

SCOMM

#10:35

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

August 16, 1979

SUBJECT: Local Government Study drafting assignment

TO: Senator Arliss Sturgulewski, Chairman
Senate Community and Regional Affairs Committee

Representative Bill Parker, Chairman
House Community and Regional Affairs Committee

FROM: John B. Chenoweth
Legislative Counsel

Some preliminary questions:

The outline dated August 14 describes some of the subject matter which should be covered. Initially, the division of the state's single unorganized borough is to be completed. Senate Bill 35 (1977) providing for the division of the unorganized borough into regional educational attendance areas is to serve as the model.

(1) Please advise whether it is sufficient, for your purposes, to provide that the boundaries of REAAs shall serve as the boundaries for unorganized boroughs.

If so:

What provision is to be made to accommodate the smaller "regional" educational attendance areas -- St. Paul, Adak, Metlakatla -- into the surrounding REAA/unorganized boroughs? Or should they be? The answer to this probably depends on the relationship you see emerging between educational functions (now handled through REAAs) and any and all other functions which may be handled through unorganized boroughs.

If not:

Who shall make the determination by which an existing REAA shall be divided or combined with an adjacent REAA (for purposes of this effort)? The commissioner of

the actions of a state agency to conform to regional coastal management service area board decisions)? Should their authority be plenary within general guidelines set down by statute? Are these beasts to be "advisory" to the legislature in its capacity as the "assembly for the unorganized borough?" If so, should we establish a scheme whereby the relationship is "unorganized borough -- state legislature" rather than "unorganized borough -- state agency", thereby isolating program and budget factors from the requirements of general law? Is this desirable with half Alaska's population and legislature drawn from urban areas?

(3) Functions: We are agreed, I think, on some initial general functions: health; social services (public assistance); public safety (i.e. police and fire protection and, perhaps, emergency medical services/search and rescue). Let me also tentatively suggest to be added to the list (with full appreciation for the fact that it reopens the debate on management of fish and game) "natural resources conservation and management" (See Article VIII, section 2, State Constitution) and its derivative function, land use planning.

The first item under this heading is "planning." I think, but need you to affirm, that "planning" for the deliverance or provision of any one of the foregoing is the essential first step in that provision or deliverance, that "planning" should not be separated from "implementation" and that the two are merely parts of the same unit. Under that interpretation, an unorganized borough council might opt for health "planning" as part and parcel, and only as part and parcel, of assuming responsibilities for health functions. If I am in error on this, please advise, but the logical upshot is that you may wind up with a situation where the regional entity "plans" and the state agency budgets and executes almost entirely without ready reference to those "plans."

The next entry, "coordination and review", needs clarification. I would ask: with whom and for what purpose?

The matter of the relationship between these beasts and existing REAAs and coastal management initiatives I leave to you. Please tell me, at least for purposes of drafting, how you see these fitting together.

community and regional affairs? The Local Boundary Commission? By what standards? Is it at all significant that, under this approach, a given community might find itself linked with its neighbors on one side for purposes of education and with a different group (or larger group, or smaller group) for purposes of planning and delivery of other services?

Should the line drawing (or re-drawing) be handled expeditiously (as in SB 35 -- maximum of 4 to 6 months) or be allowed to move at whatever pace is necessary, as is presently the case in coastal zone service areas?

What is meant by the entry "follow-up adjustment by the Local Boundary Commission?"

(2) Matter of unorganized borough councils: I assume that "unorganized boroughs" are to be voluntarily formed (following the coastal zone model) rather than mandated (as was done with REAAs). Am I right? Should I provide for an initial council of a fixed size (as was done with REAAs)? If not, in the absence of a set statutory number, who decides? How are unorganized boroughs initiated: public petition? resolution of the legislature to the commissioner/local boundary commission? Do I worry about "one village, one vote?" How elected: at large? by districts? some combination of both? Who decides? Is this decision made by area residents upon submission of a petition? Can existing REAA school boards also serve as unorganized borough councils? Should they be able to if people in an REAA want them to? Should it be barred -- in order to keep the educational function wholly separate? Can existing coastal service area boards serve the function of an unorganized borough council? Should they be able to if they want to? Should this be barred? If an unorganized borough council is established, should the election occur at the same time as elections for other "regional" posts, i.e. when the regional school board and regional coastal management board are elected? If not, when? Who conducts these elections? Who pays for their costs? The outline says "Councils (Advisory)" -- are they to be advisory? In the same way that a community council is advisory to, say, the Anchorage assembly (i.e. the state agency would continue to have final say)? In the way a coastal management service area board's authority is circumscribed (i.e., a coastal management service area board may secure judicial review of

Senator Arliss Sturgulewski
Representative Bill Parker
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I am concerned, too, for the notion of "extended home rule." I have not the foggiest notion of what the participants may see in this as the answer to their concerns or problems. What is it, in Title 29 or elsewhere, that is so odious, so difficult, so threatening as to warrant "instant home rule?" I say this in all seriousness, for I do not want to throw out or suggest some home rule binder requirements that step on the hopes and expectations of participants? "One village - one vote?" Home rule probably cannot skirt this issue: there are federal constitutional precepts involved. What else is there? What is it, for openers, that people in the Upper Yukon may see in home rule? What is it the North Slope Borough officials saw in "traditional" (i.e. municipal) home rule? Did they use home rule to accomplish their expectations?

What about procedures bearing upon instant gratification through immediate adoption of home rule? Do we start with a "general law unorganized borough" and require its council to initiate the home rule charter adoption process? Do we mandate a process? Minimal requirements for inclusion in a charter? Do we allow residents to develop a home rule unorganized borough where no regional general government unit now exists? HOW???

Who prepares the charter? Should the legislature, acting as assembly for the unorganized borough, receive the petition of residents and, by local legislation, direct the preparation of a charter for this area, another (at a later date) for that region, and so forth? Do these charters need to be reviewed and approved (or not disapproved) by anyone? Legislative review? Commissioner of community and regional affairs? How long should the framers of the charter have to complete the effort? Who approves at the local level? Who pays for that election?

And, when you have totalled up whatever it is you decide on home rule for the unorganized borough, please pause to consider the implications that this result has on existing home rule municipalities, bound, as they are, by some interesting ad hoc provisions in AS 29.13. Conceivably, home rule in unorganized areas could prove to be far broader than home rule concepts and precepts applicable within municipalities. Is this desirable?

Senator Arliss Sturgulewski
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(4) Financing and services: Is there to be a local effort requirement for any service? for all services? Is it a necessary requirement? Do we authorize levy and collection of taxes? Which ones? What limits? How about any fees? Do I worry about protection against taxation of undeveloped lands, boats, the property of senior citizens, and other classes which have been identified as exempt or partially exempt from municipal taxation? Do you allow "in kind?" At what value? Who decides? Does it matter???

(5) The title heading is "recognition of villages," but the single response listed says "third class cities." Is this to be the response? Do I follow the department's draft on this? Should existing cities be permitted to "declassify" from first or second class city status to take advantage of this additional class of city? Does this establishment of yet another class of city answer the real issue on "recognition of village governments" (i.e. recognition of tribes or IRA councils) or are we just adding another option in Title 29 which, we are told, does not work in many rural areas anyway?

These are, as the first paragraph indicates, my preliminary questions bearing on a first draft.

JBC:jdn

*I do not mean to be critical, but this matter of 'in kind' contributions serving in place of cash really could be significant. I understand from Marge Gorsuch that the governor is insisting that unorganized borough units begin to make some contribution. I also recall how the legislature recently treated with "in kind" contributions in legislation authorizing construction of cultural facilities. In that legislation, you will recall, there is a formula by which the amount of required local contribution to the project is to be determined. The legislature allows a municipality to count toward satisfaction of that requirement donations of land on which the facility is to be built, indicating how that value is to be ascertained, but without inquiring as to how the municipality came to hold title. Thus, with an "in kind" contribution to the project of land which the municipality gained at little or no cost, the municipality can effectively shift the entire cash burden for construction to the state.

Senator Arliss Sturgulewski

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I see "in kind" as opening the door to maintaining 100 percent state support for the planning and delivery of services in unorganized boroughs, retaining the same system of financing these services as we have now. This may be desirable on the part of legislators, indeed, may be necessary from the point of view of urging organization of these areas. But I am concerned that, in dwelling on the topics of "boundary delineation", "powers of councils", and "functions and authorities", the most significant subject of equitable financial contributions is being set aside for further study at a "later" time. The state is chugging merrily down the road to financial turmoil in those years that oil and gas contributions to the general fund begin to fall off. The difficult question of financing provision of services will have to be faced then. I respectfully suggest that, ten years hence, the answers to that question, to the extent that they require all Alaskans to contribute more in the way of state income and local property and sales taxes, may come a little easier if the legislature now commits itself to requiring some cash contribution as a required local effort in any foundation approach by which responsibility for essential public services is moved to the regional level.

STATE OF ALASKA

OFFICE OF THE GOVERNOR

DIVISION OF POLICY DEVELOPMENT AND PLANNING

JAY S. HAMMOND, Governor

FOUCH AD
JUNEAU, ALASKA 99811
PHONE: 465-3512

December 7, 1979

Jim Sullivan - CED

Senator Arliss Sturgulewski
2957 Sheldon Jackson St.
Anchorage, Alaska 99504

Dear Arliss:

As we agreed when we met briefly last week, my staff has prepared some possible language on several of the points we discussed. Specifically, you asked for a rough draft of language on the following items: 1) the Department of Community and Regional Affairs would investigate and determine regional boundaries (we noted at the time that these regions would be similar to substate districts as discussed in the 1976 DPDP report on boundaries); 2) DPDP and Budget and Management would do an efficiency study of service delivery; 3) State agencies would be required to start collecting data along preliminarily identified regional boundaries, and 4) State agencies would study the feasibility of using regional boundaries for service delivery.

After some reflection, we decided that the fourth item (feasibility study) would be most effective as a component of DCRA's boundary investigation, and therefore we did not write it up as a separate item. We also realized that mandating data collection by interim region before the final boundaries are determined could be a problem if the final boundaries diverged from the interim ones. Instead, we included a different approach to the data collection problem which would be compatible with any and all boundaries - data collected would be "geocoded" so that it could be aggregated in any desired combination. Thus, the rough language we are providing to you includes 1) an investigation and determination of boundaries by DCRA, 2) a service delivery study by DPDP, and 3) an investigation and determination of the optimum geocoding system by DPDP. The language also mandates the use by State agencies of the districts for service delivery and of the selected data collection system.

The rough language for these three elements is as follows:

Substate Districts

All agencies, commissions and other entities of State government shall, by July 1, 1982, use common substate districts as defined

by the Department of Community and Regional Affairs, in the planning and delivery of State services. Exceptions may be approved by the Division of Budget and Management if the entity requesting the exception can demonstrate to the satisfaction of the Division that such an exception is in the public interest.

The Department of Community and Regional Affairs in consultation with State agencies and local communities shall investigate and draw uniform substate district boundaries by January 1, 1981, for the following purposes:

- a) to promote efficient and effective delivery of all State services, and
- b) to provide common areas in which clearinghouses for information, data and other materials which may be helpful or necessary to government agencies in the discharge of their responsibilities or in obtaining technical or financial assistance might be formed.

In the formation of the uniform substate district boundaries, consideration shall be given to:

1. the boundaries or sub-boundaries of the regional corporations established under the Alaska Native Claims Settlement Act;
2. the boundaries or sub-boundaries of the regional education attendance areas established under AS 14.08.031;
3. the standards for borough incorporation under AS 29.18.030; and
4. the objectives of and constraints to State service delivery.

To accomplish this task, \$200,000 shall be appropriated to DCRA.

Optimum Service Delivery Patterns

The Division of Policy Development and Planning in conjunction with the Division of Budget and Management shall, by January 1, 1981, identify geographic patterns of existing governmental and commercial services throughout the State of Alaska and evaluate the efficiency and effectiveness of possible alternative patterns.

To accomplish this task, \$50,000 shall be appropriated to the Division of Policy Development and Planning.

Data Collection by Region

All agencies, commissions, and other entities of State government shall, beginning July 1, 1981, base the collection of primary data and information on a geocoding system that will allow such data and information to be identified by substate district or other geograph-

December 7, 1979

ical boundary used, for example, in planning, public services delivery, commercial trade or industrial development.

The Division of Policy Development and Planning shall be responsible for determining, by January 1, 1981, the most appropriate geocoding system for the purposes of this legislation and, in so doing, shall consult with the State Library, the Department of Natural Resources, the Department of Transportation and Public Facilities, the University of Alaska and other State, federal, local, and private organizations identified as having interest or expertise in the development and use of such a system.

To accomplish this task, \$100,000 shall be appropriated to the Division of Policy Development and Planning.

I hope you will find this useful in your effort to develop legislation. As I am sure you are aware, this was a quick in-house effort and these ideas have not had the benefit of adequate agency input, or even a very thorough discussion in this division. In short, they are very much trial balloons. A number of State agencies have a vital interest in this matter, and I am sure they will have substantial comments on ideas such as these which will affect their daily operations.

Sincerely,



Fran Ulmer
Director

cc: Gene Walsh
John Halterman



Official Business

Alaska State Legislature

Senate Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

January 23, 1980

TELECONFERENCE NOTICE

February 6, 1980 / 8-10 a.m. (Juneau time)

Southeastern Alaska - Ketchikan and Sitka

February 7, 1980 / 1:30 p.m. (Juneau time)

first round robin grouping:

Soldotna, Anchorage, Fairbanks, Kodiak, Valdez

second round robin grouping:

Dillingham, Bethel, Kotzebue, and Nome

We are pleased to enclose the reports of the Local Government Interim Study by the Joint Senate and House Community and Regional Affairs Committee.

Legislation composed of seven bills was introduced jointly by the Senate and the House, Monday, January 21, 1980. Copies of the following bills may be obtained from your nearest Legislative Information Office. The complete package consists of Senate Bills 348, 349, 350, 351, 352, 353, 354; OR House Bills 580, 581, 582, 583, 584, 585, and 586.

For your additional information all the Senate bills in the package were assigned to the Senate Community and Regional Affairs Committee, with a referral to the Finance Committee. All the House bills in the package were assigned as follows: HB 580 - C/RA & Finance; HB 581 C/RA; HB 582 C/RA and Finance; HB 583 C/RA and Finance; HB 584 C/RA and Judiciary; HB 585 C/RA; and HB 586 C/RA. You might want to contact the referrals as well, after the bills leave the Community and Regional Affairs Committees. Senator John Sackett is Chairman of Senate Finance; Representative Russ Meekins is Chairman of House Finance, and Representative Charles Parr is Chairman of Judiciary.

In the event you are unable to give your comments during the set teleconference times, please feel free to contact the Senate and House R/CA Committees at Pouch V, Juneau, Alaska 99811.



Official Business

Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:
LOCAL GOVERNMENT STUDY
Pouch V
State Capitol
Juneau, Alaska 99811

Dear Participant:

The Senate and House Joint Local Government Study Committee has introduced a legislative package designed to have major impact in the unorganized areas of the state. As the bills were developed partially on the direction received at the Symposium at which you were a participant, we are especially eager to receive your comments on the final products.

You will notice that the legislative proposals as outlined in the enclosed Final Report differ in some instances from the action program contained in the earlier Report you received following the Symposium. These changes were made after extensive public hearings in rural Alaska and we feel they reflect the opinions voiced by those who attended the hearings.

The bills have been introduced in both houses (SB 348 - SB 354) (HB 580 - HB 586) and copies are available through the Legislative Information Office nearest you.

We look forward to receiving your expert testimony on the legislation when it is teleconferenced in your area. We also will appreciate your written remarks. You may also want to indicate your position on the bills to your representatives as the bills progress through the legislature.

All the Senate Bills have been referred to both Senate C&RA and Senate Finance - Senator John Sackett, Chairman.

All of the House Bills have been referred as follows:

HS C&RA and Finance - Representative Meekins, Chairman
HB 580 Unorganized Boroughs
HB 582 Planning Assistance
HB 583 State Aid to Local Governments

HS C&RA
HB 581 Responsibilities of DPDP
HB 585 Incorporation of Second Class Boroughs
HB 586 Fiscal Notes for Bills affecting a Municipality

HS C&RA and Judiciary - Representative Parr, Chairman
HB 584 Eliminating Third Class Boroughs

LSD

COMPUTER COMPOSITION / MIKI M. BALLARD
P.O. BOX 1119, ANCHORAGE, ALASKA 99510 • TELEPHONE (907) 279-0752

January 22, 1980

Local Government Study Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

INVOICE No. 16-80

SERVICES RENDERED

Composition – Local Government Study

16 hours at \$35.00 per hour \$560.00

CONTRACT AWARD NO. CA 9774

*OIC to pay
Senator
Local Government Study
Sturgalinski for
1/25/80*

EA 74 80

VICTOR FISCHER ASSOCIATES CONSULTING

221 EAST 7TH AVENUE #204 • ANCHORAGE, ALASKA 99501 • (907) 272-2381

January 22, 1980

Sen. Arliss Sturgulewski
Rep. Bill Parker
Community and Regional Affairs Committees
Alaska State Legislature
Juneau, Alaska 99811

Dear Arliss and Bill:

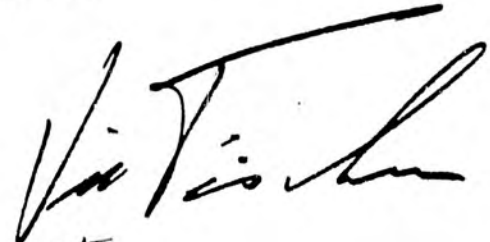
Contract amendment no. 1 received.

The following is a statement of compensation due for specialized research and consulting services relating to the Local Government Study for the period October 15, 1979, to January 15, 1980:

Professional Services 63 hours \$3,400.

Total billings under the contract now amount to \$7,275.

I certify that this billing is true and correct.



*OK to pay for Local Government Study
Senator Sturgulewski.*

January 17, 1980

JAN 18 1980

To: Senator Arliss Sturgulewski
 From: Lynn Ager, Special Assistant to Myrt Charney

Enclosed for your records is a signed copy of the amendment to Vic Fischer's contract with the Joint Community and Regional Affairs Local Government Study Committee.

If you have any questions or problems concerning this contract, please do not hesitate to contact me.

LAA 15

Agency. Total compensation for work performed under Clause I shall not exceed Ten Thousand Dollars (\$10,000).

Clause II, Paragraph A, page 2 is amended to read:

The period of this contract shall be from July 1, 1979, to June 30, 1980, unless extended by written agreement or terminated in accordance with paragraph B of this clause.

IN WITNESS WHEREOF, the parties have executed this amendment to this agreement on the dates indicated below.

CONSULTANT

LEGISLATIVE AFFAIRS AGENCY

V. Fischer 12/20/79
 VICTOR FISCHER Date
 IRS NO. 211-12-4676

Myrt B. Charney 1/17/80
 MYRTON B. CHARNEY Date
 Executive Director

ACCEPTED:

APPROVED AS TO FORM:

Arliss Sturgulewski 12/20/79
 SEN ARLISS STURGULEWSKI
 Co-Chairperson

Bill Parker 12/20/79
 REP BILL PARKER
 Co-Chairperson

Billy G. Berrier Jan 17, 1980
 BILLY G. BERRIER date
 Agency Legal Counsel

LBA file

VICTOR FISCHER ASSOCIATES CONSULTING

221 EAST 7TH AVENUE #204 • ANCHORAGE, ALASKA 99501 • [907] 272-2381
January 16, 1980

✓ Sen. Arliss Sturgulewski
Rep. Bill Parker
Community and Regional Affairs Committees
Alaska State Legislature
Juneau, Alaska 99811

Dear Arliss and Bill:

If I were to bill for professional services relating to the Local Government Study, the amount for December and January todate would be \$3,400 (63 hours); virtually all of this was spent on the final report, both in Juneau and Anchorage.

However, total billings under the contract as of October 14, 1979, were \$3,875. This leaves only \$1,125. So....

Best wishes for a most successful legislative session.



<u>SENATE</u>			<u>HOUSE</u>		
Bill #	Subject	Committee	Bill #	Subject	Committee
348	Est. Unorg. Boros	C/RA & Finance	580	Est. Unorg. Boros	C/RA & Finance
349	Planning Assistance	C/RA & Finance	582	Planning Assistance	C/RA & Finance
350	DPDP	C/RA & Finance	581	DPDP	C/RA
351	State Aid to Municip	C/RA & Finance	583	State Aid to Municipalities	C/RA & Finance
352	Fiscal Notes	C/RA & Finance	586	Fiscal Notes	C/RA
353	Incorp. 2nd Class Boroughs	C/RA & Finance	585	Incorp. 2nd Cls. Boroughs	C/RA
354	Elimination 3rd Class Boroughs	C/RA & Finance	584	Elim. 3rd Class Boroughs	C/RA & Jud.

TELECONFERENCE NOTICE

February 6, 1980 / 8-10 a.m. (Juneau time)

Southeastern Alaska - Ketchikan and Sitka

February 7, 1980 / 1:30 p.m. (Juneau time)

first round robin grouping:
Soldotna, Anchorage, Fairbanks, Kodiak, Valdez

second round robin grouping:
Dillingham, Bethel, Kotzebue, and Nome

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

Larry Kimball
Lois Lind
Palmer McCarter

August 14, 1979

Don Argetsinger
Deputy Commissioner

Local Government Symposium
Follow-up

Last week I met with Arliss, Bill and Vic Fischer to discuss the department's participation with the Joint C&RA Committee in the follow-up to the Anchorage Symposium.

Although we will very likely be involved with most of the work undertaken between now and January, our immediate concentrated assistance is needed in addressing topics 3 and 4 on the attached draft work plan. Brief notes on these follow.

3A Revenue Sharing - Are we going to make a concerted effort to obtain changes in the present program? If so, what is our plan and what is our strategy? Are we going to concentrate on amending the Gardiner bill, designing a new Administration package, does the Administration support Gardiner, etc.?

Do we have and are we conversant with the 1969 Rural Area Development legislation? (This was referenced by Vic Fischer at the Symposium and developed by Byron Mallott, John Shively and others at Rural CAP in 1969.) Do we have on hand or can we get from Archives all of the working papers from 1972-73 pertaining to the department's concerted effort to develop a petroleum taxation sharing formula as part of the statewide oil and gas property tax? A great deal of work was done at that time; Jack Chenoweth was a key participant in that effort. Larry may recall others and additional details.

3B Foundation Plan for Health, Public Assistance, Public Safety, Education - Jack will be working with us on this. I believe he intends to begin with Public Safety. We need to verify this. Palmer, please meet with Jack soon to determine how we can best assist. We also need to determine what the Governor has in mind with respect to modifying the foundation program for education. Check with Bill Thompson.

3C Intergovernmental Contracting - Jack will also be working on this one. I have suggested that the Joint Committee hold a day of oversight hearings sometime in September for the purpose of bringing in agencies such as Fish and Game, Health and Social Services, DOT and others to discuss what they are doing or not doing in terms of contracting at the local level. We need to get a better fix on how the Committee staff intends to proceed.

Larry Kimball, Lois Lind,
Palmer McCarter
August 14, 1979
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3D Financial Needs (CETA) - Lois, Arliss made reference to something coming from LB & A regarding the impact of CETA now, what happens when it diminishes, how should it be replaced? You may already have this document.

3E Training and Technical Assistance - What will help the Committee most is a paper on how these needs are being addressed at the present time; what in our judgment is the best approach; and a sketch of the trials, tribulations, and failures of the past. This is one which should be addressed by the three of you with Palmer taking the lead.

4A Municipal Trust Lands 14(c) (3) - Larry should be briefed by Veronica on the references made to 14(c) during the Symposium. There were a number of comments regarding the inability of non-municipal entities to take title to these lands. The reason for Congress selecting the municipal option was not fully explored, i.e., these are to remain public lands. Although this decision can be changed by Congress, such a change would require the participation of many parties not represented at the Symposium and is, in my judgment, very unlikely. However, in any discussion of new or modified classes of municipalities the effect on the Trust Program needs to be understood. Larry and Bob Jenks can assist Committee staff in this respect.

4B Recognition of Villages - I am not certain if the staff, including Vic Fischer, have been fully apprised of all of the efforts since 1972 to address a third-class city or "village" concept. Reference was made to an "old proposal" which I assume is post 1972.

In reference to item 1A concerning the boundaries, the Committee staff needs to be briefed on the work we are doing through the Coastal Zone Management Program in assisting regions like AVCP in devising workable boundaries for CZM districts or sub-districts. Larry can assist in addressing this question.

As a general matter, we will need to soon advise the Committee of our general reaction to a Senate Bill 35 approach to boundary construction for unorganized boroughs. Our ability to implement such an approach is of key interest.

After you have reviewed the above, I'll schedule a time to discuss more specific plans for assisting the Committee.

Thank you.

Attachment

Myajru

WORK DRAFT PAPER

WORK DRAFT PAPER

WORK DRAFT PAPER

WO 7570
Chenoweth

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

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IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act establishing a program of planning assistance for administrative regions of the unorganized borough; and providing for an effective date."

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

* Section 1. AS 44.47 is amended by adding a new section to read:

Sec. 44.47.085. ASSISTANCE FOR DEVELOPMENT OF REGIONAL MANAGEMENT PROGRAMS IN THE UNORGANIZED BOROUGH. (a) For the purpose of preparing a management program for an administrative region of the unorganized borough, the commissioner may contract as provided by this section with
(1) a municipality or group of municipalities; or
(2) a nonprofit corporation organized under the laws of the state.

(b) The commissioner may contract for the preparation of one management program for each administrative region of the unorganized borough. The commissioner may contract only if he is satisfied that the municipality, group of municipalities, or corporation with which he contracts is capable of preparing a management program that considers the entire population of the administrative region.

(c) A municipality, group of municipalities, or corporation interested in preparing a management program for an administrative region of the unorganized borough may ask the commissioner to request a proposal or the commissioner may request a proposal on his own initiative. A request for proposal shall be advertised. The advertisement of a request for a proposal for the preparation of a management program for the

1 administrative region shall outline the work to be completed, and con-
2 tain other information which the commissioner believes necessary and
3 which he requires to advise the public of the work to be completed under
4 the contract, and which will assist him in evaluating proposals re-
5 ceived. The commissioner shall advertise for a period of not less than
6 45 days by any means which he believes will provide adequate notice to
7 interested parties and residents of the administrative region.

8 (d) After receiving the proposals the commissioner shall evaluate
9 them. The commissioner may refuse all proposals and readvertise, or may
10 accept a proposal and contract in accordance with (e) of this section.

11 (e) A contract entered into under this section shall

12 (1) require that the report to be completed under the con-
13 tract include an analysis and recommendations concerning incorporation
14 of a borough government for all or a portion of the administrative
15 region; and

16 (2) provide that

17 (A) the work to be performed shall be completed not
18 later than the June 30 following the third anniversary of the date
19 of the contract;

20 (B) payment for work performed under the contract is
21 subject to legislative appropriation to the account established in
22 (g) of this section; and

23 (C) payment for work performed under the contract during
24 each fiscal year in which the contract is in effect may not exceed
25 the limit established in (h) of this section.

26 (f) A contract entered into under this section may require the
27 contractor to consider additional topics, including but not limited to,

28 (1) evaluation of the economic development potential of the
29 administrative region;

- 1 (2) determination of housing and capital facility needs;
- 2 (3) examination of demographic, social and environmental
- 3 factors; and
- 4 (4) presentation of a process for developing the report and
- 5 implementing its recommendations.

6 (g) There is established in the Department of Community and Re-

7 gional Affairs the unorganized borough regional planning account. The

8 account shall be administered by the commissioner and shall be used to

9 pay for contracts entered into under this section.

10 (h) During each fiscal year, the commissioner may not pay to a

11 contractor under a contract authorized by this section more than \$25,000

12 plus \$25 per capita for each person residing within the administrative

13 region of the unorganized borough, as determined by the commissioner.

14 (i) In this section, "administrative region" means a subdivision

15 of the unorganized borough established under AS 44.47.400 - 44.47.410.

16 * Sec. 2. This Act takes effect on the effective date of a version of a

17 bill entitled, "An Act establishing administrative regions in the unorganized

18 borough, amending the responsibilities of state agencies for state programs

19 and services that benefit residents of boroughs and the unorganized borough,

20 and authorizing adoption of home rule charters in administrative regions of

21 the unorganized borough; and providing for an effective date."

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TO: Fran Ulmer, Director
Div. of Policy Develop. & Planning
ATTN: John Halterman
Deputy Director

DATE: November 13, 1979
FILE NO. J-66-220-80
TELEPHONE NO.

FROM: AVRUM M. GROSS
ATTORNEY GENERAL

SUBJECT: Proposed legislation
on unorganized boroughs

By:
Rodger W. Pegues
Assistant Attorney General

This responds to your request for our review of the draft bill on this subject.

Because the bill is a working draft, we will not discuss technical matters but rather will limit our review to the bill's basic aims and mechanisms.

The bill has two basic purposes: (1) Provide some reasonably systematic means of obtaining popular review of state agency operational and construction programs in rural areas on a regional basis. (2) Provide a means for incorporating home rule boroughs on a regional basis in presently unincorporated areas. The latter presents no legal problems. The former does.

The basic legal problem is that the bill, perhaps inadvertently, gives any assembly a pocket veto power over the use of any appropriation which "affects" residents of its unorganized borough. For example, the appropriation for the criminal justice system affect residents of rural Alaska. Under AS 37.07.080(b) as it would be amended by the bill, if the assembly of an unorganized borough does not comment and make recommendations on, say, the State Troopers operations plan, no appropriation in support of the plan could be expended. (We doubt if the draftsmen intended this result, but that is it.) A pocket veto of this dimension would not only be unacceptable as a matter of public policy but also as a matter of constitutional law. The governor's power to budget and to supervise the executive simply cannot be made subject to a veto without offending the constitution.

Even if the language here (lines 2-16 at page 7) were revised to eliminate the pocket veto, it is still overly broad. The appropriation for the Department of Law's civil division in the Juneau office, for example, "affects residents of the unorganized borough" because the office routinely writes legal opinions and memoranda of advice -- as well as providing oral advice -- upon which other state agencies rely in administering their programs. If unorganized boroughs are to be brought into the process of preparing the state's budget, the language must be made much more

John Halterman
November 13, 1979
Page #2

precise than this. (That raises a related question: Legal questions aside, what is the rational basis for bringing unorganized boroughs into the budget process but not the cities and organized boroughs?)

As a practical matter, is there a reasonable way to bring the unorganized boroughs into the budget process as proposed in the bill? Assuming that it is constitutionally permissible to require this review and consultation, can it be accomplished with a favorable cost-benefit ratio? How many specialists will have to be hired by the state to translate the agency budget proposals into the bill's narratives for the assemblies to review? How many more specialists will be required to consider the assembly comments? How will proof of that review and consideration be made? By written decisions? Oral?

Given that not everyone can understand budget documents -- even if translated into a "narrative summary" as the bill proposes -- how much review and comment of practical value can reasonably be expected? Assuming that a worthwhile review can be made, how will comments be prepared and how will recommendations be made? The paperwork involved for both the state agencies and the assemblies becomes readily manageable only if there is an administrative staff on hand to do it. Given the massive amount of budget material which would have to be reviewed and the limited time available in which to review it, a large administrative staff would be required in each unorganized borough.

The REAA's (and the regional corporation's) boundaries are not coterminous with regional boundaries for budget purposes. As a result, even if the bill's language were made more precise so as to delimit the reviews to budget items for expenditures actually within an unorganized borough, the risk of error and confusion would remain great, with attendant uncertainty for spending appropriated moneys. The risk grows still greater when the review extends to budget items spent elsewhere but which affect residents of an unorganized borough.

In sum, the proposal for review and comment on the budget requires alignment of a few weeks before it will be a reasonable basis for appropriation for the Department of Law's civil division. The proposal "affects" the proposal to include unorganized boroughs which have established assemblies with those entities (municipalities and village councils), which review proposed public

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November 13, 1979
Page #3

works projects appears to be feasible. However, if a village is within an unorganized borough which has an assembly, review by the latter should suffice, and there should not be a requirement to have review by both, any more than there is to have review by both an organized borough and a city within it.

Finally, while the stated concern here is to move away from the development of overlapping, duplicative special districts, this bill merely adds another layer. Apparently, there is an underlying hope or mild expectation that, eventually, home rule boroughs will be incorporated, thereby succeeding to and consolidating the unorganized boroughs, the REAAs, and the coastal resource service areas. Given, however, that the special districts have 100 percent state financing and that the organized boroughs do not, the hope is wishful and the expectation unrealistic.

RWP/pjg

orthwhile

WO 7574
Sofa

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act eliminating third class boroughs."

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

* Section 1. AS 29.08.030 is amended to read:

Sec. 29.08.030. CLASSES OF GENERAL LAW. General law municipali-
ties are of four [FIVE] classes:

- (1) first class boroughs;
- (2) second class boroughs;
- (3) [THIRD CLASS BOROUGHS;]
- (4) first class cities;
- (5) second class cities.

* Sec. 2. AS 29.08.040(g) is amended to read:

(g) A second class borough may reclassify as a first class [OR
THIRD CLASS] borough [, AND A THIRD CLASS BOROUGH MAY RECLASSIFY AS A
FIRST CLASS OR SECOND CLASS BOROUGH,] in the manner provided by AS 29.-
33.270 - 29.33.290 for the addition of powers by boroughs, except the
petition or proposal requests reclassification instead of requesting
addition of powers.

* Sec. 3. AS 29.78.010(1) is amended to read:

(1) "borough" means a general law first or [,] second [OR
THIRD] class organized borough;

* Sec. 4. AS 02.15.260(10) is amended to read:

(10) "municipality" means a home rule or general law municipal
corporation and political subdivision, which is a first or second class
borough or city [, OR A THIRD CLASS BOROUGH,] incorporated under the

1 laws of the state;

2 Sec. 5. AS 14.12.110 is amended to read:

3 Sec. 14.12.110. SINGLE BODY AS ASSEMBLY AND SCHOOL BOARD. Not-
4 withstanding the provisions of this chapter or other law, a single body
5 may serve as both the borough assembly and borough school board in the
6 manner provided for in this section [THIRD CLASS BOROUGH UNDER AS 07.-
7 17.030], if a borough ordinance for that purpose is approved by the
8 assembly and ratified by a referendum of a majority of the qualified
9 borough voters voting on the question at a regular or special election,
10 and if the public school population within the borough is 500 pupils or
11 less. If a single body serves as both the borough assembly and school
12 board, the borough executive is the presiding officer of the borough
13 assembly and president of the school board and the borough executive
14 has all powers of a borough executive under AS 29.23 except for the
15 veto power.

16 * Sec. 6. AS 38.05.037(a) is amended to read:

17 (a) In areas of the state outside first and [,] second [OR THIRD]
18 class boroughs where there is no municipality with a zoning power, the
19 division of lands shall exercise the zoning power by adopting zoning
20 regulations.

21 * Sec. 7. AS 40.15.070 is amended to read:

22 Sec. 40.15.070. PLATTING AUTHORITY. If land proposed to be sub-
23 divided or dedicated is situated within a first or second class borough,
24 the proposed subdivision or dedication shall be submitted to the borough
25 planning commission for approval. If the land is situated within a city
26 in the unorganized borough, [OR THE THIRD CLASS BOROUGH] the proposed
27 subdivision or dedication shall be submitted to the city planning com-
28 mission for approval. The borough planning commission is the platting
29 authority for the first or second class borough, the city planning

1 commission is the platting authority for the city, and the division of
2 lands is the platting authority in the remaining areas of the state [AND
3 THIRD CLASS BOROUGH] for the change or vacation of existing plats or a
4 portion of such plats, as provided in AS 40.15.075. If the borough or
5 the city does not have a planning commission, the borough assembly or
6 the city governing body, respectively, is the platting authority and the
7 proposed subdivision or dedication shall be submitted to it. No sub-
8 division may be filed for record until it is approved by the platting
9 authority.

10 * Sec. 8. AS 40.15.075 is amended to read:

11 Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH [AND THIRD
12 CLASS BOROUGH]. The division of lands is the platting authority in the
13 area outside organized boroughs and outside cities in the unorganized
14 borough [AND IN THE THIRD CLASS BOROUGH] for only the purposes of
15 hearing and acting on petitions for the change or vacation of plats and
16 shall execute this function substantially in conformity with the provi-
17 sions of AS 29.33.210 - 29.33.240. Costs of publication and mailing as
18 well as other costs authorized in AS 29.33.210 shall be paid to the
19 division by the petitioner. The Department of Natural Resources shall
20 adopt reasonable regulations governing the exercise of the authority
21 conferred by this section upon the division of lands.

22 * Sec. 9. AS 43.35.130 is amended to read:

23 Sec. 43.35.130. REFUND TO LOCAL GOVERNMENTS. The department shall
24 refund 75 percent of the tax collected from sales of punchboards in an
25 organized borough or city of the first or [,] second [, OR THIRD] class
26 to the local government. The balance shall be deposited in the general
27 fund.

28 * Sec. 10. A municipality which is incorporated as a third class borough
29 on the effective date of this Act may continue to operate as such until

1 December 31, 1984 and shall retain all the rights, powers and privileges
2 which it possessed on the effective date of this Act. A third class borough
3 which has not reclassified itself in the manner provided by AS 29.33.270 -
4 29.33.290 before December 31, 1984, is reclassified as a second class borough
5 on that date.

6 * Sec. 11. The following laws are repealed: AS 29.08.040(h), (i), and
7 (j); AS 29.41; AS 29.43.040(b); and AS 38.05.037(b)(2).

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WO 7573
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BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

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IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to state aid to local governments; and providing for an effective date."

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

* Section 1. AS 43.18 is amended by adding a new section to read:

Sec. 43.18.015. ADDITIONAL ENTITLEMENT. A city or organized borough of any class which is entitled to state aid under AS 43.18.010 shall receive additional state aid for each fiscal year in the amount of \$25,000 adjusted to include an area cost-of-living differential determined in accordance with AS 43.18.012.

* Sec. 2. This Act takes effect July 1, 1980.

WO 7570
Chenoweth

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act establishing a program of planning assistance for administrative regions of the unorganized borough; and providing for an effective date."

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

* Section 1. AS 44.47 is amended by adding a new section to read:

Sec. 44.47.085. ASSISTANCE FOR DEVELOPMENT OF REGIONAL MANAGEMENT PROGRAMS IN THE UNORGANIZED BOROUGH. (a) For the purpose of preparing a management program for an administrative region of the unorganized borough, the commissioner may contract as provided by this section with

(1) a municipality or group of municipalities; or

(2) a nonprofit corporation organized under the laws of the

state.

(b) The commissioner may contract for the preparation of one management program for each administrative region of the unorganized borough. The commissioner may contract only if he is satisfied that the municipality, group of municipalities, or corporation with which he contracts is capable of preparing a management program that considers the entire population of the administrative region.

(c) A municipality, group of municipalities, or corporation interested in preparing a management program for an administrative region of the unorganized borough may ask the commissioner to request a proposal or the commissioner may request a proposal on his own initiative. A request for proposal shall be advertised. The advertisement of a request for a proposal for the preparation of a management program for the

1 administrative region shall outline the work to be completed, and con-
2 tain other information which the commissioner believes necessary and
3 which he requires to advise the public of the work to be completed under
4 the contract, and which will assist him in evaluating proposals re-
5 ceived. The commissioner shall advertise for a period of not less than
6 45 days by any means which he believes will provide adequate notice to
7 interested parties and residents of the administrative region.

8 (d) After receiving the proposals the commissioner shall evaluate
9 them. The commissioner may refuse all proposals and readvertise, or may
10 accept a proposal and contract in accordance with (e) of this section.

11 (e) A contract entered into under this section shall

12 (1) require that the report to be completed under the con-
13 tract include an analysis and recommendations concerning incorporation
14 of a borough government for all or a portion of the administrative
15 region; and

16 (2) provide that

17 (A) the work to be performed shall be completed not
18 later than the June 30 following the third anniversary of the date
19 of the contract;

20 (B) payment for work performed under the contract is
21 subject to legislative appropriation to the account established in
22 (g) of this section; and

23 (C) payment for work performed under the contract during
24 each fiscal year in which the contract is in effect may not exceed
25 the limit established in (h) of this section.

26 (f) A contract entered into under this section may require the
27 contractor to consider additional topics, including but not limited to,

28 (1) evaluation of the economic development potential of the
29 administrative region;

- 1 (2) determination of housing and capital facility needs;
- 2 (3) examination of demographic, social and environmental
- 3 factors; and
- 4 (4) presentation of a process for developing the report and
- 5 implementing its recommendations.

6 (g) There is established in the Department of Community and Re-

7 gional Affairs the unorganized borough regional planning account. The

8 account shall be administered by the commissioner and shall be used to

9 pay for contracts entered into under this section.

10 (h) During each fiscal year, the commissioner may not pay to a

11 contractor under a contract authorized by this section more than \$25,000

12 plus \$25 per capita for each person residing within the administrative

13 region of the unorganized borough, as determined by the commissioner.

14 (i) In this section, "administrative region" means a subdivision

15 of the unorganized borough established under AS 44.47.400 - 44.47.410.

16 * Sec. 2. This Act takes effect on the effective date of a version of a

17 bill entitled, "An Act establishing administrative regions in the unorganized

18 borough, amending the responsibilities of state agencies for state programs

19 and services that benefit residents of boroughs and the unorganized borough,

20 and authorizing adoption of home rule charters in administrative regions of

21 the unorganized borough; and providing for an effective date."

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WO 7570
Chenoweth

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

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3 factors; and
4 (4) presentation of a process for developing the report and
5 implementing its recommendations.

6 (g) There is established in the Department of Community and Re-
7 gional Affairs the unorganized borough regional planning account. The
8 account shall be administered by the commissioner and shall be used to
9 pay for contracts entered into under this section.

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11 contractor under a contract authorized by this section more than \$25,000
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21 the unorganized borough; and providing for an effective date."
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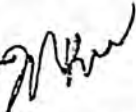
TO: Senator Arliss Sturgelewski
Representative Bill Parker
Co-Chairmen
Joint Senate-House Committee
on Community & Regional Affairs

DATE: September 27, 1979

FILE NO:

TELEPHONE NO:

FROM:

Murray R. Walsh 
Coordinator
Office of Coastal Management
Division of Policy Development
and Planning
Office of the Governor

SUBJECT: Unorganized Borough
Legislation

I think this bill, in its current form represents an impressive opportunity and comments to follow should not be thought of as detractions to the bill but rather possible additions. My comments are going to be on the radical side and so it will be perfectly understandable if they were set aside. I would still be most supportive of the bill in its current form.

First of all, the procedure for establishing an unorganized borough assembly is roughly similar to that used for establishing coastal resource service area and one of the problems we have encountered is finding some leadership to carry the organizational ball, as it were, at the local level prior to the first election. We would suggest the establishment of interim unorganized borough assemblies by appointment of the governor. Eleven people could be selected from each unorganized borough area, appointed by the governor and charged solely with some of the responsibilities of the elected assemblies. At the current time, we have had to rely, not unsuccessfully, on the leadership provided by non-profit native corporations, principally to achieve the two successful elections we have had thus far for creating coastal resource service areas. While this has not been unworkable, we do think that a more formalized organization appointed by the governor might be more appropriate and eliminate any threat of the native bias that some people may perceive with the coastal resource techniques we have used.

With regard to proposed section 44.47.450, "Powers of the Unorganized Borough Assembly", we would suggest that the planning powers established for the unorganized borough assembly can be made somewhat more detailed without a great excursion into other law or new law. As it happens, the Department of Natural Resources currently does have power to undertake zoning in the unorganized borough. This power has been mentioned repeatedly as one of the implementing techniques for coastal resource service area district coastal management program. It seems to us that without a great deal of legislative effort planning authority could be given to the unorganized borough assembly.

A process could be established for the state review of the unorganized borough assembly plan through the Division of Policy Development and Planning (DPDP) or the Community & Regional Affairs (CRA) and then Department of Natural Resources (DNR) burdened with the responsibility of preparing a zoning ordinance to implement the plan, once it has been approved by the Division of Policy Development and Planning (DPDP) or by the legislature or the Governor or some other entity charged with the responsibility to do so. The legislature could of course engage in a much broader endeavor and create a land and water use policy council akin to the Coastal Policy Council and which would probably replace the Coastal Policy Council and use the Alaska Coastal Management Program (ACMP) set-up as we have it now. That would be a really major step, however again, the Department of Natural Resources (DNR) zoning power could be brought into play without the trappings of a bigger and better state council. There would still be some incentive for the Unorganized Borough assembly to move into home rule at some point because if the Department of Natural Resources (DNR) adopts the zoning ordinance, it will still fall to the Department of Natural Resources (DNR) and probably other state agencies to implement it. The unorganized borough assembly might at some point want to take over that function themselves, but this would probably be left to a more fully constituted local government such as a borough. We do feel that the prospect of this kind of planning power should be offered to the participants in the public hearings in the form of a question so that the attendees of the hearings can get the local feeling as to whether or not this should be part of the act. It may also happen that the bush residents would feel much more supportive of the act if this more defined land use planning authority was added to powers of the unorganized borough assemblies.

Additional questions which should be asked of all participants in this effort relate to the qualifications of the potential assembly members. Do we need to have districts established by CRA within the unorganized borough for the assembly members to be drawn or should they be elected at large? Currently, the Alaska Coastal Management Act does provide for districting so that the Coastal Planning Board members can represent a part of, rather than the whole, service area. Other question which should be asked is whether residents of existing incorporated cities and towns within the unorganized borough should be allowed to sit as assembly members.

Another concern relates to the matter of funding for the operation of the unorganized borough assemblies. This, I think, should be more clearly spelled out in the act and possibly some special appropriation or special funding effort set up.

A great deal of acceptance may depend on how easily people can perceive that the state will make a serious effort to support these assemblies until they reach home rule status. Obviously, unorganized borough assemblies can have no taxing power of their own, yet they should be equipped to receive funds for the state and federal government. I can't offer any concrete proposals here at the present time, although we will continue to ponder this notion.

Yet another item relates to the relationship between the coastal resource services area planning board and the unorganized borough assembly. The act as written would not impair the powers of the planning board, but I do think there should be more of an interlock between the two bodies. In essence, it would be appropriate for the unorganized borough assembly to approve any work done by the planning board before it is transmitted to the Coastal Policy Council. Likewise, it might be appropriate for the planning boards to be appointed by the assembly rather than elected. This would require an amendment to the Coastal Management Act. It would certainly simplify the amount of elections and confusion that will result by having two different boards elected. It might even be appropriate to require appointments of unorganized borough planning commissions to replace the coastal resource planning boards. This would enable planning function to be uniform for interior as well as coastal unorganized boroughs. I suppose it would be foolish to suggest that the school boards be handled in the same ways since school boards are independently elected elsewhere in the state, as well as in many places in the lower 48.

Returning to the matter of funding for a moment, this is likely to be the lynch-pin that can cause failure of this act due to resentment on the part of existing local governments and people in general who have been taxing themselves to provide local services. With that in mind, it may be very difficult politically to have a special new fund created for the purpose of supporting the unorganized borough assemblies. However, there may be another way and this would be for provision of the act to be inserted which would require some entity within the state, possibly Community and Regional Affairs to survey the existing funding situation for bush areas and come up with a proposal to re-route existing funding into the unorganized borough assemblies. This would be awkward but it might be more politically and economically desirable than a new source of funds.

Another financial note, again relating to the likely jealousy that standard local governments might have for fully state supported unorganized borough assemblies. There may yet be a possibility of

Senator Arliss Sturgelewski
Representative Bill Parker

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September 27, 1979

making this package more attractive to all concerned if there is a provision that mandates a transition into more formalized local government when revenue opportunities per capita reach a certain point. Again, the act would have to provide some instrumentality at the state level to monitor population growth and development in the unorganized boroughs and be prepared to declare through a public hearing process that critical ratio of assessed valuation to population had been reached. This would result in some kind of formal finding that would then be noticed to the organized borough assembly which would then have a specified period of time in which to apply for home rule status or risk self-destruction. In view of the Governor's policy on self-support for local government, this might be an important consideration in obtaining administration support for the act.

I would like to emphasize that I think the act in its present form could still be workable although some of the questions about standing for the unorganized borough assembly membership be settled. I do think, though, that the matters raised in this memo should be converted into question and asked at the same time as the bill was discussed. In essence, you would be saying "Here is this bill. In addition to this bill, would you like the following features added to it?". In all, we are very impressed and look forward to a happy conclusion to this effort.

Thank you very much for the opportunity to participate.

The proposed legislation

(1) ~~mandates~~ division of the single unorganized borough into unorganized boroughs generally following REAA boundaries;

(2) authorizes election of 11 member unorganized borough assemblies, defining the powers and duties of these assemblies:

review, comment and recommendations in a
to
clearinghouse approach / proposed state projects and
procedures
services under the state's fiscal/and facilities procurement act

(3) authorizes assemblies of unorganized boroughs to initiate a process by which a the charter for a home rule borough may be prepared;

(4) names the Department of Community and Regional Affairs as the state agency responsible for lending assistance to unorganized borough assemblies;

(5) retains intact the powers and responsibilities of existing REAA school boards for management of school functions, of coastal service area boards in the preparation of plans for the resources of the state's coastal zone, and of existing cities of the unorganized borough.

Do Not
CIRCULATE

UNEDITED

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Other Funds
--HOUSE--
IN THE
SENATE

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BY THE COMMUNITY AND
REGIONAL AFFAIRS
COMMITTEE

SENATE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVETH LEGISLATURE - ~~FIRST~~ ^{SECOND} SESSION

A BILL

For an Act entitled: " An Act establishing unorganized boroughs, defining their duties and powers, amending the responsibilities of state agencies to unorganized borough assemblies under the Fiscal Procedures Act and in the construction of public facilities, authorizing preparation of home rule charters in unorganized boroughs, and amending the responsibilities of the Department of Community and Regional Affairs with respect to unorganized boroughs; and providing for an effective date."

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

* Section 1. PURPOSE. The purpose of this Act is to provide for the division of the state's single unorganized borough into unorganized boroughs and to authorize, through the election of a representative body within each unorganized borough, exercise of public planning functions and the review and comment on state programs and services affecting residents of the unorganized boroughs.

* Sec. 2. AS 44.47 is amended by adding new sections to read:

ARTICLE 9. UNORGANIZED BOROUGHES.

Sec. 44.47.400. ESTABLISHMENT OF UNORGANIZED BOROUGHES. Except as the boundaries are adjusted as provided in AS 44.47.410, the geographic area within each regional educational attendance area created under AS 14.08.031 is, effective January 1, 1981, established as an unorganized borough.

Sec. 44.47.410. COMBINING OF SERVICE AREAS TO ESTABLISH UNORGANIZED BOROUGHES. The commissioner may, after public hearings in the area

1 constitute the geographic area within two or more regional educational
2 attendance areas as a single unorganized borough. The commissioner shall
3 consider the standards applicable to the incorporation of boroughs
4 under AS 29.18.030, and shall combine regional educational attendance areas
5 into a single unorganized borough if he determines that the combination
6 secure representation from and participation by all areas reasonably
7 necessary to review and comment on provision of state services on a regional
8 basis without unnecessarily reducing the ability of residents of all areas
9 to be represented on an unorganized borough assembly. The commissioner
10 may not combine regional educational attendance areas which are within
11 the territory of more than one Native regional corporation established
12 under the Alaska Native Claims Settlement Act.

13 Sec. 44.47.420. ASSEMBLY FOR UNORGANIZED BOROUGH. (a) Provision for
14 the election of an assembly for an unorganized borough may be initiated
15 by

16 (1) submission to the commissioner of a petition signed by the
17 number of registered voters equal to 15 percent of the number of votes cast
18 within the unorganized borough at the last state general election; or

19 (2) submission to the commissioner of a resolution approved by the
20 city council or traditional governing body of not less than 25 percent of
21 the number of cities and villages within the unorganized borough.

22 (b) Not less than 60 or more than 90 days after receipt of a proper
23 petition or resolution by the commissioner, the lieutenant governor shall
24 conduct an election on the question of whether an assembly shall be elected
25 in an unorganized borough. The lieutenant governor shall submit to the
26 voters of the unorganized borough at a special election the following
27 question:

28 " Shall _____, an unorganized borough,
29 have an unorganized borough assembly?

1 Yes []

2 No []"

3 (c) If a majority of the votes cast at an election under (b) of this
4 section is in the negative, the lieutenant governor shall certify that
5 the proposal to constitute the unorganized borough as an unorganized borough
6 with an assembly has been rejected. A petition or resolution calling for
7 the election of an assembly for an unorganized borough involving the
8 same territory may not be presented within six months of the certification
9 of the lieutenant governor under this subsection.

10 (d) If a majority of the votes cast at an election under (b) of this
11 section is in the affirmative, the lieutenant governor shall certify that
12 the proposal to constitute the unorganized borough as an unorganized borough
13 with an assembly has been approved. The lieutenant governor shall promptly
14 call for the nomination and election of members of the initial assembly of
15 the unorganized borough.

16 Sec. 44.47.430. UNORGANIZED BOROUGH ASSEMBLY. (a) An unorganized
17 borough in which a majority of the voters has approved election of an
18 assembly shall elect an assembly of 11 members. Assembly members shall be
19 elected at large by the qualified voters of the unorganized borough.

20 (b) Members of an unorganized borough assembly serve overlapping
21 three year terms. Members serve until their successors are elected and
22 have qualified. Nothing in this section prohibits the re-election of an
23 unorganized borough assembly member.

24 (c) Elections of members of the assembly of an unorganized borough
25 shall be held annually on the date of election of members of regional
26 educational attendance area school boards under AS 14.08.071(b).

27 (d) If a vacancy occurs on the assembly of an unorganized borough,
28 the remaining members shall, within 30 days, fill the vacancy. The p
29 selected to fill the vacancy shall serve until the next regular el

1 when a successor will be elected to serve the balance of the term.

2 (e) The members of the unorganized borough assembly convene on the
3 first Monday following certification of the annual election of members of
4 the borough assembly. At the meeting, the members shall elect one of
5 their number to serve as assembly chairman. The person elected shall
6 serve as chairman for one year and until his successor has been elected.
7 A chairman who remains a member of the assembly of the unorganized borough
8 assembly may be renominated and re-elected as chairman without limit on the
9 number of years of service.

10 Sec. 44.47.440. DUTIES OF THE UNORGANIZED BOROUGH ASSEMBLY.

11 The assembly of an unorganized borough shall

12 (1) make and publish rules for the conduct of its meetings;

13 (2) provide for the election of other officers of the assembly,
14 and define the duties of each;

15 (3) define the duties of the chairman of the assembly of the unorga-
16 nized borough; and

17 (4) meet to receive and review, and provide written comments and
18 recommendations with respect to proposed capital improvements and agency
19 programs and services which involve legislative appropriations and which
20 affect the people and resources of the unorganized borough.

21 Sec. 44.47.450. POWERS OF THE UNORGANIZED BOROUGH ASSEMBLY. The
22 assembly of an unorganized borough may

23 (1) prepare studies of the resources of the unorganized borough;

24 (2) serve as a clearinghouse for information, data, and other
25 materials which may be helpful or necessary to government agencies in the
26 discharge of their responsibilities or in obtaining technical or financial
27 assistance;

28 (3) prepare and maintain a regional planning report which

29 (A) establishes the goals for the unorganized borough;

1 (B) describes a needs assessment of residents of the unorganized
2 borough; and

3 (C) analyzes alternative ways of meeting the needs of the
4 residents of the unorganized borough; and

5 (4) provide for the preparation and submission of a charter for a
6 home rule borough in accordance with AS 29.19.010 - 29.19.060.

7 Sec. 44.47.460. COMPENSATION AND EXPENSES. Members of the assembly
8 of an unorganized borough receive no salary, but are entitled to per diem
9 and travel expenses authorized by law for state boards and commissions, un-
10 less a different per diem rate is approved by a majority of the members
11 of the unorganized borough assembly.

12 Sec. 44.47.470. MISCELLANEOUS PROVISIONS. (a) A member of the
13 assembly of an unorganized borough is subject to recall on the same grounds
14 and in the same manner as provided for the recall of municipal officials
15 in AS 29.28.130 - 29.28.250, except that the lieutenant governor is respon-
16 sible for the receipt and review of all recall petitions and the conduct
17 of all recall elections.

18 (b) Elections under AS 44.47.400 - 44.47.470, including recall elec-
19 tions authorized by (a) of this section, shall be conducted by the lieuten-
20 ant governor consistent with the provisions of the Alaska Election Code
21 (AS 15.05 - 15.60). The state shall pay all election costs.

22 Sec. 44.47.480. RELATIONSHIP OF UNORGANIZED BOROUGH TO MUNICIPALITIES
23 AND OTHER UNORGANIZED BOROUGH SERVICE AREAS. (a) The powers and duties of
24 an assembly of an unorganized borough may not be exercised to conflict with
25 the powers and duties of the council of a city located within the unorganized
26 borough, whether those powers and duties are conferred by statute or are
27 assumed and exercised in accordance with the provisions of a home rule
28 ter of the city.

29 (b) Nothing in AS 44.47.400 - 44.47.480 may be construed to

1 authority of

2 (1) the school board of a regional educational attendance area
3 established under AS 14.08 to provide for the operation and maintenance of
4 public schools in the unorganized borough;

5 (2) the coastal area board of a coastal resource service area
6 established under AS 46.40.110 - 46.40.180 in the board's preparation and
7 submission of a district coastal management program for the unorganized
8 borough or portion of the unorganized borough.

9 *Sec. 3. AS 44.47.050(8) and (9) are amended to read:

10 (8) administer state funds appropriated for the operation [BENEFIT
11 of unorganized boroughs established under AS 44.47.400 - 44.47.480 [REGIONS
12 WITHIN THE STATE], allowing for maximum participation by unorganized
13 borough assemblies in the allocation and use of funds appropriated
14 [LOCAL ADVISORY COUNCILS AND SIMILAR BODIES];

15 (9) assist the assemblies of unorganized boroughs to carry out
16 their duties under AS 44.47.440 and their responsibilities under AS 44.47.
17 450 and, where no assembly for an unorganized borough has been authorized
18 by the residents of the unorganized borough, carry out those administrative
19 functions in unorganized boroughs that the legislature may prescribe;

20 *Sec. 4. AS 37.07.080(b) and (c) are amended to read:

21 (b) Each state agency shall prepare an annual plan for the operation
22 of each of its assigned programs except for programs that are exempted
23 from this requirement by the division. The operations plan shall be
24 prepared in the form and content and be transmitted on the date prescribed
25 by the division. If the plan involves an appropriation for a service or
26 program which affects residents of an unorganized borough which has elec
27 ted an unorganized borough assembly, the division shall require the
28 cy to prepare a narrative summary of the service or program and
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1 mit the summary and the annual plan to the assembly of the unorganized
2 borough for the assembly's review and comment. Appropriations for a
3 service which affects residents of the unorganized borough of the state
4 having an unorganized borough assembly may not be expended until the
5 comments and recommendations of the assembly of the affected unorganized
6 borough have been returned to the division for transmittal to the applica-
7 ble state agency.

8 (c) The division shall

9 (1) review each operations plan to determine that it is consis-
10 tent with the policy decisions of the governor and appropriations by the
11 legislature, that it reflects proper planning and efficient management
12 methods, that appropriations have been made for the planned purpose and
13 will not be exhausted before the end of the fiscal year, and that the agen-
14 cy has reviewed the comments and recommendations to the annual plan made
15 by an unorganized borough assembly and has considered these comments and
16 recommendations in the provision of services under the plan;

17 (2) approve the operations plan if satisfied that it meets the
18 requirements under (1) of this subsection; otherwise, the division shall
19 require the revision of the operations plan in whole or in part;

20 (3) (repealed).

21 *Sec. 5. AS 35.30.010(a) and (c) are amended to read:

22 (a) Except as provided in (b) of this section, before commencing
23 construction of a public project,

24 (1) if the project is located in a municipality, the department
25 shall submit the plans for the project to the planning commission of the
26 municipality for review and approval;

27 (2) if the project is located within an unorganized bor
28 which an assembly has been elected or is located within two
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1 village, the department shall submit the plans to the assembly of the un-
2 organized borough or to the village council for review and comment;

3 (c) If final disapproval by resolution of the governing body of the
4 affected municipality or final comment from the assembly of an unorganized
5 borough or village council is not received within 90 days from the date
6 the project was submitted to the municipality, assembly of an unorganized
7 borough, or village, the department may proceed with the project.

8 *Sec. 6. AS 29.03.010 is amended to read:

9 Sec. 29.03.010. ESTABLISHMENT. Areas of the state which are not
10 within the boundaries of an organized borough shall be included within
11 unorganized boroughs [CONSTITUTE A SINGLE UNORGANIZED BOROUGH].

12 *Sec. 7. AS 29.03.020 is amended to read:

13 Sec. 29.03.020. SERVICE AREAS. Allowing for maximum local
14 participation, the legislature may establish, alter, or abolish service
15 areas within [THE] unorganized boroughs [BOROUGH] to provide special ser-
16 vices, which may include, but are not limited to, schools, utilities,
17 land use regulations, and fire protection. A new service area may not be
18 established if the new service can be provided by an existing service area
19 by incorporation as a city, or by annexation to a city.

20 *Sec. 8. AS 29.08.010 is amended to read:

21 Sec. 29.08.010. HOME RULE. A home rule municipality is a municipi-
22 pal corporation and political subdivision and is a borough of the first
23 class, a borough incorporated directly from an unorganized borough in
24 accordance with AS 29.19, or a city of the first class which has adopted
25 a home rule charter. It has all legislative powers not prohibited by law
26 or charter.

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

28 CHAPTER 19. INCORPORATION OF A HOME RULE BOROUGH
29

FROM AN UNORGANIZED BOROUGH.

1
2 Sec. 29.19.010. INCORPORATION. The assembly of an unorganized borough
3 may apply for the incorporation of a home rule borough. The petition for
4 borough incorporation shall be filed with the Department of Community and
5 Regional Affairs and include all information and signatures required by
6 AS 29.18.050. The provisions of AS 29.18.060 - 29.18.090 are applicable
7 to petitions for incorporation filed under this section.

8 Sec. 29.19.020. CHARTER ELECTION. The Local Boundary Commission shall
9 immediately notify the lieutenant governor of its acceptance of a petition
10 requesting direct incorporation of a home rule borough presented under
11 this chapter. Within 30 days after receipt of notification, the lieuten-
12 ant governor shall order an election within the proposed home rule borough
13 to determine whether the voters shall elect a charter commission of eleven
14 members, and to determine the persons elected to serve on the charter
15 commission. The lieutenant governor shall provide not less than 20 or
16 more than 30 days during which candidates for the charter commission may
17 present nominating petitions. The election on the question of election
18 of a charter commission and to determine the persons elected to serve
19 on the charter commission not less than 60 or more than 75 days after
20 the date of the election order.

21 Sec. 29.19.030. PREPARATION OF CHARTER. If, at the election called
22 by the lieutenant governor under AS 29.19.020, a majority of the voters
23 favors election of a charter commission, the eleven persons receiving the
24 highest number of votes cast at that election shall constitute the charter
25 commission. The commission shall initiate organization of a home rule
26 borough by preparing a proposed charter and submitting it to the
27 Department of Community and Regional Affairs. The charter shall be
28 submitted within one year of the first meeting of the charter commis-
29

1 The commissioner of community and regional affairs shall review the
2 charter for compliance with provisions of law applicable to home rule
3 municipalities and, if the charter meets these requirements, request the
4 lieutenant governor to submit the proposed borough incorporation petition
5 and proposed home rule charter to residents of the proposed home rule
6 borough.

7 Sec. 29.19.040. AMENDED CHARTER. Within 90 days of the receipt of
8 comments from the commissioner of community and regional affairs with
9 respect to provisions of a proposed home rule charter which are not in
10 conformance with provisions of law applicable to home rule municipalities,
11 the charter commission may prepare and submit to the commissioner an amen-
12 ded charter which meets the objections in the original proposed charter.

13 Sec. 29.19.050. LIMITATION ON SUBMISSION OF PROPOSED CHARTERS. No
14 more than one original and one amended charter may be submitted to the
15 commissioner under AS 29.19.030 - 29.19.040.

16 Sec. 29.19.060. RATIFICATION OF CHARTER. The lieutenant governor shall
17 provide for an election within the proposed home rule borough on the ques-
18 tion of whether or not the area shall be incorporated as a home rule borough
19 in accordance with the provisions of the charter submitted to an approved
20 by the commissioner. The election shall be preceded by a publication and
21 posting of the proposed charter throughout the proposed borough by the
22 lieutenant governor. The election shall be held not less than 60 or more
23 than 90 days following the election order.

24 Sec. 29.19.070. CERTIFICATION OF RESULTS OF RATIFICATION ELECTION. (a)
25 If a majority of the votes cast by the qualified voters of the proposed
26 home rule borough is against the incorporation of a borough under the pro-
27 posed home rule charter, the lieutenant governor shall so certify, and
28 proposal is defeated.

29 A-L 20 (b) If a majority of the votes cast by the qualified voters

1 posed home rule borough favors incorporation of the borough under the
2 proposed home rule charter, the lieutenant governor shall so certify and
3 declare that the area in which the election was held is incorporated
4 as an organized borough and a municipal corporation in accordance with
5 provisions of the home rule charter. The lieutenant governor shall
6 provide for the election of the officers provided for in the charter.

7 (c) The election and qualification of officers under (b) of this
8 section shall be completed by the lieutenant governor in conformance with
9 AS 29.18.120 and the provisions of the home rule charter of the borough.

10 Sec. 29.18.080. VOTERS, ELECTIONS AND COSTS. (a) A person is qualified
11 to vote in an election authorized by AS 29.19.010 - 29.19.070 if he is
12 qualified to vote in state elections and if he is a resident of the area
13 proposed for incorporation as a home rule borough.

14 (b) The lieutenant governor shall conduct elections authorized by
15 AS 29.19.010 - 29.19.060 substantially in the manner provided in the
16 Alaska Election Code (AS 15.05 - 15.60).

17 (c) The state,

18 (1) through the office of the lieutenant governor, shall assume
19 costs of elections authorized by this chapter;

20 (2) through the department of community and regional affairs,
21 shall assume reasonable costs of charter preparation under this chapter.

22 Sec. 29.19.090. TRANSITION. The provisions of AS 29.18.130 - 29.18.-
23 180 apply to home rule boroughs incorporated under this chapter.

24 *Sec. 10. TRANSITIONAL PROVISIONS RELATING TO THE ELECTION AND TERMS
25 OF OFFICE OF INITIAL MEMBERS OF THE ASSEMBLY OF AN UNORGANIZED BOROUGH.

26 (a) The call for nomination and manner of election of members of the
27 assembly of an unorganized borough first elected under AS 44.47.420 (a)
28 added in Sec. 2 of this Act, shall be completed substantially in
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1 with provisions of law providing for the nomination and election of
2 members of the school board of a regional educational attendance area.

3 (b) The members of the first assembly of an unorganized borough elected
4 in accordance with AS 44.47.430, added by Sec. 2 of this Act, shall convene
5 on the third Monday following certification of their election by the lieut-
6 enant governor at a place designated by the commissioner of the Department
7 of Community and Regional Affairs within the unorganized borough. The
8 commissioner, or his authorized representative, shall convene the meeting.
9 The members of the assembly of the unorganized borough who are first elect-
10 ed shall determine, by lot, the length of their respective terms of office,
11 with

12 (1) three members to serve until the election designated in AS 44.47.
13 430(c) next following one full year after the date of certification of
14 their initial election;

15 (2) four members to serve until the election designated in AS 44.47.-
16 430(c) next following two full years after the date of certification of
17 their initial election; and

18 (3) four members to serve until the election designated in AS 44.47.-
19 430(c) next following three full years after the date of certification of
20 their initial election.

21 *Sec. 11. This Act takes effect immediately in accordance with AS 01.10.
22 070(c).
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IN THE SENATE BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

SENATE BILL NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act establishing unorganized boroughs, defining their duties and powers, amending the responsibilities of state agencies to unorganized borough assemblies under the Fiscal Procedures Act and in the construction of public facilities, authorizing preparation of home rule charters in unorganized boroughs, and amending the responsibilities of the Department of Community and Regional Affairs with respect to unorganized boroughs, and providing for an effective date."

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

* Section 1. PURPOSE. The purpose of this Act is to provide for the division of the state's single unorganized borough into unorganized boroughs and to authorize, through the election of a representative body within each unorganized borough, exercise of public planning functions and the review and comment on state programs and services affecting residents of the unorganized boroughs.

* Sec. 2. AS 44.47 is amended by adding new sections to read:

ARTICLE 9. UNORGANIZED BOROUGHS.

Sec. 44.47.400. ESTABLISHMENT OF UNORGANIZED BOROUGHS. Except as the boundaries are adjusted as provided in AS 44.47.410, the geographic area within each regional educational attendance area created under AS 14.08.031 is, effective January 1, 1981, established as an unorganized borough.

Sec. 44.47.410. COMBINING OF SERVICE AREAS TO ESTABLISH UNORGA-

1 NIZED BOROUGH. The commissioner may, after public hearings in the
2 areas affected, constitute the geographic area within two or more
3 regional educational attendance areas as a single unorganized borough.
4 The commissioner shall consider the standards applicable to the incorpo-
5 ration of boroughs under AS 29.18.030 and shall combine regional edu-
6 cational attendance areas into a single unorganized borough if he deter-
7 mines that the combination secures representation from and participation
8 by all areas reasonably necessary to review and comment on provision of
9 state services on a regional basis without unnecessarily reducing the
10 ability of residents of all areas to be represented on an unorganized
11 borough assembly. The commissioner may not combine regional educational
12 attendance areas which are within the territory of more than one Native
13 regional corporation established under the Alaska Native Claims Settle-
14 ment Act.

15 Sec. 44.47.420. ASSEMBLY FOR UNORGANIZED BOROUGH. (a) Provision
16 for the election of an assembly for an unorganized borough may be ini-
17 tiated by

18 (1) submission to the commissioner of a petition for an
19 election signed by the number of registered voters equal to 15 per cent
20 of the number of voters voting within the unorganized borough at the
21 last state general election; or

22 (2) submission to the commissioner of a resolution requesting
23 an election and approved by the city councils or traditional governing
24 bodies of not less than 25 per cent of the number of cities and villages
25 within the unorganized borough.

26 (b) Not less than 60 or more than 90 days after receipt of a
27 proper petition or resolution by the commissioner, the lieutenant
28 governor shall conduct an election on the question of whether an
29 assembly shall be elected in an unorganized borough. The lieutenant

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governor shall submit to the voters of the unorganized borough at a special election the following question:

"Shall _____, an unorganized borough, have an unorganized borough assembly?

Yes []

No []"

(c) If a majority of the votes cast at an election under (b) of this section is in the negative, the lieutenant governor shall certify that the proposal to constitute the unorganized borough as an unorganized borough with an assembly has been rejected. A petition or resolution calling for the election of an assembly for an unorganized borough involving the same territory may not be presented within six months of the certification of the lieutenant governor under this subsection.

(d) If a majority of the votes cast at an election under (b) of this section is in the affirmative, the lieutenant governor shall certify that the proposal to constitute the unorganized borough as an unorganized borough with an assembly has been approved. The lieutenant governor shall promptly call for the nomination and election of members of the initial assembly of the unorganized borough.

Sec. 44.47.430. UNORGANIZED BOROUGH ASSEMBLY. (a) An unorganized borough in which a majority of the voters has approved election of an assembly shall elect an assembly of 11 members. Assembly members shall be elected at large by the qualified voters of the unorganized borough.

(b) Members of an unorganized borough assembly serve overlapping three-year terms. Members serve until their successors are elected and have qualified. Nothing in this section prohibits the reelection of an unorganized borough assembly member.

(c) Elections of members of the assembly of an unorganized borough

1 shall be held annually on the date of election of members of regional
2 educational attendance area school boards under AS 14.08.071(b).

3 (d) If a vacancy occurs on the assembly of an unorganized borough,
4 the remaining members shall, within 30 days, fill the vacancy. The
5 person selected to fill the vacancy shall serve until the next regular
6 election, when a successor will be elected to serve the balance of the
7 term.

8 (e) The assembly of an unorganized borough convenes on the first
9 Monday following certification of the annual election of members of the
10 borough assembly. At the meeting, the members shall elect one of their
11 number to serve as assembly chairman. The person elected shall serve as
12 chairman for one year and until his successor has been elected. A
13 chairman who remains a member of the assembly of the unorganized borough
14 assembly may be renominated and reelected as chairman without limit on
15 the number of years of service.

16 Sec. 44.47.440. DUTIES OF THE UNORGANIZED BOROUGH ASSEMBLY. The
17 assembly of an unorganized borough shall

18 (1) make and publish rules for the conduct of its meetings;

19 (2) provide for the election of other officers of the
20 assembly, and define the duties of each;

21 (3) define the duties of the chairman of the assembly of the
22 unorganized borough; and

23 (4) meet to receive, review, and provide written comments and
24 recommendations with respect to proposed capital improvements and agency
25 programs and services which involve legislative appropriations and which
26 affect the people and resources of the unorganized borough.

27 Sec. 44.47.450. POWERS OF THE UNORGANIZED BOROUGH ASSEMBLY. The
28 assembly of an unorganized borough may

29 (1) prepare studies of the resources of the unorganized

borough:

(2) serve as a clearinghouse for information, data, and other materials which may be helpful or necessary to government agencies in the discharge of their responsibilities or in obtaining technical or financial assistance;

(3) prepare and maintain a regional planning report which

(A) establishes the goals for the unorganized borough;

(B) assesses and reports the needs of residents of the unorganized borough; and

(C) analyzes alternative ways of meeting the needs of the residents of the unorganized borough; and

(4) provide for the preparation and submission of a charter for a home rule borough in accordance with AS 29.19.010 - 29.19.090.

Sec. 44.47.460. COMPENSATION AND EXPENSES. Members of the assembly of an unorganized borough receive no salary, but are entitled to per diem and travel expenses authorized by law for state boards and commissions, unless a different per diem rate is approved by a majority of the members of the unorganized borough assembly.

Sec. 44.47.470. MISCELLANEOUS PROVISIONS. (a) A member of the assembly of an unorganized borough is subject to recall on the same grounds and in the same manner as provided for the recall of municipal officials in AS 29.28.130 - 29.28.250, except that the lieutenant governor is responsible for the receipt and review of all recall petitions and the conduct of all recall elections.

(b) Elections under AS 44.47.400 - 44.47.470, including recall elections authorized by (a) of this section, shall be conducted by the lieutenant governor consistent with the provisions of the Alaska Election Code (AS 15.05 - 15.60). The state shall pay all election costs.

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Sec. 44.47.480. RELATIONSHIP OF UNORGANIZED BOROUGHS TO MUNICIPALITIES AND OTHER UNORGANIZED BOROUGH SERVICE AREAS. (a) The powers and duties of an assembly of an unorganized borough may not be exercised or performed in a manner which causes a conflict with the exercise or performance of the powers and duties of the council of a city located within the unorganized borough, whether those powers and duties are conferred by statute or are assumed and exercised in accordance with the provisions of a home rule charter of the city.

(b) Nothing in AS 44.47.400 - 44.47.480 may be construed to limit the authority of

(1) the school board of a regional educational attendance area established under AS 14.08 to provide for the operation and maintenance of public schools in the unorganized borough;

(2) the coastal area board of a coastal resource service area established under AS 46.40.110 - 46.40.180 to prepare and submit a district coastal management program for the unorganized borough or portion of the unorganized borough.

* Sec. 3. AS 44.47.050(8) and (9) are amended to read:

(8) administer state funds appropriated for the operation [BENEFIT] of unorganized boroughs established under AS 44.47.400 - 44.47.480 [REGIONS WITHIN THE STATE], allowing for maximum participation by unorganized borough assemblies in the allocation and use of funds appropriated [LOCAL ADVISORY COUNCILS AND SIMILAR BODIES];

(9) assist the assemblies of unorganized boroughs to carry out their duties under AS 44.47.440 and their responsibilities under AS 44.47.450 and, where no assembly for an unorganized borough has been authorized by the residents of the unorganized borough, carry out those administrative functions in unorganized boroughs that the legislature may prescribe;

1 * Sec. 4. AS 37.07.030(b) and (c) are amended to read:

2 (b) Each state agency shall prepare an annual plan for the op-
3 eration of each of its assigned programs except for programs that are
4 exempted from this requirement by the division. The operations plan
5 shall be prepared in the form and content and be transmitted on the date
6 prescribed by the division. If the plan involves an appropriation for
7 a service or program which affects residents of an unorganized borough
8 which has elected an unorganized borough assembly, the division shall
9 require the agency to prepare a narrative summary of the service or
10 program and to transmit the summary and the annual plan to the assembly
11 of the unorganized borough for the assembly's review and comment.
12 Appropriations for a service which affects residents of the unorganized
13 borough of the state having an unorganized borough assembly may not be
14 expended until the comments and recommendations of the assembly of the
15 affected unorganized borough have been returned to the division for
16 transmittal to the applicable state agency.

17 (c) The division shall

18 (1) review each operations plan to determine that it is
19 consistent with the policy decisions of the governor and appropriations
20 by the legislature, that it reflects proper planning and efficient
21 management methods, that appropriations have been made for the planned
22 purpose and will not be exhausted before the end of the fiscal year,
23 and that the agency has reviewed the comments and recommendations to
24 the annual plan made by an unorganized borough assembly and has con-
25 sidered these comments and recommendations in the provision of services
26 under the plan;

(2) approve the operations plan if satisfied that it meets
the requirements under (1) of this subsection; otherwise, the division
shall require revision of the operations plan in whole or in part;

(3) (repealed).

* Sec. 5. AS 35.30.010(a) and (c) are amended to read:

(a) Except as provided in (b) of this section, before commencing construction of a public project,

(1) if the project is located in a municipality, the department shall submit the plans for the project to the planning commission of the municipality for review and approval;

(2) if the project is located in an unorganized borough in which an assembly has been elected or is located within two miles of a village, the department shall submit the plans to the assembly of the unorganized borough or to the village council for review and comment.

(c) If final disapproval by resolution of the governing body of the affected municipality or final comment from the assembly of an unorganized borough or village council is not received within 90 days from the date the project was submitted to the municipality, assembly of an unorganized borough, or village, the department may proceed with the project.

* Sec. 6. AS 29.03.010 is amended to read:

Sec. 29.03.010. ESTABLISHMENT. Areas of the state which are not within the boundaries of an organized borough shall be included within unorganized boroughs [CONSTITUTE A SINGLE UNORGANIZED BOROUGH].

* Sec. 7. AS 29.03.020 is amended to read:

Sec. 29.03.020. SERVICE AREAS. Allowing for maximum local participation, the legislature may establish, alter, or abolish service areas within [THE] unorganized boroughs [BOROUGH] to provide special services, which may include, but are not limited to, schools, utilities, land use regulations, and fire protection. A new service area may not be established if the new service can be provided by an existing service area, by incorporation as a city, or by annexation to a city.

* Sec. 8. AS 29.08.010 is amended to read:

Sec. 29.08.010. HOME RULE. A home rule municipality is a municipal corporation and political subdivision and is a borough of the first class, a borough incorporated directly from an unorganized borough in accordance with AS 29.19, or a city of the first class which has adopted a home rule charter. It has all legislative powers not prohibited by law or charter.

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

CHAPTER 19. INCORPORATION OF A HOME RULE BOROUGH
FROM AN UNORGANIZED BOROUGH.

Sec. 29.19.010. INCORPORATION. The assembly of an unorganized borough may apply for the incorporation of a home rule borough. The petition for borough incorporation shall be filed with the Department of Community and Regional Affairs and include all information and signatures required by AS 29.18.050. The provisions of AS 29.18.050 - 29.18.090 are applicable to petitions for incorporation filed under this section.

Sec. 29.19.020. CHARTER ELECTION. The Local Boundary Commission shall immediately notify the lieutenant governor of its acceptance of a petition requesting direct incorporation of a home rule borough presented under this chapter. Within 30 days after receipt of notification, the lieutenant governor shall order an election within the proposed home rule borough to determine whether the voters shall elect a charter commission of 11 members, and to determine the persons elected to serve on the charter commission. The lieutenant governor shall provide not less than 20 or more than 30 days during which candidates for the charter commission may present nominating petitions. The election on the question of election of a charter commission and the determination of persons elected to serve on the charter commission shall be held not

1 less than 60 or more than 75 days after the date of the election order.

2 Sec. 29.19.030. PREPARATION OF CHARTER. (a) If, at the election
3 called by the lieutenant governor under AS 29.19.020, a majority of the
4 voters favors election of a charter commission, the 11 persons receiving
5 the highest number of votes cast at that election shall constitute the
6 charter commission. The commission shall initiate organization of a
7 home rule borough by preparing a proposed charter and submitting it to
8 the Department of Community and Regional Affairs. The proposed charter
9 shall be submitted within one year of the first meeting of the charter
10 commission. The commissioner of community and regional affairs shall
11 review the proposed charter for compliance with provisions of law
12 applicable to home rule municipalities and, if it meets these require-
13 ments, request the lieutenant governor to submit the proposed borough
14 incorporation petition and proposed home rule charter to residents of
15 the proposed home rule borough. If the proposed charter does not comply
16 with the applicable provisions of law, the commissioner shall return the
17 proposed charter to the charter commission with a statement of the legal
18 deficiencies.

19 (b) Within 90 days of the receipt of comments from the commis-
20 sioner of community and regional affairs with respect to provisions of a
21 proposed home rule charter which are not in conformance with provisions
22 of law applicable to home rule municipalities, the charter commission
23 may prepare and submit to the commissioner an amended charter which
24 meets the objections in the original proposed charter.

25 Sec. 29.19.040. LIMITATION ON SUBMISSION OF PROPOSED CHARTERS. No
26 more than one original and one amended charter may be submitted to the
27 commissioner of community and regional affairs under AS 29.19.030.

28 Sec. 29.19.050. RATIFICATION OF CHARTER. The lieutenant governor
29 shall provide for an election within the proposed home rule borough on

1 the question of whether or not the area shall be incorporated as a home
2 rule borough in accordance with the provisions of the charter submitted
3 to and approved by the commissioner of community and regional affairs.
4 The election shall be preceded by a publication and posting of the
5 proposed charter throughout the proposed borough by the lieutenant
6 governor. The election shall be held not less than 60 or more than 90
7 days following the election order.

8 Sec. 29.19.060. RESULTS OF RATIFICATION ELECTION. (a) If a
9 majority of the votes cast by the qualified voters of the proposed home
10 rule borough is against the incorporation of a borough under the
11 proposed home rule charter, the proposal is defeated.

12 (b) If a majority of the votes cast by the qualified voters of the
13 proposed home rule borough favors incorporation of the borough under the
14 proposed home rule charter, the lieutenant governor shall declare that
15 the area in which the election was held is incorporated as an organized
16 borough and a municipal corporation in accordance with provisions of the
17 home rule charter. The lieutenant governor shall provide for the
18 election of the officers provided for in the charter.

19 (c) The election and qualification of officers under (b) of this
20 section shall be completed by the lieutenant governor in conformance
21 with AS 29.18.120 and the provisions of the home rule charter of the
22 borough.

23 Sec. 29.19.070. VOTERS, ELECTIONS AND COSTS. (a) A person is
24 qualified to vote in an election authorized by AS 29.19.010 - 29.19.070
25 if he is qualified to vote in state elections and if he is a resident of
26 the area proposed for incorporation as a home rule borough.

27 (b) The lieutenant governor shall conduct elections authorized by
28 AS 29.19.010 - 29.19.060 substantially in the manner provided in the
29 Alaska Election Code (AS 15.05 - 15.60), and shall certify the results

of all elections under this chapter. Costs of elections under this chapter shall be assumed by the Office of the Lieutenant Governor.

(c) Costs of charter preparation under this chapter shall be assumed by the Department of Community and Regional Affairs.

Sec. 29.19.080. TRANSITION. The provisions of AS 29.18.130 - 29.18.180 apply to home rule boroughs incorporated under this chapter.

* Sec. 10. TRANSITIONAL PROVISIONS RELATING TO THE ELECTION AND TERMS OF OFFICE OF INITIAL MEMBERS OF THE ASSEMBLY OF AN UNORGANIZED BOROUGH. (a)

The call for nomination and manner of election of members of the assembly of an unorganized borough first elected under AS 44.47.420(d), added in sec. 2 of this Act, shall be completed substantially in accordance with provisions of law providing for the nomination and election of members of the school board of a regional educational attendance area.

(b) The members of the first assembly of an unorganized borough elected in accordance with AS 44.47.430, added by sec. 2 of this Act, shall meet on the third Monday following certification of their election by the lieutenant governor at a place designated by the commissioner of the Department of Community and Regional Affairs within the unorganized borough. The commissioner, or his authorized representative, shall convene the meeting. The members of the assembly of the unorganized borough who are first elected shall determine, by lot, the length of their respective terms of office, with

(1) three members to serve until the election designated in AS 44.47.430(c) next following one full year after the date of certification of their initial election;

(2) four members to serve until the election designated in AS 44.47.430(c) next following two full years after the date of certification of their initial election;

(3) four members to serve until the election designated in AS 44.47.430(c) next following three full years after the date of certification of

their initial election.

* Sec. 11. This Act takes effect immediately in accordance with AS 01.-
10.070(c).

WO 7573
Vassar

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

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IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to state aid to local governments; and providing for an effective date."

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

* Section 1. AS 43.18 is amended by adding a new section to read:

Sec. 43.18.015. ADDITIONAL ENTITLEMENT. A city or organized borough of any class which is entitled to state aid under AS 43.18.010 shall receive additional state aid for each fiscal year in the amount of \$25,000 adjusted to include an area cost-of-living differential determined in accordance with AS 43.18.012.

* Sec. 2. This Act takes effect July 1, 1980.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

December 21, 1979

SUBJECT: Elimination of Third Class Boroughs
(Work Order Number 7574)

TO: Community and Regional Affairs Committee
Attn: Marge Gorsuch
Administrative Assistant

FROM: Thomas A. Sofo *TAS*
Legislative Counsel

In the draft of the bill to eliminate third class boroughs it was necessary to revise statutes that used the term "third class borough" which were outside the municipal code (AS 29). In particular, attention should be given to AS 14.-12.110 which is contained in that title of the Alaska Statutes reserved for education. Although AS 14.12.110 does address a topic related to education, i.e. the composition of school boards, it also quite clearly expands the potential power of the borough assembly without any parallel provision in the municipal code. It might be desirable to add such a provision to AS 29 so that reference to that title in order to examine the powers of the borough assembly would reveal this potential dual function.

TAS:ljb

Enclosure

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act eliminating third class boroughs."

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

* Section 1. AS 29.08.030 is amended to read:

Sec. 29.08.030. CLASSES OF GENERAL LAW. General law municipalities are of four [FIVE] classes:

- (1) first class boroughs;
- (2) second class boroughs;
- (3) [THIRD CLASS BOROUGHS;]
- (4) first class cities;
- (5) second class cities.

* Sec. 2. AS 29.08.040(g) is amended to read:

(g) A second class borough may reclassify as a first class [OR THIRD CLASS] borough [, AND A THIRD CLASS BOROUGH MAY RECLASSIFY AS A FIRST CLASS OR SECOND CLASS BOROUGH,] in the manner provided by AS 29.33.270 - 29.33.290 for the addition of powers by boroughs, except the petition or proposal requests reclassification instead of requesting addition of powers.

* Sec. 3. AS 29.78.010(1) is amended to read:

(1) "borough" means a general law first or [,] second [OR THIRD] class organized borough;

* Sec. 4. AS 02.15.260(10) is amended to read:

(10) "municipality" means a home rule or general law municipal corporation and political subdivision, which is a first or second class borough or city [, OR A THIRD CLASS BOROUGH,] incorporated under the

1 laws of the state;

2 * Sec. 5. AS 14.12.110 is amended to read:

3 Sec. 14.12.110. SINGLE BODY AS ASSEMBLY AND SCHOOL BOARD. Not-
4 withstanding the provisions of this chapter or other law, a single body
5 may serve as both the borough assembly and borough school board in the
6 manner provided for in this section [THIRD CLASS BOROUGH UNDER AS 07.-
7 17.030], if a borough ordinance for that purpose is approved by the
8 assembly and ratified by a referendum of a majority of the qualified
9 borough voters voting on the question at a regular or special election,
10 and if the public school population within the borough is 500 pupils or
11 less. If a single body serves as both the borough assembly and school
12 board, the borough executive is the presiding officer of the borough
13 assembly and president of the school board and the borough executive
14 has all powers of a borough executive under AS 29.23 except for the
15 veto power.

16 * Sec. 6. AS 38.05.037(a) is amended to read:

17 (a) In areas of the state outside first and [,] second [OR THIRD]
18 class boroughs where there is no municipality with a zoning power, the
19 division of lands shall exercise the zoning power by adopting zoning
20 regulations.

21 * Sec. 7. AS 40.15.070 is amended to read:

22 Sec. 40.15.070. PLATTING AUTHORITY. If land proposed to be sub-
23 divided or dedicated is situated within a first or second class borough,
24 the proposed subdivision or dedication shall be submitted to the borough
25 planning commission for approval. If the land is situated within a city
26 in the unorganized borough, [OR THE THIRD CLASS BOROUGH] the proposed
27 subdivision or dedication shall be submitted to the city planning com-
28 mission for approval. The borough planning commission is the platting
29 authority for the first or second class borough, the city planning

1 commission is the platting authority for the city, and the division of
2 lands is the platting authority in the remaining areas of the state [AND
3 THIRD CLASS BOROUGH] for the change or vacation of existing plats or a
4 portion of such plats, as provided in AS 40.15.075. If the borough or
5 the city does not have a planning commission, the borough assembly or
6 the city governing body, respectively, is the platting authority and the
7 proposed subdivision or dedication shall be submitted to it. No sub-
8 division may be filed for record until it is approved by the platting
9 authority.

10 * Sec. 8. AS 40.15.075 is amended to read:

11 Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH [AND THIRD
12 CLASS BOROUGH]. The division of lands is the platting authority in the
13 area outside organized boroughs and outside cities in the unorganized
14 borough [AND IN THE THIRD CLASS BOROUGH] for only the purposes of
15 hearing and acting on petitions for the change or vacation of plats and
16 shall execute this function substantially in conformity with the provi-
17 sions of AS 29.33.210 - 29.33.240. Costs of publication and mailing as
18 well as other costs authorized in AS 29.33.210 shall be paid to the
19 division by the petitioner. The Department of Natural Resources shall
20 adopt reasonable regulations governing the exercise of the authority
21 conferred by this section upon the division of lands.

22 * Sec. 9. AS 43.35.130 is amended to read:

23 Sec. 43.35.130. REFUND TO LOCAL GOVERNMENTS. The department shall
24 refund 75 percent of the tax collected from sales of punchboards in an
25 organized borough or city of the first or [,] second [, OR THIRD] class
26 to the local government. The balance shall be deposited in the general
27 fund.

28 * Sec. 10. A municipality which is incorporated as a third class borough
29 on the effective date of this Act may continue to operate as such until

1 December 31, 1984 and shall retain all the rights, powers and privileges
2 which it possessed on the effective date of this Act. A third class borough
3 which has not reclassified itself in the manner provided by AS 29.33.270 -
4 29.33.290 before December 31, 1984, is reclassified as a second class borough
5 on that date.

6 * Sec. 11. The following laws are repealed: AS 29.08.040(h), (i), and
7 (j); AS 29.41; AS 29.43.040(b); and AS 38.05.037(b)(2).

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WO#7571
Chenoweth

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the responsibilities of the division of policy development and planning, Office of the Governor; and providing for an effective date."

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

* Section 1. The division of policy development and planning shall study and report to the legislature, not later than January 31, 1981, as to the conformity by state agencies, boards and commissions with the program requirements under AS 44.17.100 - 44.17.120, including but not limited to recommendations which require legislation and for the development and implementation of a master geographical coding system to report on the coordination of delivery of state services by districts.

* Sec. 2. This Act takes effect on the effective date of a version of a bill entitled "An Act establishing administrative regions in the unorganized borough, amending the responsibilities of state agencies for state programs and services for residents of boroughs and the unorganized borough, and authorizing adoption of home rule charters in administrative regions of the unorganized borough; and providing for an effective date."

WO#7569
Chenoweth

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act establishing administrative regions in the unorganized borough, amending the responsibilities of state agencies for state programs and services for residents of boroughs and the unorganized borough, and authorizing adoption of home rule charters in administrative regions of the unorganized borough; and providing for an effective date."

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

* Section 1. PURPOSE. The purpose of this Act is to provide for the division of the state's single unorganized borough into administrative regions to accommodate the delivery of services and programs by state agencies within common boundaries and to require the collection of data and information about state programs with reference to a set of boundaries adopted for use by all state agencies for the purpose of improving the delivery of state services and encouraging the development of regional responsibilities for the planning and implementation of these services.

* Sec. 2. AS 44.47 is amended by adding new sections to read:

ARTICLE 9. UNORGANIZED BOROUGH ADMINISTRATIVE REGIONS.

Sec. 44.47.400. ESTABLISHMENT OF UNORGANIZED BOROUGH ADMINISTRATIVE REGIONS. Except as the boundaries are adjusted as provided in AS 44.47.410, the geographic area within each regional educational attendance area established under AS 14.08.031 is, effective 120 days after the effective date of this Act, established as an administrative region of the unorganized borough.

1 Sec. 44.47.410. ADJUSTMENT OF BOUNDARIES BY COMMISSIONER. The
2 commissioner may, after public hearings in the areas affected, establish
3 boundaries other than the boundaries of regional educational attendance
4 areas for administrative regions of the unorganized borough under AS 44.
5 47.400. In making adjustments, the commissioner shall consider the
6 standards applicable to the incorporation of boroughs under AS 29.18.030
7 and the regional boundaries adopted by the Native regional corporations
8 established under the Alaska Native Claims Settlement Act. The com-
9 missioner may not establish boundaries for an administrative region for
10 the unorganized borough which include territory within more than one
11 Native regional corporation established under the Alaska Native Claims
12 Settlement Act unless the inclusion of the territory is reasonably
13 necessary for the efficient administration of programs and services by
14 state agencies.

15 * Sec. 3. AS 44.17 is amended by adding new sections to read:

16 ARTICLE 2. COLLECTION OF DATA AND INFORMATION
17 ABOUT STATE SERVICES IN DISTRICTS.

18 Sec. 44.17.100. DISTRICTS. Each of the following is a district of
19 the state:

20 (1) a borough or unified municipality incorporated under
21 AS 29; and

22 (2) an administrative region of the unorganized borough,
23 determined under AS 44.47.400 - 44.47.410.

24 Sec. 44.17.110. DATA AND INFORMATION. Each state agency, in-
25 cluding a board or commission assigned to an agency for administrative
26 purposes, shall provide for the administration of the programs for which
27 it is responsible on the basis of districts designated in AS 44.17.100
28 by

29 (1) collecting data, processing and analyzing statistics, and

1 providing information about programs on the basis of each of the dis-
2 tricts;

3 (2) developing program planning for districts;

4 (3) coordinating program planning for agency activities with
5 the plans and activities of other agencies, municipalities, and federal
6 departments and agencies in each district; and

7 (4) providing information to the governor, legislature and
8 the public for use in the preparation and consideration of the state
9 budget and other legislation bearing on the provision of state services
10 in each district.

11 Sec. 44.17.120. EXEMPTIONS AND MODIFICATIONS. (a) An exemption
12 from AS 44.17.110 may be granted by the legislature to an agency if
13 conformity would cause undue expense, hardship, or decreased efficiency
14 in the development and operation of an agency program. The agency
15 requesting the exemption shall submit to the Legislative Council

16 (1) a written statement naming the program for which the
17 exemption is sought and explaining the reasons for seeking the exemp-
18 tion; and

19 (2) an evaluation of the practicality of conforming to AS 44.-
20 17.110 within a five-year period.

21 (b) The boundaries of a district may be modified by the legisla-
22 ture if the requirements of conformity to the boundaries as set out in
23 AS 44.17.100 would be detrimental to the accomplishment of the objec-
24 tives of an agency program. An agency requesting modification of the
25 boundaries shall submit to the Legislative Council

26 (1) a statement naming the program for which modification of
27 district boundaries is requested and the reasons for seeking a modifica-
28 tion;

29 (2) a map depicting the revised boundaries which will be used

1 if a modification of boundaries is granted; and

2 (3) an evaluation of the likelihood of conforming to the
3 boundaries established in AS 44.17.100 within a five-year period.

4 * Sec. 4. AS 29 is amended by adding a new chapter to read:

5 CHAPTER 19. DIRECT INCORPORATION OF A HOME RULE BOROUGH.

6 Sec. 29.19.010. INCORPORATION. The residents of an administrative
7 region of the unorganized borough established in accordance with AS 44.-
8 47.400 - 44.47.410 may apply for the incorporation of a home rule
9 borough. The petition for borough incorporation shall be filed with the
10 Department of Community and Regional Affairs and shall include the
11 information and signatures required by AS 29.18.050. Petitions for
12 incorporation filed under this section shall be processed, reviewed and
13 determined in accordance with AS 29.18.060 - 29.18.090.

14 Sec. 29.19.020. CHARTER ELECTION. If the Local Boundary Commis-
15 sion accepts the petition filed under AS 29.19.010, it shall immediately
16 notify the lieutenant governor. Within 30 days after notification, the
17 lieutenant governor shall order an election within the proposed home
18 rule borough to determine whether the voters will elect a charter com-
19 mission of 11 members, and to determine the persons elected to serve on
20 the charter commission. The lieutenant governor shall provide not less
21 than 20 or more than 30 days during which candidates for the charter
22 commission may present nominating petitions. The election on the
23 question of election of a charter commission and the determination of
24 persons elected to serve on the charter commission shall be held not
25 less than 60 or more than 75 days after the date of the election order.

26 Sec. 29.19.030. PREPARATION OF CHARTER. (a) If, at the election
27 called by the lieutenant governor under AS 29.19.020, a majority of the
28 voters favors election of a charter commission, the 11 persons receiving
29 the highest number of votes cast at that election constitutes the charter

1 commission. The charter commission shall prepare a proposed charter and
2 submit it to the Department of Community and Regional Affairs within one
3 year of the first meeting of the charter commission. The commissioner
4 of community and regional affairs shall review the proposed charter for
5 compliance with laws applicable to home rule municipalities and, if it
6 complies, request the lieutenant governor to submit the proposed borough
7 incorporation petition and proposed home rule charter to residents of
8 the proposed home rule borough. If the proposed charter does not comply
9 with law, the commissioner shall return the proposed charter to the
10 charter commission with a statement of the legal deficiencies.

11 (b) Within 90 days of the receipt of comments from the commis-
12 sioner of community and regional affairs with respect to provisions of a
13 proposed home rule charter which are not in compliance with the laws
14 applicable to home rule municipalities, the charter commission may
15 prepare and submit to the commissioner an amended charter which meets
16 the objections in the original proposed charter.

17 (c) Only one original and one amended charter may be submitted to
18 the commissioner of community and regional affairs under this section.

19 Sec. 29.19.040. RATIFICATION OF CHARTER. The lieutenant governor
20 shall order an election on the question of whether the area shall be
21 incorporated as a home rule borough in accordance with the charter
22 approved by the commissioner of community and regional affairs. The
23 proposed charter shall be posted throughout the proposed borough by the
24 lieutenant governor before the election is held. The election shall be
25 held not less than 60 or more than 90 days following the election order.

26 Sec. 29.19.050. RESULTS OF RATIFICATION ELECTION. (a) If a
27 majority of the votes cast by the qualified voters of the proposed
28 borough is against the incorporation of a borough under the proposed
29 home rule charter, the proposal is defeated.

1 (b) If a majority of the votes cast by the qualified voters of the
2 proposed borough favors incorporation of the borough under the proposed
3 home rule charter, the lieutenant governor shall declare that the ad-
4 ministrative area in which the election was held is incorporated as an
5 organized borough and a municipal corporation in accordance with the
6 provisions of the home rule charter. The lieutenant governor shall
7 provide for the election of the officers provided for in the charter.

8 (c) The election and qualification of officers under (b) of this
9 section shall be completed by the lieutenant governor in accordance with
10 AS 29.18.120 and the provisions of the home rule charter of the borough.

11 Sec. 29.19.060. VOTERS, ELECTIONS AND COSTS. (a) A person is
12 qualified to vote in an election authorized by AS 29.19.010 - 29.19.060
13 if he is qualified to vote in state elections and if he is a resident of
14 the administrative area proposed for incorporation as a home rule
15 borough.

16 (b) The lieutenant governor shall conduct elections authorized by
17 AS 29.19.010 - 29.19.050 substantially in the manner provided in the
18 Alaska Election Code (AS 15.05 - 15.60), and shall certify the results
19 of all elections under this chapter. Costs of elections under this
20 chapter shall be paid by the office of the lieutenant governor.

21 (c) Costs of charter preparation under this chapter shall
22 be paid by the Department of Community and Regional Affairs.

23 Sec. 29.19.070. APPLICABILITY OF GENERAL TRANSITIONAL PROVISIONS.
24 The provisions of AS 29.18.130 - 29.18.180 apply to home rule boroughs
25 incorporated under this chapter.

26 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
27 070(c).

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

December 21, 1979

SUBJECT: Elimination of Third Class Boroughs
(Work Order Number 7574)

TO: Community and Regional Affairs Committee
Attn: Marge Gorsuch
Administrative Assistant

FROM: Thomas A. Sofo *TAS*
Legislative Counsel

In the draft of the bill to eliminate third class boroughs it was necessary to revise statutes that used the term "third class borough" which were outside the municipal code (AS 29). In particular, attention should be given to AS 14.-12.110 which is contained in that title of the Alaska Statutes reserved for education. Although AS 14.12.110 does address a topic related to education, i.e. the composition of school boards, it also quite clearly expands the potential power of the borough assembly without any parallel provision in the municipal code. It might be desirable to add such a provision to AS 29 so that reference to that title in order to examine the powers of the borough assembly would reveal this potential dual function.

TAS:ljb

Enclosure

WO 7574
Sofa

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act eliminating third class boroughs."

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

* Section 1. AS 29.08.030 is amended to read:

Sec. 29.08.030. CLASSES OF GENERAL LAW. General law municipalities are of four [FIVE] classes:

- (1) first class boroughs;
- (2) second class boroughs;
- (3) [THIRD CLASS BOROUGHS;]
- (4) first class cities;
- (5) second class cities.

* Sec. 2. AS 29.08.040(g) is amended to read:

(g) A second class borough may reclassify as a first class [OR THIRD CLASS] borough [, AND A THIRD CLASS BOROUGH MAY RECLASSIFY AS A FIRST CLASS OR SECOND CLASS BOROUGH,] in the manner provided by AS 29.-33.270 - 29.33.290 for the addition of powers by boroughs, except the petition or proposal requests reclassification instead of requesting addition of powers.

* Sec. 3. AS 29.78.010(1) is amended to read:

(1) "borough" means a general law first or [,] second [OR THIRD] class organized borough;

* Sec. 4. AS 02.15.260(10) is amended to read:

(10) "municipality" means a home rule or general law municipal corporation and political subdivision, which is a first or second class borough or city [, OR A THIRD CLASS BOROUGH,] incorporated under the

1 laws of the state;

2 * Sec. 5. AS 14.12.110 is amended to read:

3 Sec. 14.12.110. SINGLE BODY AS ASSEMBLY AND SCHOOL BOARD. Not-
4 withstanding the provisions of this chapter or other law, a single body
5 may serve as both the borough assembly and borough school board in the
6 manner provided for in this section [THIRD CLASS BOROUGH UNDER AS 07.-
7 17.030], if a borough ordinance for that purpose is approved by the
8 assembly and ratified by a referendum of a majority of the qualified
9 borough voters voting on the question at a regular or special election,
10 and if the public school population within the borough is 500 pupils or
11 less. If a single body serves as both the borough assembly and school
12 board, the borough executive is the presiding officer of the borough
13 assembly and president of the school board and the borough executive
14 has all powers of a borough executive under AS 29.23 except for the
15 veto power.

16 * Sec. 6. AS 38.05.037(a) is amended to read:

17 (a) In areas of the state outside first and [,] second [OR THIRD]
18 class boroughs where there is no municipality with a zoning power, the
19 division of lands shall exercise the zoning power by adopting zoning
20 regulations.

21 * Sec. 7. AS 40.15.070 is amended to read:

22 Sec. 40.15.070. PLATTING AUTHORITY. If land proposed to be sub-
23 divided or dedicated is situated within a first or second class borough,
24 the proposed subdivision or dedication shall be submitted to the borough
25 planning commission for approval. If the land is situated within a city
26 in the unorganized borough, [OR THE THIRD CLASS BOROUGH] the proposed
27 subdivision or dedication shall be submitted to the city planning com-
28 mission for approval. The borough planning commission is the platting
29 authority for the first or second class borough, the city planning

1 commission is the platting authority for the city, and the division of
2 lands is the platting authority in the remaining areas of the state [AND
3 THIRD CLASS BOROUGH] for the change or vacation of existing plats or a
4 portion of such plats, as provided in AS 40.15.075. If the borough or
5 the city does not have a planning commission, the borough assembly or
6 the city governing body, respectively, is the platting authority and the
7 proposed subdivision or dedication shall be submitted to it. No sub-
8 division may be filed for record until it is approved by the platting
9 authority.

10 * Sec. 8. AS 40.15.075 is amended to read:

11 Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH [AND THIRD
12 CLASS BOROUGH]. The division of lands is the platting authority in the
13 area outside organized boroughs and outside cities in the unorganized
14 borough [AND IN THE THIRD CLASS BOROUGH] for only the purposes of
15 hearing and acting on petitions for the change or vacation of plats and
16 shall execute this function substantially in conformity with the provi-
17 sions of AS 29.33.210 - 29.33.240. Costs of publication and mailing as
18 well as other costs authorized in AS 29.33.210 shall be paid to the
19 division by the petitioner. The Department of Natural Resources shall
20 adopt reasonable regulations governing the exercise of the authority
21 conferred by this section upon the division of lands.

22 * Sec. 9. AS 43.35.130 is amended to read:

23 Sec. 43.35.130. REFUND TO LOCAL GOVERNMENTS. The department shall
24 refund 75 percent of the tax collected from sales of punchboards in an
25 organized borough or city of the first or [,] second [, OR THIRD] class
26 to the local government. The balance shall be deposited in the general
27 fund.

28 * Sec. 10. A municipality which is incorporated as a third class borough
29 on the effective date of this Act may continue to operate as such until

1 December 31, 1984 and shall retain all the rights, powers and privileges
2 which it possessed on the effective date of this Act. A third class borough
3 which has not reclassified itself in the manner provided by AS 29.33.270 -
4 29.33.290 before December 31, 1984, is reclassified as a second class borough
5 on that date.

6 * Sec. 11. The following laws are repealed: AS 29.08.040(h), (i), and
7 (j); AS 29.41; AS 29.43.040(b); and AS 38.05.037(b)(2).

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w.o. 7356
Chenoweth

1 IN THE SENATE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act requiring fiscal notes for bills affecting a
7 municipality."

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

9 * Section 1. AS 24.30.035 is amended to read:

10 Sec. 24.30.035. FISCAL NOTES ON BILLS. Before a bill is reported
11 from the committee of first referral, there shall be attached to the
12 bill a fiscal note containing an estimate of the amount of the appropria-
13 tion increase or decrease which would result from enactment of the bill
14 for the ensuing fiscal year and at least two succeeding fiscal years.
15 If enactment of the bill would require an expenditure or appropriation
16 by any municipality, a fiscal note shall be attached to the bill con-
17 taining an estimate of the amount of the total expenditure or appropria-
18 tion which would be required during each of the first three fiscal
19 years by all affected municipalities. If [OR, IF] the bill has no
20 fiscal impact, a statement to that effect shall be attached. The fiscal
21 note or statement relating to a state program shall be prepared by the
22 department or departments affected. The fiscal note or statement relat-
23 ing to municipalities shall be prepared by the Department of Community
24 and Regional Affairs, but that department may obtain the assistance of
25 any other state agency in the preparation of the note or statement. If
26 the bill is presented by the governor for introduction in accordance
27 with AS 24.30.060(b) and the uniform rules of the legislature, the
28 fiscal note or statement shall be attached to the bill before the bill
29 is introduced. An amendment or a substitute bill proposed by a commit-

tee of referral that changes the fiscal impact of a bill shall be explained in a revised fiscal note or statement attached to the bill.

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w.o. 7356
Chenoweth

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

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19 years by all affected municipalities. If [OR, IF] the bill has no
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21 note or statement relating to a state program shall be prepared by the
22 department or departments affected. The fiscal note or statement relat-
23 ing to municipalities shall be prepared by the Department of Community
24 and Regional Affairs, but that department may obtain the assistance of
25 any other state agency in the preparation of the note or statement. If
26 the bill is presented by the governor for introduction in accordance
27 with AS 24.30.060(b) and the uniform rules of the legislature, the
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PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED
AS A UNIT IN THE ORIGINAL DOCUMENT.



Official Business

Alaska State Legislature

JOINT SENATE AND HOUSE
COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
LOCAL GOVERNMENT STUDY

Co-Chairmen
Senator Arliss Sturgulewski
Representative Bill Parker

Address all
correspondence to:
LOCAL GOVERNMENT STUDY

Pouch V
State Capitol
Juneau, Alaska 99811

JANUARY 18, 1980

PROPOSED JOINT COMMITTEE LEGISLATION

1. Act establishing unorganized boroughs
2. Program of planning assistance for unorganized boroughs
3. Relating to the responsibilities of the division of policy development and planning
4. Relating to the incorporation of second class boroughs as home rule boroughs
5. Relating to state aid to local governments
6. Eliminating third class boroughs
7. Requiring fiscal notes for bills affecting a municipality

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing unorganized boroughs, amending the
7 responsibilities of state agencies for state programs
8 and services for residents of organized and unorganized
9 boroughs, and authorizing adoption of home rule char-
10 ters by unorganized boroughs; and providing for an
11 effective date."

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

13 * Section 1. PURPOSE. The purpose of this Act is to provide for the
14 division of the state's single unorganized borough into ^{several} unorganized boroughs
15 to accommodate the delivery of services and programs by state agencies within
16 common boundaries and to require the collection of data and information about
17 state programs with reference to a set of boundaries adopted for use by all
18 state agencies for the purpose of improving the delivery of state services
19 and encouraging the development of regional responsibilities for the planning
20 and implementation of these services.

21 * Sec. 2. AS 29.03 is amended by adding new sections to read:

22 Sec. 29.03.011. ESTABLISHMENT OF UNORGANIZED BOROUGHS. Except as
23 the boundaries are adjusted as provided in AS 29.03.021, the geographic
24 area within each regional educational attendance area established under
25 AS 14.08.031 is, effective 120 days after the effective date of this
26 Act, established as an unorganized borough.

27 Sec. 29.03.021. ADJUSTMENT OF BOUNDARIES BY ^{Boundary Commission} COMMISSIONER. The
28 commissioner may, after public hearings in the areas affected, establish
29 boundaries other than the boundaries of a regional educational attend-

1 ance area for an unorganized borough under AS 29.03.011. In making
2 adjustments, the commissioner shall consider the standards applicable to
3 the incorporation of boroughs under AS 29.18.030 and the regional boun-
4 daries adopted by the Native regional corporations established under the
5 Alaska Native Claims Settlement Act. The commissioner may not establish
6 boundaries for an unorganized borough which include territory within
7 more than one Native regional corporation established under the Alaska
8 Native Claims Settlement Act unless the inclusion of the territory is
9 reasonably necessary for the efficient administration of programs and
10 services by state agencies.

11 * Sec. 3. AS 44.17 is amended by adding new sections to read:

12 ARTICLE 2. COLLECTION OF DATA AND INFORMATION
13 ABOUT STATE SERVICES IN DISTRICTS.

14 Sec. 44.17.100. DISTRICTS. Each of the following is a district of
15 the state:

16 (1) a borough or unified municipality incorporated under
17 AS 29; and

18 (2) an unorganized borough determined under AS 29.03.011 -
19 29.03.021.

20 Sec. 44.17.110. DATA AND INFORMATION. Each state agency, in-
21 cluding a board or commission assigned to an agency for administrative
22 purposes, shall provide for the administration of the programs for which
23 it is responsible on the basis of districts designated in AS 44.17.100
24 by

25 (1) collecting data, processing and analyzing statistics, and
26 providing information about programs on the basis of each of the dis-
27 tricts;

28 (2) developing program planning for districts;

29 (3) coordinating program planning for agency activities with

1 the plans and activities of other agencies, municipalities, and federal
2 departments and agencies in each district; and

3 (4) providing information to the governor, legislature and
4 the public for use in the preparation and consideration of the state
5 budget and other legislation bearing on the provision of state services
6 in each district.

7 Sec. 44.17.120. EXEMPTIONS AND MODIFICATIONS. (a) An exemption
8 from AS 44.17.110 may be granted by the legislature to an agency if
9 conformity would cause undue expense, hardship, or decreased efficiency
10 in the development and operation of an agency program. The agency
11 requesting the exemption shall submit to the Legislative Council

12 (1) a written statement naming the program for which the
13 exemption is sought and explaining the reasons for seeking the exemp-
14 tion; and

15 (2) an evaluation of the practicality of conforming to
16 AS 44.17.110 within a five-year period.

17 (b) The boundaries of a district may be modified by the legisla-
18 ture if the requirements of conformity to the boundaries as set out in
19 AS 44.17.100 would be detrimental to the accomplishment of the objec-
20 tives of an agency program. An agency requesting modification of the
21 boundaries shall submit to the Legislative Council

22 (1) a statement naming the program for which modification of
23 district boundaries is requested and the reasons for seeking a modifica-
24 tion;

25 (2) a map depicting the revised boundaries which will be used
26 if a modification of boundaries is granted; and

27 (3) an evaluation of the likelihood of conforming to the
28 boundaries established in AS 44.17.100 within a five-year period.

* Sec. 4. AS 29 is amended by adding a new chapter to read:

1 CHAPTER 19. DIRECT INCORPORATION OF A HOME RULE BOROUGH.

2 Sec. 29.19.010. INCORPORATION. (a) The residents of an unorgan-
3 ized borough established in accordance with AS 29.03.011 - 29.03.021 may
4 apply for the incorporation of a home rule borough. The petition for
5 borough incorporation shall be filed with the Department of Community
6 and Regional Affairs and shall include the information and signatures
7 required by AS 29.18.050. Petitions for incorporation filed under this
8 section shall be processed, reviewed and determined in accordance with
9 AS 29.18.060 - 29.18.090.

10 (b) The standards applicable to the incorporation of an organized
11 borough under art. X, sec. 3 of the state constitution and AS 29.18.030
12 apply to the incorporation of an organized borough under this section.

13 Sec. 29.19.020. CHARTER ELECTION. If the Local Boundary Commis-
14 sion accepts the petition filed under AS 29.19.010, it shall immediately
15 notify the lieutenant governor. Within 30 days after notification, the
16 lieutenant governor shall order an election within the proposed home
17 rule borough to determine whether the voters will elect a charter com-
18 mission of 11 members, and to determine the persons elected to serve on
19 the charter commission. The lieutenant governor shall provide not less
20 than 20 or more than 30 days during which candidates for the charter
21 commission may present nominating petitions. The election on the
22 question of election of a charter commission and the determination of
23 persons elected to serve on the charter commission shall be held not
24 less than 60 or more than 75 days after the date of the election order.

25 Sec. 29.19.030. PREPARATION OF CHARTER. (a) If, at the election
26 called by the lieutenant governor under AS 29.19.020, a majority of the
27 voters favors election of a charter commission, the 11 persons receiving
28 the highest number of votes cast at that election constitutes the char-
29 ter commission. The charter commission shall prepare a proposed charter

1 and submit it to the Department of Community and Regional Affairs within
2 one year of the first meeting of the charter commission. The commis-
3 sioner of community and regional affairs shall review the proposed
4 charter for compliance with laws applicable to home rule municipalities
5 and, if it complies, request the lieutenant governor to submit the
6 proposed borough incorporation petition and proposed home rule charter
7 to residents of the proposed home rule borough. If the proposed charter
8 does not comply with law, the commissioner shall return the proposed
9 charter to the charter commission with a statement of the legal defi-
10 ciencies.

11 (b) Within 90 days of the receipt of comments from the commis-
12 sioner of community and regional affairs with respect to provisions of a
13 proposed home rule charter which are not in compliance with the laws
14 applicable to home rule municipalities, the charter commission may
15 prepare and submit to the commissioner an amended charter which meets
16 the objections in the original proposed charter.

17 (c) Only one original and one amended charter may be submitted to
18 the commissioner of community and regional affairs under this section.

19 Sec. 29.19.040. RATIFICATION OF CHARTER. The lieutenant governor
20 shall order an election on the question of whether the area shall be
21 incorporated as a home rule borough in accordance with the charter
22 approved by the commissioner of community and regional affairs. The
23 proposed charter shall be posted throughout the proposed borough by the
lieutenant governor before the election is held. The election shall be
held not less than 60 or more than 90 days following the election order.

Sec. 29.19.050. RESULTS OF RATIFICATION ELECTION. (a) If a
majority of the votes cast by the qualified voters of the proposed
borough is against the incorporation of a borough under the proposed
home rule charter, the proposal is defeated.

1 (b) If a majority of the votes cast by the qualified voters of the
2 proposed borough favors incorporation of the borough under the proposed
3 home rule charter, the lieutenant governor shall declare that the un-
4 organized borough in which the election was held is incorporated as an
5 organized borough and a municipal corporation in accordance with the
6 provisions of the home rule charter. The lieutenant governor shall
7 provide for the election of the officers provided for in the charter.

8 (c) The election and qualification of officers under (b) of this
9 section shall be completed by the lieutenant governor in accordance with
10 AS 29.18.120 and the provisions of the home rule charter of the borough.

11 Sec. 29.19.060. VOTERS, ELECTIONS AND COSTS. (a) A person is
12 qualified to vote in an election authorized by AS 29.19.010 - 29.19.060
13 if he is qualified to vote in state elections and if he is a resident of
14 the unorganized borough proposed for incorporation as a home rule *how long?*
15 borough.

16 (b) The lieutenant governor shall conduct elections authorized by
17 AS 29.19.010 - 29.19.050 substantially in the manner provided in the
18 Alaska Election Code (AS 15.05 - 15.60), and shall certify the results
19 of all elections under this chapter. Costs of elections under this
20 chapter shall be paid by the office of the lieutenant governor.

21 (c) Costs of charter preparation under this chapter shall
22 be paid by the Department of Community and Regional Affairs.

23 Sec. 29.19.070. APPLICABILITY OF GENERAL TRANSITIONAL PROVISIONS.
24 The provisions of AS 29.13.130 - 29.18.130 apply to home rule boroughs
25 incorporated under this chapter.

* Sec. 5. AS 29.03.010 and 29.03.020 are repealed.

* Sec. 6. This Act takes effect immediately in accordance with AS 01.10.-
070(c).

BY THE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

1 IN THE HOUSE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a program of planning assistance
7 for unorganized boroughs; and providing for an effective
8 date."

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

10 * Section 1. AS 44.47 is amended by adding a new section to read:

11 Sec. 44.47.085. ASSISTANCE FOR DEVELOPMENT OF REGIONAL MANAGEMENT
12 PROGRAMS IN THE UNORGANIZED BOROUGH. (a) For the purpose of preparing
13 a management program for an unorganized borough, the commissioner may
14 contract as provided by this section with

- 15 (1) a municipality or group of municipalities; or
- 16 (2) a nonprofit corporation organized under the laws of the
17 state.

18 (b) The commissioner may contract for the preparation of only one
19 management program for each unorganized borough. ~~The commissioner may~~
20 ~~contract~~ only if he is satisfied that the municipality, group of mun-
21 icipalities, or corporation with which he contracts is capable of pre-
22 paring a management program that considers the entire population of the
23 unorganized borough.

24 (c) A municipality, group of municipalities, or corporation in-
25 terested in preparing a management program for an unorganized borough
26 may ask the commissioner to request a proposal or the commissioner may
27 request a proposal on his own initiative. A request for proposal shall
28 be advertised. The advertisement of a request for a proposal for the
29 preparation of a management program for the unorganized borough shall

1 outline the work to be completed, and contain other information which
2 the commissioner believes necessary and which he requires to advise the
3 public of the work to be completed under the contract, and which will
4 assist him in evaluating proposals received. The commissioner shall
5 advertise for a period of not less than 45 days by any means which he
6 believes will provide adequate notice to interested parties and resi-
7 dents of the unorganized borough.

8 (d) After receiving the proposals the commissioner shall evaluate
9 them. The commissioner may refuse all proposals and readvertise, or may
10 accept a proposal and contract in accordance with (e) of this section.

11 (e) A contract entered into under this section shall

12 (1) require that the report to be completed under the con-
13 tract include an analysis and recommendations concerning incorporation
14 of a borough government for all or a portion of the unorganized borough;
15 and

16 (2) provide that

17 (A) the work to be performed shall be completed not
18 later than the June 30 following the third anniversary of the date
19 of the contract;

20 (B) payment for work performed under the contract is
21 subject to legislative appropriation to the account established in
22 (g) of this section; and

23 (C) payment for work performed under the contract during
24 each fiscal year in which the contract is in effect may not exceed
25 the limit established in (h) of this section.

26 (f) A contract entered into under this section may require the
27 contractor to consider additional topics, including but not limited to,

28 (1) evaluation of the economic development potential of the
unorganized borough;

- 1 (2) determination of housing and capital facility needs;
2 (3) examination of demographic, social and environmental
3 factors; and
4 (4) presentation of a process for developing the report and
5 implementing its recommendations.

6 (g) There is established in the Department of Community and Re-
7 gional Affairs the unorganized borough planning account. The account
8 shall be administered by the commissioner and shall be used to pay for
9 contracts entered into under this section.

10 (h) During each fiscal year, the commissioner may not pay to a
11 contractor under a contract authorized by this section more than \$25,000
12 plus \$25 per capita for each person residing within the unorganized
13 borough, as determined by the commissioner.

14 (i) In this section, "unorganized borough" means a subdivision
15 established under AS 29.03.011 - 29.03.021.

16 * Sec. 2. This Act takes effect on the effective date of a version of an
17 Act entitled, "An Act establishing unorganized boroughs, amending the respon-
18 sibilities of state agencies for state programs and services that benefit
19 residents of organized and unorganized boroughs, and authorizing adoption of
20 home rule charters by unorganized boroughs; and providing for an effective
21 date."

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the responsibilities of the divi-
7 sion of policy development and planning, Office of the
8 Governor; and providing for an effective date."

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

10 * Section 1. The division of policy development and planning shall study
11 and report to the legislature, not later than January 31, 1981, as to the
12 conformity by state agencies, boards and commissions with the program re-
13 quirements under AS 44.17.100 - 44.17.120, including but not limited to
14 recommendations which require legislation and for the development and im-
15 plementation of a master geographical coding system to report on the coordi-
16 nation of delivery of state services by districts.

17 * Sec. 2. This Act takes effect on the effective date of a version of a
18 bill entitled "An Act establishing unorganized boroughs, amending the respon-
19 sibilities of state agencies for state programs and services for residents of
20 organized and unorganized boroughs, and authorizing adoption of home rule
charters by unorganized boroughs; and providing for an effective date."

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IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA

ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the incorporation of second class boroughs as home rule boroughs."

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

* Section 1. AS 29.13.010 is amended to read:

Sec. 29.13.010. MUNICIPAL CHARTER ADOPTION. A first class municipality or second class borough may adopt a charter for its own government. A home rule municipality may amend its charter or adopt a new one. A charter is framed by a charter commission of seven members chosen by the municipal voters at a regular or special election. A candidate for the commission must be a qualified voter of the municipality and a resident of the municipality for three years immediately preceding the election. A charter commission election is called by filing a petition with the borough assembly or the city council, or by resolution of the borough assembly or city council. The petition must be signed by a number of municipal voters equal to 10 percent of the votes cast in the last regular election of the municipality.

5

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state aid to local governments; and
7 providing for an effective date."

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

9 * Section 1. AS 43.18 is amended by adding a new section to read:

10 Sec. 43.18.015. ADDITIONAL ENTITLEMENT. A city or organized
11 borough of any class which is entitled to state aid under AS 43.18.010
12 shall receive additional state aid for each fiscal year in the amount of
13 \$25,000 adjusted to include an area cost-of-living differential deter-
14 mined in accordance with AS 43.18.012.

15 * Sec. 2. This Act takes effect July 1, 1980.
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BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE HOUSE

HOUSE BILL NO.

IN THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE - SECOND SESSION

A BILL

6 For an Act entitled: "An Act eliminating third class boroughs."

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

8 * Section 1. AS 29.08.030 is amended to read:

9 Sec. 29.08.030. CLASSES OF GENERAL LAW. General law municipali-
10 ties are of four [FIVE] classes:

- 11 (1) first class boroughs; UNIFIED BOROUGHs
- 12 (2) second class boroughs; HOME RULE Boroughs
- 13 (3) [THIRD CLASS BOROUGHs;]
- 14 (4) first class cities;
- 15 (5) second class cities.

16 * Sec. 2. AS 29.08.040(g) is amended to read:

17 (g) A second class borough may reclassify as a first class [OR
18 THIRD CLASS] borough [, AND A THIRD CLASS BOROUGH MAY RECLASSIFY AS A
19 FIRST CLASS OR SECOND CLASS BOROUGH,] in the manner provided by AS 29.-
20 33.270 - 29.33.290 for the addition of powers by boroughs, except the
21 petition or proposal requests reclassification instead of requesting
22 addition of powers.

23 * Sec. 3. AS 29.78.010(1) is amended to read:

24 (1) "Borough" means a general law first or [,] second [OR
25 THIRD] class organized borough;

26 * Sec. 4. AS 02.15.260(10) is amended to read:

27 (10) "municipality" means a home rule or general law municipal
28 corporation and political subdivision, which is a first or second class
29 borough or city [, OR A THIRD CLASS BOROUGH,] incorporated under the

1 laws of the state;

2 * Sec. 5. AS 14.12.110 is amended to read:

3 Sec. 14.12.110. SINGLE BODY AS ASSEMBLY AND SCHOOL BOARD. Not-
4 withstanding the provisions of this chapter or other law, a single body
5 may serve as both the borough assembly and borough school board in the
6 manner provided for in this section [THIRD CLASS BOROUGHS UNDER AS 07.-
7 17.030], if a borough ordinance for that purpose is approved by the
8 assembly and ratified by a referendum of a majority of the qualified
9 borough voters voting on the question at a regular or special election,
10 and if the public school population within the borough is 500 pupils or
11 less. If a single body serves as both the borough assembly and school
12 board, the borough executive is the presiding officer of the borough
13 assembly and president of the school board and the borough executive
14 has all powers of a borough executive under AS 29.23 except for the
15 veto power.

16 * Sec. 6. AS 38.05.037(a) is amended to read:

17 (a) In areas of the state outside first and [,] second [OR THIRD]
18 class boroughs where there is no municipality with a zoning power, the
19 division of lands shall exercise the zoning power by adopting zoning
20 regulations.

21 * Sec. 7. AS 40.15.070 is amended to read:

22 Sec. 40.15.070. PLATTING AUTHORITY. If land proposed to be sub-
23 divided or dedicated is situated within a first or second class borough,
24 the proposed subdivision or dedication shall be submitted to the borough
25 planning commission for approval. If the land is situated within a city
26 in the unorganized borough, [OR THE THIRD CLASS BOROUGHS] the proposed
27 subdivision or dedication shall be submitted to the city planning com-
28 mission for approval. The borough planning commission is the platting
29 authority for the first or second class borough, the city planning

1 commission is the platting authority for the city, and the division of
2 lands is the platting authority in the remaining areas of the state [AND
3 THIRD CLASS BOROUGH] for the change or vacation of existing plats or a
4 portion of such plats, as provided in AS 40.15.075. If the borough or
5 the city does not have a planning commission, the borough assembly or
6 the city governing body, respectively, is the platting authority and the
7 proposed subdivision or dedication shall be submitted to it. No sub-
8 division may be filed for record until it is approved by the platting
9 authority.

10 * Sec. 8. AS 40.15.075 is amended to read:

11 Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH [AND THIRD
12 CLASS BOROUGHS]. The division of lands is the platting authority in the
13 area outside organized boroughs and outside cities in the unorganized
14 borough [AND IN THE THIRD CLASS BOROUGH] for only the purposes of
15 hearing and acting on petitions for the change or vacation of plats and
16 shall execute this function substantially in conformity with the provi-
17 sions of AS 29.33.210 - 29.33.240. Costs of publication and mailing as
18 well as other costs authorized in AS 29.33.210 shall be paid to the
19 division by the petitioner. The Department of Natural Resources shall
20 adopt reasonable regulations governing the exercise of the authority
21 conferred by this section upon the division of lands.

22 * Sec. 9. AS 43.35.130 is amended to read:

23 Sec. 43.35.130. REFUND TO LOCAL GOVERNMENTS. The department shall
24 refund 75 percent of the tax collected from sales of punchboards in an
25 organized borough or city of the first or [,] second [, OR THIRD] class
26 to the local government. The balance shall be deposited in the general
27 fund.

28 * Sec. 10. A municipality which is incorporated as a third class borough
29 on the effective date of this Act may continue to operate as such until

1 December 31, 1984 and shall retain all the rights, powers and privileges
2 which it possessed on the effective date of this Act. A third class borough
3 which has not reclassified itself in the manner provided by AS 29.33.270 -
4 29.33.290 before December 31, 1984, is reclassified as a second class borough
5 on that date.

6 * Sec. 11. The following laws are repealed: AS 29.58.040(h), (i), and
7 (j); AS 29.41; AS 29.43.040(b); and AS 38.05.037(b)(2).
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BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

1 IN THE HOUSE

2 HOUSE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act requiring fiscal notes for bills affecting a
7 municipality."

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

9 * Section 1. AS 24.30.035 is amended to read:

10 Sec. 24.30.035. FISCAL NOTES ON BILLS. Before a bill is reported
11 from the committee of first referral, there shall be attached to the
12 bill a fiscal note containing an estimate of the amount of the appropria-
13 tion increase or decrease which would result from enactment of the bill
14 for the ensuing fiscal year and at least two succeeding fiscal years.
15 If enactment of the bill would require an expenditure or appropriation
16 by any municipality, a fiscal note shall be attached to the bill con-
17 taining an estimate of the amount of the total expenditure or appropria-
18 tion which would be required during each of the first three fiscal
19 years by all affected municipalities. If [OR, IF] the bill has no
20 fiscal impact, a statement to that effect shall be attached. The fiscal
21 note or statement relating to a state program shall be prepared by the
22 department or departments affected. The fiscal note or statement relat-
23 ing to municipalities shall be prepared by the Department of Community
24 and Regional Affairs, but that department may obtain the assistance of
25 any other state agency in the preparation of the note or statement. If
26 the bill is presented by the governor for introduction in accordance
27 with AS 24.30.060(b) and the uniform rules of the legislature, the
28 fiscal note or statement shall be attached to the bill before the bill
29 is introduced. An amendment or a substitute bill proposed by a commit-

tee of referral that changes the fiscal impact of a bill shall be explained in a revised fiscal note or statement attached to the bill.

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