municipal clerk specifying with particularity the grounds for the
21 contest. An election may be contested before or during the first
22 canvass of ballots by the governing body.

23 (c) Unless otherwise provided by ordinance, the governing body
24 shall declare the election results at the first meeting to canvass the
25 election, record the results in the minutes of that meeting, and
26 authorize the results to be certified.

27 (d) A contestant shall pay all costs and expenses incurred in a
28 recount of an election demanded by the contestant if the recount fails
29 to reverse a result of the election, or the difference between the

1 winning and losing vote on the result contested is more than two per-
2 cent.

3 (e) A person may not appeal or seek judicial review of an elec-
4 tion for any cause unless the person is a voter, has exhausted all
5 administrative remedies before the governing body, and has commenced,
6 within 10 days after the governing body has declared the election
7 results, an action in the superior court in the judicial district in
8 which the municipality is located. If court action is not commenced
9 within the 10-day period, the election and election results are con-
10 clusive and valid.

11 ARTICLE 2. INITIATIVE AND REFERENDUM.

12 Sec. 29.26.100. RESERVATION OF POWERS. The powers of initiative
13 and referendum are reserved to the residents of municipalities, except
14 the powers do not extend to matters restricted by art. XI, sec. 7 of
15 the state constitution.

16 Sec. 29.26.110. APPLICATION FOR PETITION. (a) An initiative or
17 referendum is proposed by filing an application with the municipal
18 clerk containing the ordinance or resolution to be initiated or the
19 ordinance or resolution to be referred and the address to which all
20 correspondence relating to the petition may be sent. An application
21 shall be signed by at least 10 voters who will sponsor the petition.
22 An additional sponsor may be added at any time before the petition is
23 filed by submitting the name of the sponsor to the clerk. Within two
24 weeks the clerk shall certify the application if the clerk finds that
25 it is in proper form and, for an initiative petition, that the matter

26 (1) is not restricted by AS 29.26.100;

27 (2) includes only a single subject;

28 (3) relates to a legislative rather than to an administra-
29 tive matter; and

1 (4) would be enforceable as a matter of law.

2 (b) A decision by the clerk on an application for petition is
3 subject to judicial review.

4 Sec. 29.26.120. CONTENTS OF PETITION. (a) Within two weeks
5 after certification of an application for an initiative or referendum
6 petition, a petition shall be prepared by the municipal clerk. Each
7 copy of the petition shall contain

8 (1) a summary of the ordinance or resolution to be initi-
9 ated or the ordinance or resolution to be referred;

10 (2) the complete ordinance or resolution sought to be ini-
11 tiated or referred as submitted by the sponsors;

12 (3) the date on which the petition is issued by the clerk;

13 (4) notice that signatures must be secured within 60 days
14 after the date the petition is issued;

15 (5) spaces for each signature, the printed name of each
16 signer, the date each signature is affixed, and the residence and
17 mailing addresses of each signer;

18 (6) a statement, with space for the sponsor's sworn signa-
19 ture and date of signing, that the sponsor personally circulated the
20 petition, that all signatures were affixed in the presence of the
21 sponsor, and that the sponsor believes the signatures to be those of
22 the persons whose names they purport to be; and

23 (7) space for indicating the total number of signatures on
24 the petition.

25 (b) If a petition consists of more than one page, each page
26 shall contain the summary of the ordinance or resolution to be initi-
27 ated or the ordinance or resolution to be referred.

28 (c) Copies of the petition shall be provided to each sponsor by
29 the clerk.

1 Sec. 29.26.130. SIGNATURE REQUIREMENTS. (a) The signatures on
2 an initiative or referendum petition shall be secured within 60 days
3 after the clerk issues the petition. The statement provided under
4 AS 29.26.120(a)(6) shall be signed and dated by the sponsor. Signa-
5 tures shall be in ink or indelible pencil.

6 (b) The clerk shall determine the number of signatures required
7 on a petition and inform each sponsor. A petition shall be signed by
8 a number of voters based on the number of votes cast at the last
9 regular election held before the date the petition was issued equal to

10 (1) 25 percent of the votes cast if a municipality has
11 fewer than 7,500 persons; or

12 (2) 15 percent of the votes cast if a municipality has
13 7,500 persons or more.

14 (c) Illegible signatures shall be rejected by the clerk unless
15 accompanied by a legible printed name. Signatures not accompanied by
16 a legible residence address shall be rejected.

17 (d) A petition signer may withdraw the signer's signature on
18 written application to the clerk before certification of the petition.

19 Sec. 29.26.140. SUFFICIENCY OF PETITION. (a) All copies of an
20 initiative or referendum petition shall be assembled and filed as a
21 single instrument. Within 10 days after the date the petition is
22 filed, the municipal clerk shall

23 (1) certify on the petition whether it is sufficient; and

24 (2) if the petition is insufficient, identify the insuffi-
25 ciency and notify the sponsors at the address provided under AS 29.-
26 26.110(a) by certified mail.

27 (b) A petition that is insufficient may be supplemented with
28 additional signatures obtained and filed within 10 days after the date
29 on which the petition is rejected.

1 (c) A petition that is insufficient shall be rejected and filed
2 as a public record unless it is supplemented under (b) of this sec-
3 tion. Within 10 days after a supplementary filing the clerk shall
4 recertify the petition. If it is still insufficient, the petition is
5 rejected and filed as a public record.

6 Sec. 29.26.150. PROTEST. If the municipal clerk certifies an
7 initiative or referendum petition is insufficient, a signer of the
8 petition may file a protest with the mayor within seven days after the
9 certification. The mayor shall present the protest at the next regu-
10 lar meeting of the governing body. The governing body shall hear and
11 decide the protest.

12 Sec. 29.26.160. NEW PETITION. Failure to secure sufficient
13 signatures does not preclude the filing of a new initiative or refer-
14 endum petition. However, a new petition on substantially the same
15 matter may not be filed sooner than six months after a petition is
16 rejected as insufficient.

17 Sec. 29.26.170. INITIATIVE ELECTION. (a) Unless substantially
18 the same measure is adopted, when a petition seeks an initiative vote
19 the clerk shall submit the matter to the voters at the next regular
20 election occurring no sooner than 45 days after certification of the
21 petition. If no regular election occurs within 75 days after the
22 certification of a petition, the governing body shall hold a special
23 election within 75 days, but not sooner than 45 days after certifica-
24 tion.

25 (b) If the governing body adopts substantially the same measure,
26 the petition is void and the matter initiated may not be placed before
27 the voters.

28 (c) The ordinance or resolution initiated shall be published in
29 full in the notice of the election, but may be summarized on the

1 ballot to indicate clearly the proposal submitted.

2 (d) If a majority vote favors the ordinance or resolution, it
3 becomes effective upon certification of the election, unless a diff-
4 erent effective date is provided in the ordinance or resolution.

5 Sec. 29.26.180. REFERENDUM ELECTION. (a) Unless the ordinance
6 or resolution is repealed, when a petition seeks a referendum vote the
7 clerk shall submit the matter to the voters at the next election
8 occurring no sooner than 45 days after certification of the petition.
9 If no election occurs within 75 days of certification of a petition,
10 the governing body shall hold a special election within 75 days, but
11 not sooner than 45 days after certification.

12 (b) If a petition is certified before the effective date of the
13 matter referred, the ordinance or resolution against which the peti-
14 tion is filed shall be suspended pending the referendum vote. During
15 the period of suspension, the governing body may not enact an ordi-
16 nance or resolution substantially similar to the suspended measure.

17 (c) If the governing body repeals the ordinance or resolution
18 before the referendum election, the petition is void and the matter
19 referred shall not be placed before the voters.

20 (d) If a majority vote favors the repeal of the matter referred,
21 it is repealed. Otherwise, the matter referred remains in effect or,
22 if it has been suspended, becomes effective on certification of the
23 election.

24 Sec. 29.26.190. EFFECT. (a) An ordinance or resolution may not
25 be repealed or amended within one year after its effective date if
26 adopted in an initiative election or if adopted after a petition that
27 contains substantially the same measure has been filed.

28 (b) If an ordinance or resolution is repealed in a referendum
29 election or by the governing body after a petition that contains

1 substantially the same measure has been filed, substantially similar
2 legislation may not be enacted by the governing body for a period of
3 one year.

4 (c) If an initiative or referendum measure fails to receive
5 voter approval, a new petition application for substantially the same
6 measure may not be filed sooner than six months after the election
7 results are certified.

8 ARTICLE 3. RECALL.

9 Sec. 29.26.240. RECALL. An official who is elected or appointed
10 to an elective municipal office may be recalled by the voters after
11 the official has served the first 120 days of the term for which
12 elected or appointed.

13 Sec. 29.26.250. GROUNDS FOR RECALL. Grounds for recall are
14 misconduct in office, incompetence, or failure to perform prescribed
15 duties.

16 Sec. 29.26.260. APPLICATION FOR RECALL PETITION. (a) An appli-
17 cation for a recall petition shall be filed with the municipal clerk
18 and shall contain

19 (1) the signatures and residence addresses of at least 10
20 municipal voters who will sponsor the petition;

21 (2) the address to which all correspondence relating to the
22 petition may be sent;

23 (3) a statement in 200 words or less of the grounds for
24 recall stated with particularity.

25 (b) An additional sponsor may be added at any time before the
26 petition is filed by submitting the name of the sponsor to the clerk.

27 Sec. 29.26.270. RECALL PETITION. (a) If the municipal clerk
28 determines that an application for a recall petition meets the re-
29 quirements of AS 29.26.260, the clerk shall prepare a recall petition.

- 1 All copies of the petition shall contain
- 2 (1) the name of the official sought to be recalled;
- 3 (2) the statement of the grounds for recall as set out in
- 4 the application for petition;
- 5 (3) the date the petition is issued by the clerk;
- 6 (4) notice that signatures must be secured within 60 days
- 7 after the date the petition is issued;
- 8 (5) spaces for each signature, the printed name of each
- 9 signer, the date of each signature, and the residence and mailing
- 10 addresses of each signer;
- 11 (6) a statement, with space for the sponsor's sworn signa-
- 12 ture and date of signing, that the sponsor personally circulated the
- 13 petition, that all signatures were affixed in the presence of the
- 14 sponsor, and that the sponsor believes the signatures to be those of
- 15 the persons whose names they purport to be; and
- 16 (7) space for indicating the number of signatures on the
- 17 petition.

18 (b) Copies of the petition shall be provided to each sponsor by

19 the clerk.

20 Sec. 29.26.280. SIGNATURE REQUIREMENTS. (a) The signatures on

21 a recall petition shall be secured within 60 days after the date the

22 clerk issues the petition. The statement provided under AS 29.26.-

23 270(a)(6) shall be completed and signed by the sponsor. Signatures

24 shall be in ink or indelible pencil.

25 (b) The clerk shall determine the number of signatures required

26 on a petition and inform each sponsor. If a petition seeks to recall

27 an official who represents the municipality at large, the petition

28 shall be signed by a number of voters equal to 25 percent of the

29 number of votes cast for that office at the last regular election held

1 before the date the petition was issued. If a petition seeks to
2 recall an official who represents a district, the petition shall be
3 signed by a number of the voters residing in the district equal to 25
4 percent of the number of votes cast in the district for that office at
5 the last regular election held before the date the petition was is-
6 sued.

7 (c) Illegible signatures shall be rejected by the clerk unless
8 accompanied by a legible printed name. Signatures not accompanied by
9 a legible residence address shall be rejected.

10 (d) A petition signer may withdraw the signer's signature upon
11 written application to the clerk before certification of the petition.

12 Sec. 29.26.290. SUFFICIENCY OF PETITION. (a) The copies of a
13 recall petition shall be assembled and filed as a single instrument.
14 A petition may not be filed within 180 days before the end of the term
15 of office of the official sought to be recalled. Within 10 days after
16 the date a petition is filed, the municipal clerk shall

17 (1) certify on the petition whether it is sufficient; and

18 (2) if the petition is insufficient, identify the insuffi-
19 ciency and notify the sponsors at the address provided under AS 29.-
20 26.260(a)(2) by certified mail.

21 (b) A petition that is insufficient may be supplemented with
22 additional signatures obtained and filed within 10 days after the date
23 on which the petition is rejected if

24 (1) the petition contains an adequate number of signatures,
25 counting both valid and invalid signatures; and

26 (2) the supplementary petition is filed more than 180 days
27 before the end of the term of office of the official sought to be re-
28 called.

29 (c) A petition that is insufficient shall be rejected and filed

1 as a public record unless it is supplemented under (b) of this sec-
2 tion. Within 10 days after the supplementary filing the clerk shall
3 recertify the petition. If it is still insufficient, the petition is
4 rejected and filed as a public record.

5 Sec. 29.26.300. NEW RECALL PETITION APPLICATION. A new applica-
6 tion for a petition to recall the same official may not be filed
7 sooner than six months after a petition is rejected as insufficient.

8 Sec. 29.26.310. SUBMISSION. If a recall petition is sufficient,
9 the clerk shall submit it to the governing body at the next regular
10 meeting or at a special meeting held before the next regular meeting.

11 Sec. 29.26.320. ELECTION. (a) If a regular election occurs
12 within 75 days but not sooner than 45 days after submission of the
13 petition to the governing body, the governing body shall submit the
14 recall at that election.

15 (b) If no regular election occurs within 75 days, the governing
16 body shall hold a special election on the recall question within 75
17 days but not sooner than 45 days after a petition is submitted to the
18 governing body.

19 (c) If a vacancy occurs in the office after a sufficient recall
20 petition is filed with the clerk, the recall question may not be sub-
21 mitted to the voters. The governing body may not appoint to the same
22 office an official who resigns after a sufficient recall petition is
23 filed naming that official.

24 Sec. 29.26.330. FORM OF RECALL BALLOT. A recall ballot shall
25 contain

26 (1) the grounds for recall as stated in 200 words or less
27 on the recall petition;

28 (2) a statement by the official named on the recall peti-
29 tion of 200 words or less, if the statement is filed with the clerk

1 for publication and public inspection within 20 days before the elec-
2 tion;

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

5 Sec. 29.26.340. EFFECT. (a) If a majority vote favors recall,
6 the office becomes vacant upon certification of the recall election.

7 (b) If an official is not recalled at the election, an applica-
8 tion for a petition to recall the same official may not be filed
9 sooner than six months after the election.

10 Sec. 29.26.350. SUCCESSORS. (a) If an official is recalled
11 from the governing body, the office of that official is filled in
12 accordance with AS 29.20.180. If all members of the governing body
13 are recalled, the governor shall appoint three qualified persons to
14 the governing body. The appointees shall appoint additional members
15 to fill remaining vacancies in accordance with AS 29.20.180.

16 (b) If a member of the school board is recalled, the office of
17 that member is filled in accordance with AS 14.12.070. If all members
18 are recalled from a school board, the governor shall appoint three
19 qualified persons to the school board. The appointees shall appoint
20 additional members to fill remaining vacancies in accordance with
21 AS 14.12.070.

22 (c) A person appointed under (a) or (b) of this section serves
23 until a successor is elected and takes office.

24 (d) If an official other than a member of the governing body or
25 school board is recalled, a successor shall be elected to fill the
26 unexpired portion of the term. The election shall be held not more
27 than 60 days after the date the recall election is certified, except
28 that if a regular election occurs within 75 days after certification
29 the successor shall be chosen at that election.

1 (e) Nominations for a successor may be filed until seven days
2 before the last date on which a first notice of the election must be
3 given. Nominations may not be filed before the certification of the
4 recall election.

5 Sec. 29.26.360. APPLICATION. AS 29.26.250 - 29.26.360 apply to
6 home rule and general law municipalities.

7 * Sec. 9. AS 29 is amended by adding a new chapter to read:

8 CHAPTER 35. MUNICIPAL POWERS AND DUTIES.

9 ARTICLE 1. GENERAL POWERS.

10 Sec. 29.35.010. GENERAL POWERS. All municipalities have the
11 following general powers, subject to other provisions of law:

12 (1) to establish and prescribe a salary for an elected or
13 appointed municipal official or employee;

14 (2) to combine two or more appointive or administrative
15 offices;

16 (3) to establish and prescribe the functions of a municipal
17 department, office, or agency;

18 (4) to require periodic and special reports from a municipi-
19 pal department to be submitted through the mayor;

20 (5) to investigate an affair of the municipality and make
21 inquiries into the conduct of a municipal department;

22 (6) to levy a tax or special assessment, and impose a lien
23 for its enforcement;

24 (7) to enforce an ordinance and to prescribe a penalty for
25 violation of an ordinance;

26 (8) to acquire, manage, control, use, and dispose of real
27 and personal property, whether the property is situated inside or
28 outside the municipal boundaries; this power includes the power of a
29 borough to expend, for any purpose authorized by law, money received

1 from the disposal of land in a service area established under AS 29.-
2 35.450;

3 (9) to expend money for a community purpose, facility, or
4 service for the good of the municipality to the extent the municipal-
5 ity is otherwise authorized by law to exercise the power necessary to
6 accomplish the purpose or provide the facility or service;

7 (10) to regulate the operation and use of a municipal right-
8 of-way, facility, or service;

9 (11) to borrow money and issue evidences of indebtedness;

10 (12) to acquire membership in an organization that promotes
11 legislation for the good of the municipality;

12 (13) to enter into an agreement, including an agreement for
13 cooperative or joint administration of any function or power with a
14 municipality, the state, or the United States;

15 (14) to sue and be sued.

16 Sec. 29.35.020. EXTRATERRITORIAL JURISDICTION. (a) To the
17 extent a municipality is otherwise authorized by law to exercise the
18 power necessary to provide the facility or service, the municipality
19 may provide parks, playgrounds, cemeteries, emergency medical ser-
20 vices, solid and septic waste disposal, utility services, airports,
21 streets (including ice roads), trails, transportation facilities,
22 wharves, harbors and other marine facilities outside its boundaries
23 and may regulate their use and operation to the extent that the juris-
24 diction in which they are located does not regulate them. A regu-
25 lation adopted under this section must state that it applies outside
26 the municipality.

27 (b) A municipality may adopt an ordinance to protect its water
28 supply and watershed, and may enforce the ordinance outside its bound-
29 aries. Before this power may be exercised inside the boundaries of

1 another municipality, the approval of the other municipality must be
2 given by ordinance.

3 (c) This section applies to home rule and general law
4 municipalities.

5 Sec. 29.35.030. EMINENT DOMAIN. (a) A municipality may exer-
6 cise the powers of eminent domain and declaration of taking in the
7 performance of a power or function of the municipality under the
8 procedures set out in AS 09.55.250 - 09.55.460.

9 (b) This section applies to home rule and general law municipal-
10 ities.

11 Sec. 29.35.040. EMERGENCY DISASTER POWERS. (a) A municipality
12 that is wholly or partially in an area that is declared by the Presi-
13 dent or governor to be a disaster area may participate in and provide
14 for housing, urban renewal, and redevelopment in the same manner as a
15 home rule city. The exercise of these powers by a borough shall be on
16 a nonareawide basis, except a borough may exercise the powers trans-
17 ferred to it by a city as provided by AS 29.35.310.

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

22 Sec. 29.35.050. GARBAGE AND SOLID WASTE SERVICES. (a) A muni-
23 cipality may by ordinance

24 (1) provide for the establishment, maintenance, and opera-
25 tion of a system of garbage and solid waste collection and disposal
26 for the entire municipality, or for districts or portions of it;

27 (2) require all persons in the municipality or district to
28 use the system and to dispose of their garbage and solid wastes as
29 provided in the ordinance;

1 (3) award contracts for collection and disposal, or provide
2 for the collection and disposal of garbage and solid waste by municipi-
3 pal officials and employees;

4 (4) pay for garbage and solid waste collection and disposal
5 from available money;

6 (5) require property owners or occupants of premises to use
7 the garbage and solid waste collection and disposal system provided by
8 the municipality;

9 (6) fix charges against the property owners or occupants of
10 premises for the collection and disposal; and

11 (7) provide penalties for violations of the ordinances.

12 (b) The governing body of a municipality may not prohibit a
13 person holding a valid certificate from the Alaska Public Utilities
14 Commission from continuing to collect and dispose of garbage, refuse,
15 trash, waste material, or provide other related services in an area in
16 the municipality if the certificate authorizes the collection and
17 disposal of garbage, refuse, trash, or other waste material and pro-
18 viding of other services in the area, and the certificate was origi-
19 nally issued before the municipality provided similar services. A
20 municipality may not provide for a garbage, refuse, trash, or other
21 waste material collection and disposal service in an area to the
22 extent it lies in an area granted to a garbage, refuse, trash, or
23 other waste material carrier by a certificate issued by the Alaska
24 Public Utilities Commission to the carrier until it has purchased the
25 certificate, equipment and facilities of the carrier, or that portion
26 of the certificate that would be affected, at fair market value. A
27 municipality may exercise the right of eminent domain to acquire the
28 certificate, equipment and facilities of the carrier, or that portion
29 of the certificate that would be affected.

1 (c) This section applies to home rule and general law municipal-
2 ities.

3 Sec. 29.35.060. FRANCHISES AND PERMITS. (a) The assembly
4 acting for the area outside all cities in the borough and the council
5 acting for the area in a city may grant franchises, including exclu-
6 sive franchise privileges, to a person, corporation, organization, or
7 utility not certificated by the Alaska Public Utilities Commission and
8 may permit the use of streets and other public places by the franchise
9 holder under regulations prescribed by ordinance.

10 (b) Unless the grant is made on a competitive basis, the grant
11 of an exclusive right to use a public street or right-of-way for more
12 than five years to a utility or a transportation system not certifi-
13 cated by the Alaska Public Utilities Commission or by the Alaska
14 Transportation Commission shall be valid only if approved by a major-
15 ity of the voters at an election.

16 Sec. 29.35.070. PUBLIC UTILITIES. (a) The assembly acting for
17 the area outside all cities in the borough and the council acting for
18 the area in a city may regulate, fix, establish, and change the rates
19 and charges imposed for a utility service provided to the municipality
20 or its inhabitants by a utility to the extent

21 (1) that it is not subject to regulation under AS 42.05;
22 and

23 (2) not otherwise prohibited by law.

24 (b) A municipality may provide for a reasonable deposit for
25 meters and service to be given if interest is paid on the deposit.

26 (c) Unless the utility is owned by the municipality, all rates,
27 charges, and regulations established under this section shall be
28 established by ordinance and shall be reasonable and permit a fair
29 return on invested capital.

1 (d) This section applies to home rule and general law municipal-
2 ities.

3 Sec. 29.35.080. ALCOHOLIC BEVERAGES. (a) A municipality may
4 regulate the barter, sale, importation, and consumption of alcoholic
5 beverages in accordance with AS 04.11.480 - 04.11.506 and AS 04.21.-
6 010.

7 (b) This section applies to home rule and general law munici-
8 palities.

9 Sec. 29.35.090. MUNICIPAL PROPERTY. The governing body shall by
10 ordinance establish a formal procedure for acquisition and disposal of
11 land and interests in land by the municipality.

12 Sec. 29.35.100. BUDGET AND CAPITAL PROGRAM. (a) The governing
13 body shall establish the manner for the preparation and submission of
14 the budget and capital program. After a public hearing, the governing
15 body may approve the budget with or without amendments, and shall
16 appropriate the money required for the approved budget.

17 (b) The governing body may make supplemental and emergency
18 appropriations. Payment may not be authorized or made and an obliga-
19 tion may not be incurred except in accordance with appropriations.

20 Sec. 29.35.110. EXPENDITURE OF BOROUGH REVENUES. Borough reve-
21 nues received through taxes collected on an areawide basis by the
22 borough may be expended on general administrative costs and on area-
23 wide functions only. Borough revenues received through taxes col-
24 lected on a nonareawide basis may be expended on general administra-
25 tive costs and functions that render service only to the area outside
26 all cities in the borough.

27 Sec. 29.35.120. POST AUDIT. (a) The governing body shall
28 provide for an annual independent audit of the accounts and financial
29 transactions of the municipality or, in the case of a second class

1 city, an audit or statement of annual income and expenditures. To
2 make the audit the governing body shall designate a public accountant
3 who has no personal interest, direct or indirect, in the fiscal
4 affairs of the municipality. Copies of the audit shall be available
5 to the public upon request.

6 (b) This section applies to home rule and general law municipal-
7 ities.

8 Sec. 29.35.130. EMERGENCY SERVICES COMMUNICATIONS CENTERS. (a)
9 A municipality may establish an emergency services communications
10 center with one or more other municipalities and one or more state,
11 federal, or private agencies that provide emergency service communica-
12 tions to the same geographic area. An emergency services communica-
13 tions center established under this section may be organized and
14 operated as a public nonprofit corporation under AS 10.20.

15 (b) An emergency services communications center under this
16 section may be governed by a board of directors. A member of a board
17 of directors of an emergency services communications center serves
18 without compensation but is entitled to per diem and travel expenses.
19 If an emergency services communications center is organized as a
20 nonprofit corporation, a member of its board of directors may not be
21 employed by the nonprofit corporation.

22 (c) An emergency services communications center may assess the
23 feasibility and desirability of providing emergency services communi-
24 cations for the geographic area in which it is located through one
25 central office. An emergency services communications center may

26 (1) combine or coordinate the existing emergency services
27 communications programs of the participating municipalities and agen-
28 cies;

29 (2) operate a dispatch center to receive all requests for

1 emergency services and dispatch those services;

2 (3) study the need for improvement in the timely delivery
3 of emergency services to residents of the participating
4 municipalities;

5 (4) hold public hearings to obtain information concerning
6 the timely delivery of emergency services;

7 (5) apply for and accept federal, state, municipal, and
8 private money, property, or assistance for use in providing the timely
9 delivery of emergency services;

10 (6) enter into contracts to carry out the provisions of
11 this section;

12 (7) employ personnel necessary to carry out the provisions
13 of this section.

14 (d) In this section

15 (1) "emergency services" means services provided by law
16 enforcement agencies, fire departments, ambulance services, and other
17 organizations that are intended to respond to emergency situations of
18 imminent danger to life or property;

19 (2) "state agency" means a department, division, or office
20 in the executive branch of state government.

21 ARTICLE 2. MANDATORY AREAWIDE POWERS.

22 Sec. 29.35.150. SCOPE OF AREAWIDE POWERS. A borough shall
23 exercise the powers as specified and in the manner specified in
24 AS 29.35.150 - 29.35.180 on an areawide basis.

25 Sec. 29.35.160. EDUCATION. (a) Each borough constitutes a
26 borough school district and establishes, maintains, and operates a
27 system of public schools on an areawide basis as provided in AS 14.-
28 14.060. A military reservation in a borough is not part of the bor-
29 ough school district until the military mission is terminated or until

1 inclusion in the borough school district is approved by the Department
2 of Education. However, operation of the military reservation schools
3 by the borough school district may be required by the Department of
4 Education under AS 14.14.110. If the military mission of a military
5 reservation terminates or continued management and control by a re-
6 gional educational attendance area is disapproved by the Department of
7 Education, operation, management, and control of schools on the mili-
8 tary reservation transfers to the borough school district in which the
9 military reservation is located.

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

12 Sec. 29.35.170. ASSESSMENT AND COLLECTION OF TAXES. (a) A
13 borough shall assess and collect property, sales, and use taxes that
14 are levied in its boundaries, subject to AS 29.53.

15 (b) Taxes levied by a city shall be collected by a borough and
16 returned in full to the levying city. This subsection applies to home
17 rule and general law municipalities.

18 Sec. 29.35.180. LAND USE REGULATION. (a) A first or second
19 class borough shall provide for planning, platting, and land use
20 regulation in accordance with AS 29.40.

21 (b) A home rule borough shall provide for planning, platting,
22 and land use regulation.

23 ARTICLE 3. ADDITIONAL POWERS.

24 Sec. 29.35.200. FIRST CLASS BOROUGH POWERS. (a) A first class
25 borough may exercise by ordinance on a nonareawide basis any power not
26 otherwise prohibited by law.

27 (b) A first class borough may by ordinance exercise the follow-
28 ing powers on an areawide basis:

29 (1) provide transportation systems;

- 1 (2) provide water pollution control;
- 2 (3) provide air pollution control in accordance with
- 3 AS 46.03.140 - 46.03.230;
- 4 (4) license day care facilities;
- 5 (5) license, impound, and dispose of animals.

6 (c) In addition to powers conferred by (b) of this section, a
7 first class borough may, on an areawide basis, exercise a power not
8 otherwise prohibited by law if the power has been acquired in accor-
9 dance with AS 29.35.300.

10 Sec. 29.35.210. SECOND CLASS BOROUGH POWERS. (a) A second
11 class borough may by ordinance exercise the following powers on a
12 nonareawide basis:

- 13 (1) provide transportation systems;
- 14 (2) regulate the offering for sale, exposure for sale,
- 15 sale, use or explosion of fireworks;
- 16 (3) license, impound, and dispose of animals;
- 17 (4) provide garbage, solid waste, and septic waste col-
- 18 lection and disposal;
- 19 (5) provide air pollution control in accordance with
- 20 AS 46.03.140 - 46.03.230;
- 21 (6) provide water pollution control;
- 22 (7) participate in federal or state loan programs for
- 23 housing rehabilitation and improvement for energy conservation;
- 24 (8) provide for economic development;
- 25 (9) provide for the acquisition and construction of local
- 26 service roads and trails under AS 19.30.111 - 19.30.251;
- 27 (10) establish an emergency services communications center
- 28 under AS 29.35.130.

29 (b) A second class borough may by ordinance exercise the follow-

1 ing powers on an areawide basis:

2 (1) provide transportation systems;

3 (2) license, impound, and dispose of animals;

4 (3) provide air pollution control in accordance with
5 AS 46.03.140 - 46.03.230;

6 (4) provide water pollution control;

7 (5) license day care facilities.

8 (c) In addition to powers conferred by (a) of this section, a
9 second class borough may, on a nonareawide basis, exercise a power not
10 otherwise prohibited by law if the exercise of the power has been
11 approved at an election by a majority of voters living in the borough
12 but outside all cities in the borough.

13 (d) In addition to powers conferred by (b) of this section, a
14 second class borough may, on an areawide basis, exercise a power not
15 otherwise prohibited by law if the power has been acquired in accor-
16 dance with AS 29.35.300.

17 Sec. 29.35.220. THIRD CLASS BOROUGH POWERS. (a) A third class
18 borough may borrow money and issue negotiable or nonnegotiable bonds
19 or other evidences of indebtedness as provided by AS 29.47.

20 (b) Areawide exercise of a power by a third class borough other
21 than education and tax assessment and collection is not authorized.

22 (c) A third class borough may acquire the power to provide for
23 planning, platting, and land use regulation as provided in AS 29.40
24 for first and second class boroughs, except the power may only be
25 exercised within a service area.

26 (d) A third class borough may acquire any power not otherwise
27 prohibited by law, except the power may only be exercised within a
28 service area.

29 ARTICLE 4. CITY POWERS.

1 Sec. 29.35.250. CITIES INSIDE BOROUGHES. (a) A city inside a
2 borough may exercise any power not otherwise prohibited by law.

3 (b) On adoption of a borough ordinance to provide for areawide
4 exercise of a power, no city may exercise the power unless the borough
5 ordinance provides otherwise or the borough by ordinance ceases to
6 exercise the power.

7 (c) A home rule city in a third class borough shall provide for
8 planning, platting, and land use regulation as provided by AS 29.35.-
9 180(b) for home rule boroughs. A first class city in a third class
10 borough shall provide for planning, platting, and land use regulation
11 as provided by AS 29.35.180(a) for first and second class boroughs. A
12 second class city in a third class borough may provide for planning,
13 platting, and land use regulation as provided by AS 29.35.180(a) for
14 first and second class boroughs.

15 (d) This section applies to home rule and general law cities.

16 Sec. 29.35.260. CITIES OUTSIDE BOROUGHES. (a) A city outside a
17 borough may exercise a power not otherwise prohibited by law. A
18 provision that is incorporated by reference to laws governing boroughs
19 applies to home rule cities outside boroughs only if the provision is
20 made applicable to home rule boroughs.

21 (b) A home rule or first class city outside a borough is a city
22 school district and shall establish, operate, and maintain a system of
23 public schools as provided by AS 29.35.160 for boroughs. A second
24 class city outside a borough is not a school district and may not
25 establish a system of public schools.

26 (c) A home rule city outside a borough shall provide for plan-
27 ning, platting, and land use regulation as provided by AS 29.35.180(b)
28 for home rule boroughs. A first class city outside a borough shall,
29 and a second class city outside a borough may, provide for planning,

1 platting, and land use regulation as provided by AS 29.35.180(a) for
2 first and second class boroughs.

3 (d) This section applies to home rule and general law cities.

4 ARTICLE 5. ACQUISITION OF ADDITIONAL POWERS.

5 Sec. 29.35.300. ADDITIONAL POWERS. (a) A first class borough
6 acquires an additional areawide power by transfer of the power by a
7 city or by holding an areawide election on the question.

8 (b) A second class borough acquires an additional power by
9 transfer of the power by a city or by holding an election on the ques-
10 tion. For acquisition of an areawide power, the election shall be
11 held areawide. For acquisition of a nonareawide power, the election
12 shall be held nonareawide.

13 (c) A third class borough acquires an additional power to exer-
14 cise in a service area by forming a service area in accordance with
15 AS 29.35.490(b) or (c).

16 Sec. 29.35.310. TRANSFER BY CITY. (a) A city in a first or
17 second class borough may transfer to the borough in which it is lo-
18 cated any of its powers or functions, subject to the approval of the
19 assembly.

20 (b) A first or second class borough shall exercise all powers
21 transferred to it by a city.

22 Sec. 29.35.320. INITIATION OF ACQUISITION OF POWER. (a) An
23 election on the question of adding an areawide power in a first class
24 borough or of adding an areawide or nonareawide power in a second
25 class borough may be initiated in two ways:

26 (1) a number of voters equal to 15 percent of the number of
27 votes cast at the preceding regular election in the area, either area-
28 wide or nonareawide, in which the election is to be held may file a
29 petition with the borough clerk; or

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

2 (b) An election on the question of adding a power in a third
3 class borough for exercise in a service area may be initiated in two
4 ways:

5 (1) a number of voters equal to 15 percent of the number of
6 votes cast at the preceding regular election in a proposed service
7 area in which the power is sought to be exercised may file a petition
8 with the assembly; or

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

10 (c) The borough clerk shall certify whether a petition filed
11 under (a) or (b) of this section contains the required number of
12 signatures.

13 (d) Within 30 days after a petition is certified as containing
14 the required number of signatures or the assembly proposes the acqui-
15 sition of a power, at least one public hearing shall be held in the
16 borough on the question. The assembly shall then evaluate the ability
17 of the borough to exercise the power and make its findings public.
18 Within 60 days after its findings have been made public, the assembly
19 shall order an election on the question.

20 Sec. 29.35.330. ELECTION. (a) If more than one power is pro-
21 posed for acquisition under AS 29.35.320, each shall appear separately
22 on the ballot.

23 (b) If a power is proposed for exercise by a third class borough
24 in a service area, only voters residing in the proposed service area
25 may vote.

26 (c) A vote on the question of adding an areawide power in a
27 first or second class borough shall be tabulated in two separate
28 classifications. One shall consist of all votes cast in all cities
29 located in the borough. The other shall consist of all votes cast in

1 the borough area outside all cities. If the majority of the votes
2 cast in each classification is favorable, the borough shall assume the
3 added power within 30 days after certification of the election
4 results.

5 (d) If a majority of the votes cast on the question of adding a
6 nonareawide power in a second class borough or a power to be exercised
7 in a service area in a third class borough is favorable, the borough
8 shall assume the added power within 30 days after certification of the
9 election results.

10 (e) The borough mayor shall certify the election results to the
11 department.

12 Sec. 29.35.340. EFFECT OF ACQUIRING AN AREAWIDE POWER. (a) On
13 acquisition of an areawide power the first or second class borough
14 succeeds to all of the rights, powers, and duties of any city or
15 service area with respect to that power. The borough succeeds to
16 claims, franchises, and other contractual obligations, liability for
17 bonded and all other indebtedness, and to all of the right, title, and
18 interest in the real and personal property held by a city or service
19 area for the exercise of the power.

20 (b) The assembly may levy and collect special charges, taxes, or
21 assessments including interest for the purpose of amortizing bonded
22 indebtedness previously incurred by a city or service area for exer-
23 cising an areawide power acquired by the borough. When a city or
24 service area had previously incurred bonded indebtedness, all property
25 that was in the city or service area at the time the bonds were issued
26 remains subject to taxation to pay the principal of and interest on
27 the bonds.

28 (c) On acquisition of an additional areawide power the first or
29 second class borough, in consultation with the city or service area

1 personnel, shall arrange for an orderly and equitable transfer of
2 rights, assets, liabilities, powers, duties, and other matters related
3 to acquisition of the areawide powers.

4 (d) This section applies to home rule and general law cities.

5 Sec. 29.35.350. DEFINITION. In AS 29.35.200 - 29.35.350 "power"
6 means the provision of a public facility or service, or the exercise
7 of a regulatory power.

8 ARTICLE 6. CONSTRUCTION OF POWERS.

9 Sec. 29.35.400. GENERAL CONSTRUCTION. A liberal construction
10 shall be given to all powers and functions of a municipality conferred
11 in this title.

12 Sec. 29.35.410. EXTENT OF POWERS. Unless otherwise limited by
13 law, a municipality has and may exercise all powers and functions
14 necessarily or fairly implied in or incident to the purpose of all
15 powers and functions conferred in this title.

16 Sec. 29.35.420. ENUMERATION OF POWERS. Specific examples in an
17 enumerated power or function conferred upon a municipality in this
18 title is illustrative of the object and not a limitation on or exclu-
19 sion from the exercise of the power or function.

20 ARTICLE 7. SERVICE AREAS.

21 Sec. 29.35.450. SERVICE AREAS. (a) A service area to provide
22 special services in a borough may be established, operated, altered,
23 or abolished by ordinance. Special services include services not
24 provided on an areawide or nonareawide basis in the borough, or a
25 higher or different level of service than that provided on an areawide
26 or nonareawide basis. The borough may include a city in a service
27 area if

28 (1) the city agrees by ordinance; or

29 (2) approval is granted by a majority of voters residing in

1 the city, and by a majority of voters residing inside the boundaries
2 of the proposed service area but outside of the city.

3 (b) A new service area may not be established if, consistent
4 with the purposes of art. X of the state constitution, the new service
5 can be provided by an existing service area, by annexation to a city,
6 or by incorporation as a city.

7 Sec. 29.35.460. SERVICE AREA BOARDS. The assembly may provide
8 for an appointed or elected board to supervise the furnishing of
9 special services in a service area.

10 Sec. 29.35.470. FINANCING. The assembly may levy or authorize
11 the levying of taxes, charges, or assessments in a service area to
12 finance the special services. If the assembly authorizes the levying
13 of taxes, charges, or assessments, the rate of taxation and the issu-
14 ance of bonds are subject to assembly approval.

15 Sec. 29.35.480. SERVICE AREAS IN FIRST CLASS BOROUGHES. In a
16 first class borough, the assembly may exercise in a service area any
17 power granted a first class city by law. The assembly may exercise in
18 a service area any nonareawide power that may be exercised by a first
19 class borough.

20 Sec. 29.35.490. SERVICE AREAS IN SECOND AND THIRD CLASS BOR-
21 OUGHS. (a) A second class borough may exercise in a service area any
22 power granted a first class city by law or a nonareawide power that
23 may be exercised by a first class borough if

24 (1) the exercise of the power is approved by a majority of
25 the voters residing in the service area; or

26 (2) all owners of real property in the service area consent
27 in writing to the exercise of the power if no voters reside in the
28 service area.

29 (b) If the exercise of the power is approved by a majority of

1 the voters residing in the service area, a third class borough may
2 exercise in a service area any power not otherwise prohibited by law.

3 (c) A second or third class borough may establish a service area
4 that includes only vacant, unappropriated, and unreserved land owned
5 by the borough. A second or third class borough may establish a
6 service area, with the concurrence of the commissioner of natural
7 resources, that includes only vacant, unappropriated, and unreserved
8 land owned by the state and classified for disposal to individuals.
9 By ordinance a second or third class borough may provide the services
10 in a service area established under this subsection necessary to
11 develop state or municipal land as required by the planning, platting,
12 and land use regulations of the borough.

13 * Sec. 10. AS 29 is amended by adding a new chapter to read:

14 CHAPTER 40. PLANNING, PLATTING, AND LAND USE REGULATION.

15 Sec. 29.40.010. PLANNING, PLATTING, AND LAND USE REGULATION.

16 (a) A first or second class borough shall provide for planning,
17 platting, and land use regulation on an areawide basis.

18 (b) If a city in a borough consents by ordinance, the assembly
19 may by ordinance delegate any of its powers and duties under this
20 chapter to the city. The assembly may by ordinance, without first
21 obtaining the consent of the city, revoke any power or duty delegated
22 under this section.

23 Sec. 29.40.020. PLANNING COMMISSION. (a) Each first and second
24 class borough shall establish a planning commission consisting of five
25 residents unless a greater number is required by ordinance. Commis-
26 sion membership shall be apportioned so that the number of members
27 from home rule and first class cities reflects the proportion of
28 borough population residing in home rule and first class cities lo-
29 cated in the borough. A member shall be appointed by the borough

1 mayor for a term of three years subject to confirmation by the assem-
2 bly, except that a member from a home rule or first class city shall
3 be selected from a list of recommendations submitted by the council,
4 Members first appointed shall draw lots for one, two, and three year
5 terms. Appointments to fill vacancies are for the unexpired term.
6 The compensation and expenses of the planning commission and its staff
7 are paid as directed by the assembly.

8 (b) In addition to the duties prescribed by ordinance, the plan-
9 ning commission shall

10 (1) prepare and submit to the assembly a proposed compre-
11 hensive plan in accordance with AS 29.40.030 for the systematic and
12 organized development of the borough;

13 (2) review, recommend, and administer measures necessary to
14 implement the comprehensive plan, including measures provided under
15 AS 29.40.040.

16 Sec. 29.40.030. COMPREHENSIVE PLAN. (a) The comprehensive plan
17 is a compilation of policy statements, goals, standards, and maps for
18 guiding the physical, social, and economic development, both private
19 and public, of the first or second class borough, and may include, but
20 is not limited to, the following:

21 (1) statements of policies, goals, and standards;
22 (2) a land use plan;
23 (3) a community facilities plan;
24 (4) a transportation plan; and
25 (5) recommendations for implementation of the comprehensive
26 plan.

27 (b) With the recommendations of the planning commission, the
28 assembly shall adopt by ordinance a comprehensive plan. The assembly
29 shall, after receiving the recommendations of the planning commission,

1 periodically undertake an overall review of the comprehensive plan and
2 update the plan as necessary.

3 Sec. 29.40.040. LAND USE REGULATION. (a) In accordance with a
4 comprehensive plan adopted under AS 29.40.030 and in order to imple-
5 ment the plan, the assembly by ordinance shall adopt or amend provi-
6 sions governing the use and occupancy of land that may include, but
7 are not limited to,

8 (1) zoning regulations restricting the use of land and
9 improvements by geographic districts;

10 (2) land use permit requirements designed to encourage or
11 discourage specified uses and construction of specified structures, or
12 to minimize unfavorable effects of uses and the construction of struc-
13 tures;

14 (3) measures to further the goals and objectives of the
15 comprehensive plan.

16 (b) A variance from a land use regulation adopted under this
17 section may not be granted if

18 (1) special conditions that require the variance are caused
19 by the person seeking the variance;

20 (2) the variance will permit a land use in a district in
21 which that use is prohibited; or

22 (3) the variance is sought solely to relieve pecuniary
23 hardship or inconvenience.

24 Sec. 29.40.050. APPEALS FROM ADMINISTRATIVE DECISIONS. (a) By
25 ordinance the assembly shall provide for an appeal from an administra-
26 tive decision of a municipal employee, board, or commission made in
27 the enforcement, administration, or application of a land use regula-
28 tion adopted under this chapter. The assembly may provide for an
29 appeal to a court, hearing officer, board of adjustment, or other

1 body. The assembly shall provide for an appeal from a decision on a
2 request for a variance from the terms of a land use regulation when
3 literal enforcement would deprive a property owner of rights commonly
4 enjoyed by other properties in the district.

5 (b) By ordinance the assembly may provide for appointment of a
6 hearing officer, or for the composition, appointment, and terms of
7 office of a board of adjustment or other body established to hear
8 appeals from administrative actions. The assembly may define proper
9 parties and prescribe evidentiary rules, standards of review, and
10 remedies available to the hearing officer, board of adjustment, or
11 other body.

12 Sec. 29.40.060. JUDICIAL REVIEW. (a) The assembly shall pro-
13 vide by ordinance for an appeal by a municipal officer or person
14 aggrieved from a decision of a hearing officer, board of adjustment,
15 or other body to the superior court.

16 (b) An appeal to the superior court under this section is an
17 administrative appeal heard solely on the record established by the
18 hearing officer, board of adjustment, or other body.

19 Sec. 29.40.070. PLATTING REGULATION. By ordinance the assembly
20 shall adopt platting requirements that may include, but are not lim-
21 ited to, the control of

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

24 (2) dimensions and design of lots;

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

29 (4) dedication of streets, rights-of-way, public utility

1 easements and areas considered necessary by the platting authority for
2 other public uses.

3 Sec. 29.40.080. PLATTING AUTHORITY. (a) The assembly by
4 ordinance shall establish a platting authority to administer
5 subdivision regulations and to perform other duties as required by the
6 assembly. The platting authority may consist of members of the
7 planning commission or of other municipal residents.

8 (b) The assembly may by ordinance provide for an administrative
9 official to act as the platting authority with regard to abbreviated
10 plats.

11 Sec. 29.40.090. ABBREVIATED PLATS AND WAIVERS. (a) Notwith-
12 standing other provisions of this chapter, the assembly shall by
13 ordinance establish an abbreviated plat procedure for a plat that will

- 14 (1) subdivide a single lot into not more than four lots;
15 (2) provide legal and physical access to a public highway
16 or street for each lot created by the subdivision;
17 (3) not contain or require a dedication of a street, right-
18 of-way, or other area;
19 (4) not require a vacation of a public dedication of land
20 or a variance from a subdivision regulation.

21 (b) The platting authority shall waive the preparation, submis-
22 sion for approval, and recording of a plat on satisfactory evidence
23 that the subdivision meets the requirements of (a) of this section and
24 each lot created by the subdivision is five acres or larger.

25 Sec. 29.40.100. INFORMATION REQUIRED. A plat shall show

- 26 (1) initial point of survey;
27 (2) original or reestablished corners and their descrip-
28 tions;
29 (3) actual traverse showing area of closure and all dis-

1 tances, angles, and calculations required to determine initial point,
2 corners, and distances of the plat; and

3 (4) other information that may be required by ordinance.

4 Sec. 29.40.110. PLAT PROCEDURE. (a) The platting authority
5 shall approve or disapprove a plat within 60 days after it is filed,
6 or shall return it to the applicant for modification or correction.
7 Unless the applicant for plat approval consents to an extension of
8 time, the plat is considered approved and a certificate of approval
9 shall be issued by the platting authority on demand if the platting
10 authority fails to act within 60 days.

11 (b) The platting authority shall state in writing its reasons
12 for disapproval of a plat. If the platting authority approves a plat,
13 the plat shall be acknowledged and filed in accordance with AS 40.15.-
14 010 - 40.15.020.

15 Sec. 29.40.120. ALTERATION OR REPLAT PETITION. A recorded plat
16 may not be altered or replatted except by the platting authority on
17 petition of the state, the borough, a public utility, or the owners of
18 a majority of the land affected by the alteration or replat. A plat-
19 ted street may not be vacated, except on petition of the state, the
20 borough, a public utility, or owners of a majority of the land front-
21 ing the part of the street sought to be vacated. The petition shall
22 be filed with the platting authority and shall be accompanied by a
23 copy of the existing plat showing the proposed alteration or replat.

24 Sec. 29.40.130. NOTICE OF HEARING. The platting authority shall
25 fix a time for a hearing on an alteration or replat petition that may
26 not be more than 60 days after the petition is filed. Notice shall be
27 published by the platting authority stating when and by whom the peti-
28 tion was filed, its purpose, and the time and place of the hearing.
29 The notice shall generally describe the alteration or replat sought.

1 The platting authority shall also mail a copy of the notice to each
2 affected property owner who did not sign the petition.

3 Sec. 29.40.140. HEARING AND DETERMINATION. (a) The platting
4 authority shall consider the alteration or replat petition at a hear-
5 ing and make its decision on the merits of the proposal.

6 (b) Vacation of a city street may not be made without the con-
7 sent of the council. Vacation of a street in the borough area outside
8 all cities may not be made without the consent of the assembly. The
9 governing body shall have 30 days from the decision of the platting
10 authority in which to veto a vacation of a street. If no veto is
11 received by the platting authority within the 30-day period, consent
12 is considered to have been given to the vacation.

13 Sec. 29.40.150. RECORDING. If the alteration or replat is ap-
14 proved, the revised plat shall be acknowledged and filed in accordance
15 with AS 40.15.010 - 40.15.020.

16 Sec. 29.40.160. TITLE TO VACATED AREA. (a) The title to the
17 street or other public area vacated on a plat attaches to the lot or
18 lands bordering the area in equal proportions, except that if the area
19 was originally dedicated by different persons, original boundary lines
20 shall be adhered to so that the street area that lies on one side of
21 the boundary line shall attach to the abutting property on that side,
22 and the street area that lies on the other side of the boundary line
23 shall attach to the property on that side. The portion of a vacated
24 street that lies inside the limits of a platted addition attaches to
25 the lots of the platted addition bordering on the area. If a public
26 square is vacated, the title to it vests in a city if it lies inside
27 the city, and in the borough if it lies inside the borough but outside
28 all cities. If the property vacated is a lot, title vests in the
29 rightful owner.

1 (b) If the municipality acquired the street or other public area
2 vacated for legal consideration or by express dedication to the muni-
3 cipality other than as a subdivision platting requirement, before the
4 final act of vacation the fair market value of the street or public
5 area shall be deposited with the platting authority to be paid to the
6 municipality on final vacation.

7 (c) The provisions of (a) and (b) of this section apply to home
8 rule and general law municipalities.

9 (d) The council of a second class city located outside a borough
10 may vacate streets, alleys, crossings, sidewalks, or other public ways
11 that may have been previously dedicated or established when the coun-
12 cil finds that the streets, alleys, crossings, sidewalks, or other
13 public ways are no longer necessary for the public welfare, or when
14 the public welfare will be enhanced by the vacation. If the council
15 determines that all or a portion of the area vacated under this sub-
16 section should be devoted to another public purpose, title to the area
17 vacated and held for another public purpose does not vest as provided
18 in (a) of this section but remains in the city.

19 Sec. 29.40.170. DELEGATIONS. The planning commission and the
20 platting authority may, as authorized by ordinance, delegate powers to
21 hear and decide cases under this chapter, including, but not limited
22 to, delegations to

23 (1) one or more members of the planning commission or plat-
24 ting authority;

25 (2) other boards or commissions;

26 (3) a hearing officer designated by the planning commission
27 or platting authority.

28 Sec. 29.40.180. VIOLATIONS. It is unlawful for the owner of
29 land located in a subdivision to transfer, sell, offer to sell, or

1 enter into a contract to sell land in a subdivision before a plat of
2 the subdivision has been prepared, approved, and filed in accordance
3 with this chapter. It is unlawful for a person to file a plat or
4 other document depicting subdivided land in a public recorder's office
5 unless the plat or document has been approved by the platting author-
6 ity. A person convicted of violating a provision of this chapter, a
7 subdivision regulation adopted under this chapter, or a term, condi-
8 tion, or limitation imposed by a platting authority in the exercise of
9 its powers under this chapter is guilty of a class B misdemeanor.

10 Sec. 29.40.190. REMEDIES. (a) The municipality or an aggrieved
11 person may institute a civil action against a person who violates a
12 provision of this chapter, a subdivision regulation adopted under this
13 chapter, or a term, condition, or limitation imposed by a platting
14 authority. In addition to other relief, a civil penalty not to exceed
15 \$1,000 may be imposed for each violation. An action to enjoin a
16 violation may be brought notwithstanding the availability of any other
17 remedy. Upon application for injunctive relief and a finding of a
18 violation or threatened violation, the superior court shall grant the
19 injunction.

20 (b) Each day that an unlawful act or condition continues consti-
21 tutes a separate violation.

22 Sec. 29.40.200. SUBDIVISIONS OF STATE LAND. (a) The subdivi-
23 sion requirements adopted under this chapter apply to a subdivision
24 plat of undeveloped state land for disposal under AS 38.05 or AS 38.08
25 filed with the platting authority. The platting authority may not
26 disapprove the subdivision plat on the basis of requirements for
27 capital improvements on or to state land included in the subdivision
28 plat. Subdivision ordinances and regulations adopted after the plat-
29 ting authority is notified by the commissioner of natural resources of

1 a proposed sale of subdivided state land under AS 38.05 or AS 38.08 do
2 not apply to the state land in the proposed sale.

3 (b) The platting authority must approve and sign a subdivision
4 plat of state land within 60 days after its receipt from the commis-
5 sioner of natural resources unless the platting authority

6 (1) determines that the plat does not comply with subdivi-
7 sion requirements other than those requiring capital improvements to
8 state land; and

9 (2) notifies the commissioner of each determination of non-
10 compliance within the 60-day period established in this subsection.

11 (c) The commissioner of natural resources may withdraw the sub-
12 division plat and amend it in response to the determination of non-
13 compliance by the platting authority under (b) of this section. The
14 platting authority shall respond within 30 days to the amendment or
15 response from the commissioner of natural resources.

16 (d) Notwithstanding any other provision of law, the provisions
17 of this section apply to all disposals of land under AS 38.05 or
18 AS 38.08.

19 (e) Nothing in this section relieves the Department of Natural
20 Resources of its obligation to provide legal access to a subdivision.

21 (f) As used in this section, "capital improvements" includes but
22 is not limited to access roads, other physical improvements, and their
23 design and engineering.

24 (g) This section applies to home rule and general law municipal-
25 ities.

26 * Sec. 11. AS 29 is amended by adding a new chapter to read:

27 CHAPTER 45. MUNICIPAL TAXATION.

28 ARTICLE 1. MUNICIPAL PROPERTY TAX.

29 Sec. 29.45.010. PROPERTY TAX. (a) A unified municipality may

1 levy a property tax. A borough may levy

2 (1) an areawide property tax for areawide functions;

3 (2) a nonareawide property tax for functions limited to the
4 area outside cities;

5 (3) a property tax in a service area for functions limited
6 to the service area.

7 (b) A home rule or first class city may levy a property tax
8 subject to AS 29.45.550 - 29.45.560. A second class city may levy a
9 property tax subject to AS 29.45.590.

10 (c) If a tax is levied on real property or on personal property,
11 the tax must be assessed, levied, and collected as provided in this
12 chapter.

13 Sec. 29.45.020. TAXPAYER NOTICE. (a) If a municipality levies
14 and collects property taxes, the governing body shall provide the
15 following notice:

16 "NOTICE TO TAXPAYER

17 For the current fiscal year the (city)(borough) has been allo-
18 cated the following amount of state aid for school and municipal
19 purposes under the applicable financial assistance Acts:

20 PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE

21 (AS 14.17) \$

22 STATE AID FOR RETIREMENT OF SCHOOL CONSTRUC-

23 TION DEBT (AS 14.11.100) \$

24 MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE

25 (AS 29.60.010 - 29.60.080) \$

26 STATE AID FOR MISCELLANEOUS MUNICIPAL

27 SERVICES (AS 29.60.100 - 29.60.180) \$

28 TOTAL AID \$

29 The millage equivalent of this state aid, based on the dollar

1 value of a mill in the municipality during the current
2 year and for the preceding assessment year, is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
3		
4		
5	PUBLIC SCHOOL FOUNDATION PROGRAM	
6	ASSISTANCEMILLS
7	STATE AID FOR RETIREMENT OF	
8	SCHOOL CONSTRUCTION DEBTMILLS
9	MUNICIPAL TAX RESOURCE EQUALI-	
10	ZATION ASSISTANCEMILLS
11	STATE AID FOR MISCELLANEOUS	
12	MUNICIPAL SERVICESMILLS
13	TOTAL MILLAGE EQUIVALENTMILLS"

14 Notice shall be provided

15 (1) by furnishing a copy of the notice with tax statements
16 mailed for the fiscal year for which aid is received; or

17 (2) by publishing in a newspaper of general circulation in
18 the municipality a copy of the notice once each week for a period of
19 three successive weeks, with publication to occur not later than 45
20 days after the final adoption of the municipality's budget.

21 (b) Compliance with the provisions of this section is a pre-
22 requisite to receipt of municipal tax resource equalization assistance
23 under AS 29.60.010 - 29.60.080 and state aid for miscellaneous munici-
24 pal services under AS 29.60.100 - 29.60.180. The department shall
25 withhold annual allocations under those sections until municipal
26 officials demonstrate that the requirements of this section have been
27 met.

28 Sec. 29.45.030. REQUIRED EXEMPTIONS. (a) The following prop-
29 erty is exempt from general taxation:

1 (1) municipal, state, or federally owned property, except
2 that a private leasehold, contract, or other interest in the property
3 is taxable to the extent of the interest;

4 (2) household furniture of the head of a family or house-
5 hold;

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

8 (4) property of a nonbusiness organization or its auxiliary
9 composed entirely of persons with 90 days or more of active service in
10 the armed forces of the United States whose conditions of service and
11 separation were other than dishonorable;

12 (5) money on deposit;

13 (6) the real property of certain residents of the state to
14 the extent and subject to the conditions provided in (e) of this sec-
15 tion;

16 (7) real property or an interest in real property that is
17 exempt from taxation under 43 U.S.C. 1620(d), as amended.

18 (b) In (a) of this section, "property used exclusively for
19 religious purposes" includes the following property owned by a
20 religious organization:

21 (1) the residence of a bishop, pastor, priest, rabbi,
22 minister, or religious order of a recognized religious organization;

23 (2) a structure, its furniture, and its fixtures used
24 solely for public worship, charitable purposes, religious administra-
25 tive offices, religious education, or a nonprofit hospital;

26 (3) lots required by local ordinance for parking near a
27 structure defined in (2) of this subsection.

28 (c) Property described in (a)(3) or (4) of this section from
29 which income is derived is exempt only if that income is solely from

1 use of the property by nonprofit religious, charitable, hospital, or
2 educational groups. If used by nonprofit educational groups, the
3 property is exempt only if used exclusively for classroom space.

4 (d) Laws exempting certain property from execution under the
5 Code of Civil Procedure (AS 09) do not exempt the property from taxes
6 levied and collected by municipalities.

7 (e) The real property owned and occupied as a permanent place of
8 abode by a resident 65 years of age or over is exempt from taxation of
9 the assessed value of the real property. Real property may not be
10 exempted under this subsection that the assessor determines, after
11 notice and hearing to the parties concerned, has been conveyed to the
12 applicant primarily for the purpose of obtaining the exemption. The
13 determination of the assessor is appealable under AS 44.62.560 and
14 44.62.570.

15 (f) An exemption may not be granted under (e) of this section
16 except upon written application for the exemption on a form prescribed
17 by the state assessor for use by local assessors. The claimant must
18 file the application no later than January 15, or a date provided by
19 ordinance that is not later than March 31, of the assessment year for
20 which the exemption is sought. The governing body of the municipality
21 for good cause shown may waive during a year the claimant's failure to
22 make timely application for exemption for that year and authorize the
23 assessor to accept the application as if timely filed. The claimant
24 must file a separate application for each assessment year in which the
25 exemption is sought. If an application is filed within the required
26 time and is approved by the assessor, the assessor shall allow an
27 exemption in accordance with the provisions of this section. If a
28 failure to file by January 15, or a date provided by ordinance that is
29 not later than March 31, of the assessment year has been waived as

1 provided in this subsection and the application for exemption is
2 approved, the amount of tax that the claimant has already paid for the
3 assessment year for the property exempted shall be refunded to the
4 claimant. The assessor may at any time require proof in the form the
5 assessor considers necessary of the right and amount of an exemption
6 claimed under (e) of this section.

7 (g) The state shall reimburse a borough or city, as appropriate,
8 for the real property tax revenues lost to it by the operation of (e)
9 of this section. However, reimbursement will be made to a municipal-
10 ity for revenue lost to it only to the extent that the loss exceeds an
11 exemption that was granted by the municipality, or that on proper
12 application by an individual would have been granted under AS 29.45.-
13 050(a).

14 (h) Except as provided in (g) of this section, nothing in (e) -
15 (j) of this section affects similar exemptions from property taxes
16 granted by a municipality on September 10, 1972, or prevents a munici-
17 pality from granting similar exemptions by ordinance as provided in
18 AS 29.45.050.

19 (i) In (e) - (i) of this section "real property" includes but is
20 not limited to mobile homes, whether classified as real or personal
21 property for municipal tax purposes.

22 (j) One motor vehicle per household owned by a resident 65 years
23 of age or older on January 1 of the assessment year is exempt either
24 from taxation on its assessed value or from the registration tax under
25 AS 28.10.431. An exemption may be granted under this subsection only
26 upon written application on a form prescribed by the Department of
27 Public Safety. The state shall reimburse a municipality for tax reve-
28 nues lost to it because of the exemption required by this subsection.
29 Reimbursement to a municipality equals the amount of registration tax

1 authorized under AS 28.10.431(b) for each vehicle exempted under this
2 subsection.

3 (k) The department shall adopt regulations to implement the
4 provisions of (g) and (j) of this section.

5 (l) Two percent of the assessed value of a structure is exempt
6 from taxation if the structure contains a fire protection system ap-
7 proved under AS 19.70.081, in operating condition, and incorporated as
8 a fixture or part of the structure. The exemption granted by this
9 subsection is limited to

10 (1) an amount equal to two percent of the value of the
11 structure based on the assessment for 1981, if the fire protection
12 system is a fixture of the structure on January 1, 1981; or

13 (2) an amount equal to two percent of the value of the
14 structure based on the assessment as of January 1 of the year immedi-
15 ately following the installation of the fire protection system if the
16 fire protection system becomes a fixture of the structure after
17 January 1, 1981.

18 (m) For the purpose of determining property exempt under (a)(7)
19 of this section, the following definitions apply to terms used in 43
20 U.S.C. 1620(d) unless superseded by applicable federal law:

21 (1) "developed" means a purposeful modification of the
22 property from its original state that effectuates a condition of
23 gainful and productive present use without further substantial modifi-
24 cation; surveying, construction of roads, providing utilities or other
25 similar actions normally considered to be component parts of the
26 development process, but that do not create the condition described in
27 this paragraph, do not constitute a developed state within the meaning
28 of this paragraph; developed property, in order to remove the
29 exemption, must be developed for purposes other than exploration, and

1 be limited to the smallest practicable tract of the property actually
2 used in the developed state;

3 (2) "exploration" means the examination and investigation
4 of undeveloped land to determine the existence of subsurface nonrenew-
5 able resources;

6 (3) "lease" means a grant of primary possession entered
7 into for gainful purposes with a determinable fee remaining in the
8 hands of the grantor; with respect to a lease that conveys rights of
9 exploration and development, this exemption shall continue with re-
10 spect to that portion of the leased tract that is used solely for the
11 purpose of exploration.

12 (n) If property or an interest in property that is determined
13 not to be exempt under (a)(7) of this section reverts to an un-
14 developed state, or if the lease is terminated, the exemption shall be
15 granted, subject to the provisions of (a)(7) and (m) of this section.

16 Sec. 29.45.040. PROPERTY TAX EQUIVALENCY PAYMENTS. (a) A
17 resident of the state 65 years of age or older who rents a permanent
18 place of abode is eligible for tax equivalency payments from the state
19 through the department.

20 (b) For purposes of determining payments to eligible persons,
21 the department shall calculate at the rate of one percent per mill a
22 property tax equivalent percentage for each municipality that levies a
23 property tax. The property tax equivalent percentage applied to the
24 annual rent charged to the applicant equals the property tax equiva-
25 lency payment payable under this section.

26 (c) To obtain tax equivalency payments the eligible resident
27 must apply to the department for payment for the preceding year by
28 January 15 of each year on forms and in the manner prescribed by the
29 department. Each applicant shall submit with the application rental

1 receipts or, if rental receipts are not available, other evidence
2 satisfactory to the department for determination of the fact of pay-
3 ment of rent and the amount paid.

4 (d) If two or more persons occupy a residence as tenants, not
5 all of whom are eligible for tax equivalency payments under this
6 section, the assessor shall determine equitable partial payments to be
7 made to the eligible tenants. However, tax equivalency payments to an
8 eligible applicant may not be reduced because the spouse is less than
9 65 years of age. If all occupants in a residence are eligible for tax
10 equivalency payments under this section, the occupants shall decide
11 between and among themselves which shall receive payment.

12 Sec. 29.45.050. OPTIONAL EXEMPTIONS AND EXCLUSIONS. (a) A
13 municipality may exclude or exempt or partially exempt residential
14 property from taxation by ordinance ratified by the voters at an
15 election. An exclusion or exemption authorized by this section may
16 not exceed the assessed value of \$10,000 for any one residence.

17 (b) A municipality may by ordinance

18 (1) classify boats and vessels for the purposes of taxation
19 and may establish the assessed valuation of boats and vessels on the
20 basis of their registered or certificated net tonnage;

21 (2) classify and exempt from taxation

22 (A) the property of an organization not organized for
23 business or profit-making purposes and used exclusively for
24 community purposes if the income derived from rental of that
25 property does not exceed the actual cost to the owner of the use
26 by the renter;

27 (B) historic sites, buildings, and monuments;

28 (C) land of a nonprofit organization used for agricul-
29 tural purposes if rights to subdivide the land are conveyed to

1 the state and the conveyance includes a covenant restricting use
2 of the land to agricultural purposes only; rights conveyed to the
3 state under this subparagraph may be conveyed by the state only
4 in accordance with AS 38.05.069(c);

5 (3) exempt personal property from taxation;

6 (4) exempt business inventories from taxation.

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

8 (1) a borough may, by ordinance, adjust its property tax
9 structure in whole or in part to the property tax structure of a city
10 in the borough, including but not limited to, excluding personal
11 property from taxation, establishing exemptions, and extending the
12 redemption period;

13 (2) a home rule or first class city has the same power to
14 grant exemptions or exclude property from borough taxes that it has as
15 to city taxes if

16 (A) the exemptions or exclusions have been adopted as
17 to city taxes; and

18 (B) the city appropriates to the borough sufficient
19 money to equal revenues lost by the borough because of the exemp-
20 tions or exclusions, the amount to be determined annually by the
21 assembly;

22 (3) a city in a borough may, by ordinance, adjust its prop-
23 erty tax structure in whole or in part to the property tax structure
24 of the borough, including but not limited to exempting or partially
25 exempting property from taxation.

26 (d) Exemptions or exclusions from property tax that have been
27 granted by a home rule municipality in addition to exemptions autho-
28 rized or required by law, and that are in effect on September 10,
29 1972, and not later withdrawn, are not affected by this chapter.

1 (e) A municipality may by ordinance classify and exempt or par-
2 tially exempt from taxation privately owned land, wet land and water
3 areas for which a scenic, conservation, or public recreation use
4 easement is granted to a governmental body. To be eligible for a tax
5 exemption, or partial exemption, the easement must be in perpetuity.
6 However, the easement is automatically terminated before an eminent
7 domain taking of fee simple title or less than fee simple title to the
8 property, so that the property owner is compensated at a rate that
9 does not reflect the easement grant.

10 (f) A municipality may by ordinance exempt from taxation all or
11 part of the increase in assessed value of improvements to real prop-
12 erty if an increase in assessed value is directly attributable to
13 alteration of the natural features of the land, or new maintenance,
14 repair, or renovation of an existing structure, and if the alteration,
15 maintenance, repair, or renovation, when completed, enhances the
16 exterior appearance or aesthetic quality of the land or structure. An
17 exemption may not be allowed under this subsection for the construc-
18 tion of an improvement to a structure if the principal purpose of the
19 improvement is to increase the amount of space for occupancy or non-
20 residential use in the structure or for the alteration of land as a
21 consequence of construction activity. An exemption provided in this
22 subsection may continue for up to four years from the date the im-
23 provement is completed, or from the date of approval for the exemption
24 by the local assessor, whichever is later.

25 (g) A municipality may by ordinance exempt from taxation all or
26 part of the increase in assessed value of improvements to a single-
27 family dwelling if the principal purpose of the improvement is to
28 increase the amount of space for occupancy. An exemption provided in
29 this subsection may continue for up to two years from the date the

1 improvement is completed, or from the date of approval of an applica-
2 tion for the exemption by the local assessor, whichever is later.

3 Sec. 29.45.060. FARM OR AGRICULTURAL LAND. (a) Farm use land
4 included in a farm unit and not dedicated or being used for nonfarm
5 purposes shall be assessed on the basis of full and true value for
6 farm use and may not be assessed as if subdivided or used for some
7 other nonfarm purpose. The assessor shall maintain records valuing
8 the land for both full and true value and farm use value. If the land
9 is sold, leased, or otherwise disposed of for uses incompatible with
10 farm use or converted to a use incompatible with farm use by the
11 owner, the owner is liable to pay an amount equal to the additional
12 tax at the current mill levy together with eight percent interest for
13 the preceding seven years, as though the land had not been assessed
14 for farm use purposes. Payment by the owner shall be made to the
15 state to the extent of its reimbursement for revenue loss under (e) of
16 this section for the preceding seven years. The balance of the
17 payment shall be made to the municipality.

18 (b) An owner of farm use land must, to secure the assessment
19 under this section, apply to the assessor before May 15 of each year
20 in which the assessment is desired. The application shall be made
21 upon forms prescribed by the state assessor for the use of the local
22 assessor, and shall include information that may reasonably be
23 required to determine the entitlement of the applicant. If the land
24 is leased for farm use purposes, the applicant shall furnish to the
25 assessor a copy of the lease bearing the signatures of both lessee and
26 lessor along with the completed application. The applicant shall
27 furnish the assessor a copy of the lease covering the period for which
28 the exemption is requested.

29 (c) In this section "farm use" means the use of land for profit

1 for raising and harvesting crops, for the feeding, breeding, and
2 management of livestock, for dairying, or another agricultural use, or
3 any combination of these. To be farm use land, the owner or lessee
4 must be actively engaged in farming the land, and derive at least 10
5 percent of yearly gross income from the land. This section does not
6 apply to land for which the owner has granted, and has outstanding, a
7 lease or option to buy the surface rights. A property owner wishing
8 to file for farm use classification having no history of farm-related
9 income may submit a declaration of intent at the time of filing the
10 application with the assessor setting out the intended use of the land
11 and the anticipated percentage of income. An applicant using this
12 procedure shall file with the assessor before February 1 of the
13 following year a notarized statement of the percentage of gross income
14 attributable to the land. Failure to make the filing required in this
15 subsection forfeits the exemption.

16 (d) In the event of a crop failure by an act of God the previous
17 year, the owner or lessee may submit an affidavit affirming that 10
18 percent of gross income for the past three years was from farming.

19 (e) Subject to legislative appropriations for the purpose, the
20 state shall reimburse a borough or city, as appropriate, for the prop-
21 erty tax revenues lost to it by the operation of this section.

22 Sec. 29.45.070. MOBILE HOMES. Mobile homes, trailers, house
23 trailers, trailer coaches and similar property used or intended to be
24 used for residential, office, or commercial purposes and attached to
25 the land or connected to water, gas, electric, or sewage facilities
26 are classified as real property for tax purposes unless expressly
27 classified as personal property by ordinance. This section does not
28 apply to house trailers and mobile homes that are unoccupied and held
29 for sale by persons engaged in the business of selling mobile homes.

1 Sec. 29.45.080. TAX ON OIL AND GAS PRODUCTION AND PIPELINE PROP-
2 ERTY. (a) A municipality may levy and collect taxes on property
3 taxable under AS 43.56 only by using one of the methods set out in (b)
4 or (c) of this section.

5 (b) A municipality may levy and collect a tax on the full and
6 true value of property taxable under this chapter and under AS 43.56
7 as valued by the Department of Revenue at a rate not to exceed that
8 which produces an amount of revenue from the total municipal property
9 tax equivalent to \$1,500 a year for each person residing in its bound-
10 aries.

11 (c) A municipality may levy and collect a tax on the full and
12 true value of that portion of property taxable under this chapter and
13 under AS 43.56 as assessed by the Department of Revenue which value,
14 when combined with the value of property otherwise taxable by the
15 municipality, does not exceed the product of 225 percent of the aver-
16 age per capita assessed full and true value of property in the state
17 multiplied by the number of residents of the taxing municipality. For
18 purposes of this subsection, the average per capita assessed full and
19 true value of property in the state shall be calculated without regard
20 to the assessed value of taxable property under AS 43.58.

21 (d) By February 1 of each assessment year a taxing municipality
22 must inform the Department of Revenue which method of taxation the
23 municipality will use.

24 (e) For purposes of this section, population shall be determined
25 by the commissioner based on the latest statistics of the United
26 States Bureau of the Census or on other reliable population data, and
27 the commissioner shall advise each municipality of its population by
28 January 15 of each year.

29 Sec. 29.45.090. TAX LIMITATION. (a) A municipality may not,

1 during a year, levy and tax for any purpose in excess of three percent
2 of the assessed value of property in the municipality. All property
3 on which a tax is levied shall be taxed at the same rate during the
4 year.

5 (b) A municipality, or combination of municipalities occupying
6 the same geographical area, in whole or in part, may not levy taxes

7 (1) that will result in tax revenues from all sources ex-
8 ceeding \$1,500 a year for each person residing within the municipal
9 boundaries; or

10 (2) upon value that, when combined with the value of prop-
11 erty otherwise taxable by the municipality, exceeds the product of 225
12 percent of the average per capita assessed full and true value of
13 property in the state multiplied by the number of residents of the
14 taxing municipality.

15 (c) The commissioner shall apportion the lawful levy and equi-
16 tably divide the tax revenues on the basis of need, services per-
17 formed, and other considerations in the public interest if two or more
18 municipalities occupying the same geographical area, in whole or in
19 part, attempt to levy a tax

20 (1) the combined levy of which would result in tax revenues
21 from all sources exceeding \$1,500 a year for each person residing
22 within the municipal boundaries; or

23 (2) upon value that, when combined with the value of prop-
24 erty otherwise taxable by the municipality, exceeds the product of 225
25 percent of the average per capita assessed full and true value of
26 property in the state multiplied by the number of residents of the
27 taxing municipality.

28 (d) For the purpose of (b) and (c) of this section, population
29 shall be determined by the commissioner based on the latest statistics