

ALASKA LEGISLATURE COMMITTEE FILES 1971 - 1972 8672

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1 (c) A boundary change effected under (a) of this section prevails  
2 over a boundary change initiated by local action, without regard to  
3 priority in time.

4 ARTICLE 2. MERGER AND CONSOLIDATION.

5 Sec. 29.68.030. METHODS OF MERGER OR CONSOLIDATION. Two methods  
6 may be used to initiate merger or consolidation of home rule and general  
7 law municipalities:

8 (1) petition to the Local Boundary Commission under regula-  
9 tions adopted by the commission, or

10 (2) the local option method specified in secs. 40 - 110 of  
11 this chapter.

12 Sec. 29.68.040. PETITION. (a) Residents of two or more munici-  
13 palities may file a merger or consolidation petition with the Local  
14 Affairs Agency. The petition must be signed by a number of municipal  
15 voters of each municipality equal to at least 25 per cent of the number  
16 of votes cast in its last regular election.

17 (b) The petition includes

18 (1) the name and class of each municipality;

19 (2) the name and class of the proposed municipality;

20 (3) the proposed composition and apportionment of the assembly  
21 or council;

22 (4) maps, documents, and other information which show that the  
23 proposed municipality meets the standards for municipal incorporation.

24 Sec. 29.68.050. REVIEW. The Local Affairs Agency shall review a  
25 petition for content and signatures and shall return a deficient petition  
26 for correction or completion.

27 Sec. 29.68.060. INVESTIGATION. If the petition contains the re-  
28 quired information and signatures, the Local Affairs Agency shall in-  
29 vestigate the proposal.

1           Sec. 29.68.070. REPORT AND HEARING. (a) The Local Affairs Agency  
2 shall report its findings to the Local Boundary Commission with its  
3 recommendations regarding the merger or consolidation.

4           (b) The Local Boundary Commission shall hold at least one public  
5 hearing in each of the municipalities included in the merger or consoli-  
6 dation petition, unless officials of the municipalities agree to a single  
7 hearing.

8           Sec. 29.68.080. DECISION. If the Local Boundary Commission deter-  
9 mines that the proposed municipality fails to meet the standards for in-  
10 corporation, it shall reject the petition. If the commission determines  
11 that the proposed municipality meets these standards, it shall accept the  
12 petition. If the commission determines that the proposed boundaries or  
13 the composition and apportionment of the assembly or council can be  
14 altered to meet the standards, it may change the proposal and accept the  
15 petition. The decision may be appealed under the Administrative Pro-  
16 cedure Act (AS 44.62).

17           Sec. 29.68.090. ELECTION. (a) The Local Boundary Commission shall  
18 immediately notify the lieutenant governor of its acceptance of a mer-  
19 ger or consolidation petition. Within 30 days after notification, the  
20 lieutenant governor shall order an election within the area to be in-  
21 cluded in the new municipality to determine whether the voters desire  
22 merger or consolidation. The election is held not less than 30 nor  
23 more than 90 days after the election order.

24           (b) A voter who is a resident of the area to be included within  
25 the proposed municipality may vote.

26           (c) The lieutenant governor shall supervise the election in the  
27 general manner prescribed by the Alaska Election Code (AS 15.05 - 15.60).  
28 The state shall pay all election costs.

29           (d) The lieutenant governor shall certify the election results.

1 If merger or consolidation is approved, he shall, within 10 days, set  
2 a date for election of officers of the new municipality under AS 29.18.-  
3 120. The election date is not less than 60 nor more than 90 days after  
4 the election order. This date is the effective date for the merger or  
5 consolidation.

6 Sec. 29.68.100. ASSETS AND LIABILITIES. (a) When two or more  
7 municipalities merge, one municipality succeeds to the rights, powers,  
8 duties, assets and liabilities of the others.

9 (b) When two or more municipalities consolidate, the newly-  
10 incorporated municipality succeeds to the rights, powers, duties,  
11 assets and liabilities of the consolidated municipalities.

12 Sec. 29.68.110. ORDINANCES. The ordinances, resolutions, rules,  
13 regulations, procedures and orders of the former municipalities remain  
14 in force within their respective territories until superseded by the  
15 action of the successor municipality.

#### 16 ARTICLE 3. UNIFICATION OF LOCAL GOVERNMENTS.

17 Sec. 29.68.240. UNIFICATION OF LOCAL GOVERNMENTS AUTHORIZED. An  
18 organized borough and all cities within the borough may unite to form a  
19 single unit of home rule local government by complying with this chapter.

20 Sec. 29.68.250. UNIFICATION TO BE PROPOSED BY PETITION. (a) Form-  
21 ation of a charter commission to propose a unification charter shall be  
22 proposed by resolution of the assembly or by petition. An assembly  
23 resolution for the purpose may be adopted not more often than once every  
24 12 months.

25 (b) The borough assembly, a city council, or a person living with-  
26 in the area of proposed unification may initiate the petition.

27 Sec. 29.68.260. PETITION REQUIREMENTS. (a) The petition shall read:  
28 "PETITION FOR ELECTION OF CHARTER COMMISSION TO PROPOSE UNIFICATION

29 CHARTER

1 We, the undersigned, qualified voters of the \_\_\_\_\_  
2 Borough do hereby petition that the following proposition be placed  
3 before the voters as provided by law:

4 'Shall a charter commission be formed (and charter commission  
5 members be elected as elsewhere provided on this ballot) to prepare,  
6 adopt and submit to the voters for their approval or rejection a  
7 proposed charter uniting the \_\_\_\_\_ Borough and all cities  
8 within it as a single unit of home rule government having the  
9 powers, duties and functions of a unified government as authorized  
10 by law?

11 Yes [ ] No [ ]'

12 Inside First Outside First  
13 Class or Home Class or Home

14 Signature Address Rule City Rule City"

15 (b) The petition shall be signed by at least

16 (1) that number of qualified voters of the borough living  
17 outside all first class and home rule cities in the borough equal to  
18 25 per cent of the qualified voters who voted in the last regular  
19 borough election; and

20 (2) that number of qualified voters residing in each first  
21 class and home rule city located in the borough equal to 25 per cent  
22 of the qualified voters who voted in the last regular borough election  
23 in each city.

24 Sec. 29.68.270. REVIEW OF PETITION. Upon receipt of a petition,  
25 the borough assembly shall review the petition within 15 days after its  
26 receipt to determine whether it complies with sec. 260 of this chapter.  
27 If the petition does not meet the designated requirements, it shall be  
28 immediately returned to the person who initiated the petition with a  
29 statement indicating which requirements have not been satisfied.

1           Sec. 29.68.280. CALL FOR CHARTER COMMISSION NOMINATIONS. Once  
2 it is determined by the borough assembly that a petition meets the  
3 requirements of sec. 260 of this chapter, or the assembly by its  
4 resolution proposes an election on formation of a charter commission  
5 to propose a unification charter, the assembly shall issue a call for  
6 the nomination of charter commission candidates, specifying the filing  
7 deadline and outlining the procedure described for making nominations  
8 under sec. 290 of this chapter.

9           Sec. 29.68.290. NOMINATION OF CHARTER COMMISSION CANDIDATES. (a)  
10 Charter commission candidates shall be nominated by petition signed by  
11 at least 50 qualified voters of the area from which the candidate seeks  
12 election or by a number of qualified voters from that area equal to  
13 at least 10 per cent of the number of votes cast from that area in  
14 the last regular borough election, whichever is less.

15           (b) Nomination petitions shall be filed with the borough clerk  
16 on or before the date fixed by the borough assembly, which date shall  
17 not be less than 30 days after notice of the call for nominations has  
18 been given through the borough.

19           Sec. 29.68.300. QUALIFICATIONS OF CHARTER COMMISSION CANDIDATES.  
20 A person is eligible to be nominated as a candidate for the charter  
21 commission if he has been a qualified voter of the area from which he  
22 seeks election for at least one year immediately preceding the date  
23 his nomination petition is filed with the borough clerk.

24           Sec. 29.68.310. COMPOSITION OF CHARTER COMMISSION. The charter  
25 commission members shall be qualified voters and shall consist of  
26 11 members, three of whom shall be residents elected at large from the  
27 area of the borough and eight of whom shall be (1) residents of and  
28 elected from the area outside cities in the borough or (2) residents  
29 of and elected from a city or cities in the borough. The number

1 representing each of these areas shall be proportionate to the  
2 respective populations as determined by the Local Affairs  
3 Agency.

4 Sec. 29.68.320. ELECTION. (a) After receipt of a valid  
5 petition or adoption of an assembly resolution for the purpose,  
6 the borough assembly shall submit to the voters the question  
7 of whether that borough and all cities within it shall unite  
8 to form a single unit of home rule government. The vote shall  
9 be held at the next regular borough election scheduled at least  
10 90 days after receipt of the valid petition or adoption of the  
11 resolution.

12 (b) The ballot on the question of unification shall be  
13 worded exactly as in sec. 260(a) of this chapter.

14 (c) The election of charter commission members shall take  
15 place at the same time as the election on the question of unifica-  
16 tion.

17 (d) All costs incurred in conducting an election under this  
18 chapter shall be paid by the borough.

19 Sec. 29.68.330. REQUIREMENTS FOR APPROVAL OF UNIFICATION  
20 AND ELECTION OF CHARTER COMMISSION. (a) The votes on unifica-  
21 tion shall be tabulated in two separate classifications. One  
22 classification shall consist of all votes cast in the first class  
23 and home rule cities of the borough. The other classification  
24 shall consist of all votes cast in the remaining areas of the  
25 borough. In order for unification to be approved, it is neces-  
26 sary that a majority of the votes in each classification favor  
27 unification.

28 (b) If unification is approved, those charter commission candi-  
29 dates who received the highest number of votes from their respective

1 areas shall serve as members of the commission.

2 Sec. 29.68.340. CHARTER COMMISSION ORGANIZATION AND PROCEDURE.

3 (a) The charter commission authorized by this chapter shall hold its  
4 first meeting within 30 days of the date of certification of its elec-  
5 tion. The commission shall elect from among its members a chairman  
6 and a deputy chairman.

7 (b) A majority of the total membership of the charter commission  
8 constitutes a quorum. No decision of the commission is valid or binding  
9 unless approved by that number of members necessary to constitute a  
10 quorum.

11 (c) The charter commission may elect other officers from among  
12 its membership, adopt rules governing its procedures and hire and  
13 discharge commission employees. Rules adopted must conform with the  
14 provisions of this chapter.

15 (d) Meetings of the charter commission shall be open to the  
16 public at all times. A journal of commission proceedings shall be  
17 kept and shall be available for public inspection at the borough office.

18 (e) Except as provided in sec. 390(e) of this chapter, vacancies  
19 on the charter commission shall be filled by a majority vote of the  
20 commission. The person appointed to fill a vacancy must be a qualified  
21 voter of the same area as the person whom he succeeds and must have  
22 been a qualified voter of that area for at least one year immediately  
23 preceding the date of his appointment.

24 (f) The borough assembly may grant a per diem allowance to the  
25 commission members and may reimburse the members for travel expenses  
26 incurred in carrying out the duties prescribed by this chapter.

27 (g) Costs, fees, and other expenses incurred by the charter  
28 commission are a debt of the borough and shall be paid upon proper  
29 verification.

1           Sec. 29.68.350. CHARTER PREPARATION. (a) A charter commission  
2 established under this chapter shall prepare, adopt and submit a pro-  
3 posed home rule charter for the area to be unified to the voters for  
4 approval or rejection at a regular or special borough election called  
5 by the borough assembly held within 60 days of the date of publication  
6 and posting of the proposed charter as required in sec. 380 of this  
7 chapter. The charter shall include among its provisions:

8           (1) provisions for adjustment of existing bonded indebted-  
9 ness and other obligations in a manner which will reserve a fair and  
10 equitable burden of taxation for debt service, subject to sec. 410 of  
11 this chapter;

12           (2) provision for the establishment of

13                   (A) service areas;

14                   (B) sections, if desired; and

15                   (C) reapportionment of the sections, if established;

16           (3) provision for nonpartisan government and provision for  
17 the selection, organization, authority and responsibilities of the  
18 governing body and its executive and administrator;

19           (4) the transfer or other disposition of property and other  
20 rights, claims, assets and franchises of the local government to be  
21 unified under the charter;

22           (5) provision for exercise of the rights of initiative and  
23 referendum as required by AS 29.13.050;

24           (6) a method of amending the charter;

25           (7) the date on which the charter, if approved at the  
26 charter election required by sec. 390 of this chapter, is effective;

27           (8) designation of the new municipality's official name,  
28 subject to the provisions of (b) of this section;

29           (9) other charter provisions which the charter commission

1 elects to include and which may be included in a home rule charter  
2 under this chapter and the state constitution.

3 (b) The area to be unified shall be known as a borough or a city  
4 or by some other designation consistent with existing law as determined  
5 by a plurality of the votes cast at the election held under sec. 320  
6 of this chapter.

7 Sec. 29.68.360. PUBLIC HEARINGS. Both before and after drafting  
8 the proposed charter, the charter commission shall hold a public hear-  
9 ing in each area of the borough represented on the borough assembly.  
10 Other public hearings may be held by the charter commission whenever  
11 and wherever it believes necessary and appropriate.

12 Sec. 29.68.370. FILING OF PROPOSED CHARTER. Upon the adoption  
13 of a proposed home rule charter by the charter commission, the charter  
14 shall be signed by at least a majority of the total membership of the  
15 commission and shall be filed with the borough clerk. A copy with  
16 signatures affixed shall also be filed with the clerk of each city  
17 within the borough.

18 Sec. 29.68.380. PUBLICATION AND POSTING OF PROPOSED CHARTER. Within  
19 10 days after filing the proposed charter, the borough clerk shall have  
20 it published once in at least one newspaper having general circulation  
21 distributed within the borough, if there is a newspaper having general  
22 circulation distributed within the borough. In addition, the clerk shall  
23 have a copy of the proposed charter posted in at least three public  
24 places within each city of the borough and each area outside cities.  
25 Copies of the proposed charter shall be made available by the borough  
26 assembly to the public at both the office of the borough clerk and the  
27 office of the clerk of each city within the borough. The clerk shall pub-  
28 lish notice by radio and television of the publication, posting, and  
29 availability of the proposed charter in a manner intended to apprise

1 the entire borough population of the existence of the proposed charter.

2 Sec. 29.68.390. ELECTION ON CHARTER. (a) The proposed charter  
3 adopted by the charter commission shall be submitted to the voters for  
4 ratification or rejection at the borough election specified in sec.  
5 350 of this chapter. The borough clerk shall prepare the ballots for  
6 use in the election and shall give published notice of and otherwise  
7 conduct the election in the manner in which regular municipal elections  
8 are conducted. In addition, the clerk shall publish notice of the  
9 election by radio and television in a manner intended to apprise the  
10 entire borough population of the election.

11 (b) A person who is a qualified voter of the borough may vote  
12 in the election on the proposed charter.

13 (c) If a majority of the votes cast in the area of the borough  
14 outside all first class and home rule cities and a majority of the  
15 votes cast in the remaining area of the borough, composed of all first  
16 class and home rule cities, are cast in favor of the proposed charter,  
17 the charter is ratified. If the charter is ratified, two copies of  
18 the charter shall be filed with each of the following authorities:

- 19 (1) lieutenant governor;  
20 (2) director of the Local Affairs Agency;  
21 (3) district recorder for the area of the borough;  
22 (4) clerk of the borough;  
23 (5) clerk of each city in the borough.

24 (d) If a proposed charter is rejected, the charter commission  
25 shall prepare, adopt and submit a proposed charter to the voters at a  
26 general or special borough election called by the borough and held  
27 within one year of the date of the first charter election. If the  
28 second proposed charter is also rejected, the charter commission shall  
29 be dissolved and the question of unification shall be treated as if it

1 had never been proposed or approved.

2 (e) If after the rejection of the first proposed charter, more  
3 than one-half of the charter commission members resign from the commis-  
4 sion, the borough assembly shall appoint new members to fill the  
5 vacancies in accordance with sec. 110(e) of this chapter.

6 Sec. 29.68.400. EFFECT OF THE CHARTER AFTER RATIFICATION. Upon  
7 ratification, the charter of a unified municipality organized under  
8 secs. 240 - 440 of this chapter operates to dissolve all local govern-  
9 ments within the area of unification in accordance with the charter.

10 Sec. 29.68.410. ASSETS AND LIABILITIES. A municipality created  
11 by unification shall succeed to all the assets and liabilities of the  
12 local governments it unified. A bonded indebtedness or other debt  
13 incurred before unification shall remain the tax obligation of the area  
14 which contracted the debt, except that the tax obligation may be spread  
15 over a larger area by ordinance if the governing body determines that  
16 the asset for which the bonded indebtedness or other debt was incurred  
17 was used for the benefit of the larger area before unification, or is  
18 so used after unification. However, pre-unification bonded indebtedness  
19 or other debt for sewage collection systems, water distribution systems,  
20 and streets, even if determined to be used for the benefit of a larger  
21 area than that which incurred the debt, shall remain the tax obligation  
22 of the area which incurred the debt.

23 Sec. 29.68.420. ORDINANCES. Within two years after ratification  
24 of the charter, the governing body of the unified municipality shall  
25 revise, repeal, or reaffirm all borough and city ordinances, resolutions  
26 and orders in force within the borough at the time of unification.  
27 Each ordinance, resolution, regulation, or order in force at the time  
28 of unification shall remain in force until superseded by action of the  
29 new governing body.

1           Sec. 29.68.430. RIGHT TO STATE AND FEDERAL FUNDS PRESERVED. All  
2 provisions of law authorizing contributions of any kind, in money or  
3 otherwise, from the state or federal government to boroughs and cities  
4 shall remain in full force and effect with respect to a unified municipi-  
5 pality organized under secs 240 - 440 of this chapter.

6           Sec. 29.68.440. POWERS OF A UNIFIED MUNICIPALITY. A municipality  
7 organized under secs. 240 - 440 of this chapter shall have all powers

8           (1) not prohibited it by law or charter:

9           (2) granted to organized boroughs and first class cities.

10                           ARTICLE 4. DISSOLUTION.

11           Sec. 29.68.500. METHODS OF DISSOLUTION. (a) Two petition methods  
12 may be used to initiate dissolution of home rule and general law  
13 municipalities:

14           (1) petition to the Local Boundary Commission under regula-  
15 tions adopted by the commission; or

16           (2) the local option method specified in secs. 510 - 580  
17 of this chapter.

18           (b) A home rule or general law borough is dissolved when its  
19 entire territory is included within a home rule or first class city or  
20 cities. A city is dissolved when all its powers become areawide  
21 borough powers.

22           (c) The Local Affairs Agency shall investigate a municipality  
23 which it considers to be inactive and shall report to the Local  
24 Boundary Commission on the status of the municipality. The commission  
25 may submit its recommendation to the legislature that the municipality  
26 be dissolved in the manner provided for submission of boundary changes  
27 in sec. 12, art. X of the state constitution.

28           Sec. 29.68.510. PETITION. (a) Municipal residents may file a  
29 dissolution petition with the Local Affairs Agency in the form

1 prescribed by the agency. The petition must be signed by a number of  
2 municipal voters equal to at least 25 per cent of the number of votes  
3 cast in the last regular municipal election.

4 (b) The petition includes

5 (1) the name of the municipality;

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

8 Sec. 29.68.520. STANDARDS. (a) Except as provided in (b) of  
9 this section, a municipality may petition for dissolution when

10 (1) it is free of debt, or if in debt, each of its creditors  
11 is satisfied with a method of repayment; and

12 (2) either it no longer meets the minimum standards pre-  
13 scribed for incorporation by ch. 18 of this title, or it ceases to use  
14 each and every one of its mandatory powers.

15 (b) A home rule or general law city in a borough may petition for  
16 dissolution if the borough consents to assume the city's rights, powers  
17 duties, assets and liabilities. The consent must be ratified by a  
18 majority of borough voters voting on the question.

19 Sec. 29.68.530. REVIEW. The Local Affairs Agency shall review  
20 a petition for content and signatures and shall return a deficient  
21 petition for correction or completion.

22 Sec. 29.68.540. INVESTIGATION. If the petition contains the  
23 required information and signatures, the Local Affairs Agency shall  
24 investigate the proposal.

25 Sec. 29.68.550. REPORT AND HEARING. (a) The Local Affairs  
26 Agency shall report its findings to the Local Boundary Commission with  
27 its recommendation regarding the dissolution.

28 (b) The Local Boundary Commission shall hold at least one public  
29 hearing in the area proposed to be dissolved.

1           Sec. 29.68.560. DECISION. If the Local Boundary Commission deter-  
2 mines that the municipality fails to meet the standards for dissolution,  
3 it shall reject the petition. If the commission determines that the  
4 municipality meets the standards, it shall accept the petition.

5           Sec. 29.68.570. ELECTION. (a) The Local Boundary Commission  
6 shall immediately notify the lieutenant governor of its acceptance of  
7 a dissolution petition. Within 30 days after notification, the  
8 lieutenant governor shall order an election within the municipality to  
9 determine whether the voters desire dissolution. The election is at  
10 least 30 and not more than 90 days after the election order.

11           (b) A person who is a qualified voter of the municipality may  
12 vote in the dissolution election.

13           (c) The lieutenant governor shall supervise the election in the  
14 general manner prescribed by the Alaska Election Code (AS 15.05 - 15.60).  
15 The state shall pay all election costs.

16           (d) The lieutenant governor shall certify the election results.  
17 If dissolution is approved, he shall declare that the municipality is  
18 dissolved effective on the date of certification.

19           Sec. 29.68.580. SUCCESSION. The government succeeding to a  
20 dissolved municipality succeeds to all its rights, powers, duties,  
21 assets, and liabilities as provided in AS 29.18.140 - 29.18.150.

22           CHAPTER 73. MISCELLANEOUS PROVISIONS.

23           Sec. 29.73.020. EMINENT DOMAIN. A home rule or general law  
24 municipality may exercise the powers of eminent domain and declaration  
25 of taking in the performance of an authorized power or function of the  
26 municipality, in accordance with AS 09.55.250 - 09.55.460. In the  
27 case of a second class city, before exercising the power, the council  
28 shall request or petition the Local Affairs Agency for permission to  
29 exercise the power. The council may not exercise the power of eminent

1 domain or declaration of taking without the formal approval of the  
2 Local Affairs Agency. The exercise of the power of eminent domain  
3 or declaration of taking shall be by ordinance which shall be submitted  
4 to the qualified voters at the next regularly scheduled general  
5 election or special election call'd for that purpose. A majority of  
6 the qualified voters voting on the question is required for approval  
7 of the ordinance.

8 Sec. 29.73.030. ADVERSE POSSESSION. A home rule or general law  
9 municipality may not be divested of title to real property by adverse  
10 possession.

11 Sec. 29.73.040. TAXATION OF MUNICIPALITIES. No state law or  
12 regulation may assess or tax, or be construed to assess or tax, home  
13 rule or general law cities or boroughs of this state, unless the law  
14 or regulation expressly provides that the cities or boroughs are to  
15 be assessed or taxed by the particular law or regulation.

16 Sec. 29.73.050. CHANGE OF MUNICIPAL NAME. (a) The governing  
17 body of a home rule or general law municipality may change the official  
18 municipal name by adopting an ordinance for the purpose and filing  
19 the ordinance with the office of the lieutenant governor. Upon receipt  
20 of a legally adopted ordinance ratified by the qualified voters voting  
21 on the question at a regular or special election, the lieutenant gover-  
22 nor shall issue an appropriate order to the municipality changing its  
23 existing name. The name change shall become effective on a date fixed  
24 in the order and occurring within 45 days of receipt of the ordinance.  
25 A copy of the order shall be transmitted to the Local Affairs Agency.

26 (b) If an ordinance adopted under (a) of this section which  
27 results in an order changing the municipal name is subsequently  
28 repealed, the lieutenant governor shall issue a further order rein-  
29 stating the former municipal name within 45 days of the date of the

1 order, unless a different municipal name : adopted by ordinance trans-  
2 mitted to the lieutenant governor for implementation as provided in (a)  
3 of this section.

4 (c) When a municipal name change takes effect by means of an  
5 order issued under (a) or (b) of this section, civil or criminal suits,  
6 applications, petitions, hearings and other proceedings to which the  
7 municipality is a party and pending at or brought after the date the  
8 name change takes effect shall proceed in the name of the municipality  
9 as changed by the order.

10 CHAPTER 78. GENERAL PROVISIONS.

11 Sec. 29.78.010. DEFINITIONS. In this title, unless otherwise  
12 provided, or the context otherwise requires,

13 (1) "borough" means a general law first or second  
14 class organized borough;

15 (2) "city" means a general law first or second class city;

16 (3) "conditional use" means exception, special exception,  
17 special use, or special permit designated in the zoning ordinance;

18 (4) "consolidation" means dissolution of two or more munici-  
19 palities and their incorporation as a new municipality;

20 (5) "majority" means a simple majority;

21 (6) "merger" means dissolution of a municipality and its  
22 absorption by another municipality;

23 (7) "municipal election" includes but is not limited to  
24 elections to choose city councilmen, borough assemblymen, school board  
25 members and utility board members;

26 (8) "municipality" means a general law municipal corporation  
27 and political subdivision, which is a first or second class borough or  
28 city, or a third class borough, incorporated under the laws of the state

29 (9) "owner", "record owner", or "owner of record" means

1 owner of record or purchaser of record;

2 (10) "personal property" means tangible property other than  
3 real property, such as merchandise and stock in trade, machinery and  
4 equipment, furniture and fixtures, motor vehicles and vehicles, boats  
5 and vessels and aircraft;

6 (11) "property" means real and personal property;

7 (12) "published" means appearing at least once in a newspaper  
8 of general circulation distributed within the municipality or, if there  
9 is no newspaper of general circulation distributed within the munic-  
10 ipality, posting in three public places for at least five days;

11 (13) "real property" means land and improvements and all  
12 possessory rights and privileges appurtenant to the property, and  
13 includes personal property affixed to the land or improvements;

14 (14) "regular election" means the municipal election held  
15 on the first Tuesday of October annually, or on an election date or  
16 at an interval of years provided by ordinance;

17 (15) "street" includes streets, avenues, boulevards, roads,  
18 lanes, alleys, and other ways;

19 (16) "subdivision" means the division of a tract or parcel  
20 of land into two or more lots, sites, or other divisions for the  
21 purpose, whether immediate or future, of sale or building development,  
22 includes resubdivision, and, when appropriate to the context, relates  
23 to the process of subdividing or to the land or area subdivided;

24 (17) "voter" means a United States citizen who is qualified  
25 to vote in state elections and has been a resident of the municipality  
26 for 30 days immediately preceding the election and who is registered  
27 to vote in state elections and is not disqualified under art. V of the  
28 state constitution.

29 \* Sec. 3. A right or liability of a home rule or general law city or

1 borough existing on the effective date of this Act is not affected by the  
2 enactment of this Act. Except for those provisions of ordinances in con-  
3 flict with the provisions of AS 29.28.040, existing ordinances remain in  
4 force and effect for a period of 180 days from the effective date of this Act,  
5 unless earlier superseded, in order to permit amendment of the ordinances to  
6 comply with the provisions of this Act. On the effective date of this Act,  
7 the provisions of AS 29.28.040 supersede any conflicting provisions of  
8 ordinances of general law cities and boroughs.

9 \* Sec. 4. AS 40.15 is amended by adding a new section to read:

10 Sec. 40.15.200. APPLICATION TO STATE AND POLITICAL SUBDIVISIONS.

11 All subdivisions of land made by the state, its agencies, instrumentali-  
12 ties and political subdivisions are subject to the provisions of  
13 this chapter and AS 29.33.150 - 29.33.240 and shall comply with  
14 local regulations adopted under this chapter and AS 29.33.150 - 29.-  
15 33.240 in the same manner and to the same extent as subdivisions  
16 made by other landowners.

17 \* Sec. 5. AS 29.33.240 is amended by adding a new subsection to read:

18 (c) Provisions of (a) of this section notwithstanding, the council  
19 of a second class city located outside an organized borough may vacate  
20 such streets, alleys, crossings, sidewalks or other public ways as  
21 may have been previously dedicated or established when the council,  
22 in its discretion, finds that the streets, alleys, crossings, side-  
23 walks or other public ways are no longer necessary for the public wel-  
24 fare, or when the public welfare will be enhanced by the vacation. If  
25 the council determines that all or a portion of the area vacated under  
26 this subsection should be devoted to another public purpose, title to  
27 the area vacated and held for another public purpose does not vest  
28 as provided in (a) of this section but remains in the city.

29 \* Sec. 6. AS 38.05 is amended by adding a new section to read:

1           Sec. 38.05.037. ZONING REGULATIONS IN THE UNORGANIZED BOROUGH TO FACILITATE  
2 FEDERAL LAND SALES. (a) In areas of the unorganized borough where there is  
3 no political subdivision of the state with a zoning power, the division  
4 of lands shall exercise the zoning power by adopting zoning regulations.

5           (b) The division of lands shall exercise its zoning power within  
6 federal lands in the unorganized borough only at the times and in the  
7 areas it is requested to do so by the Secretary of the Interior to  
8 facilitate sales of federal lands within the unorganized borough under  
9 Public Law 88-608, 78 Stat. 988.

10           (c) Any zoning done by the division of lands under (b) of this  
11 section is final unless disapproved by concurrent resolution at the  
12 next regular session of the legislature.

13 \* Sec. 7. AS 40.15.075 is amended to read:

14           Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH AND THIRD CLASS BOROUGH.  
15 The division of lands is the platting authority in the area outside or-  
16 ganized boroughs and outside cities in the unorganized borough and in the  
17 third class borough for only the purposes of hearing and acting on peti-  
18 tions for the change or vacation of plats and shall execute this function  
19 substantially in conformity with the provisions of AS 29.33.210 - 29.33.  
20 240 [SECS. 150 - 180 OF THIS CHAPTER]. Costs of publication and mailing as  
21 well as other costs authorized in AS 29.33.210 [SEC. 150 OF THIS  
22 CHAPTER] shall be paid to the division by the petitioner. The De-  
23 partment of Natural Resources shall adopt reasonable regulations  
24 governing the exercise of the authority conferred by this section  
25 upon the division of lands.

26 \* Sec. 8. AS 14.14 is amended by adding a new section to read:

27           Sec. 14.14.060. RELATIONSHIP BETWEEN BOROUGH SCHOOL DISTRICT AND  
28 BOROUGH. (a) The borough assembly may by ordinance require that all  
29 school money be deposited in a centralized treasury with all other

1           borough money. The borough administrator shall have the custody of, invest  
2           and manage all money in the centralized treasury. However, the  
3           borough assembly, with the consent of the borough school board, may  
4           by ordinance delegate to the borough school board the responsibility  
5           of a centralized treasury.

6           (b) When the borough school board by resolution consents, the  
7           borough assembly may by ordinance provide a centralized accounting  
8           system for school and all other borough operations. The system shall  
9           be operated in accordance with accepted principles of governmental  
10          accounting. However, the assembly, with the consent of the borough  
11          school board, may by ordinance delegate to the borough school board  
12          the responsibilities of the accounting system.

13          (c) The borough school board shall submit the school budget for  
14          the following school year to the borough assembly by April 1 for  
15          approval of the total amount. Within 30 days after receipt of the  
16          budget the assembly shall determine the total amount of money to be  
17          made available from local sources for school purposes and shall furnish  
18          the school board with a statement of the sum to be made available.  
19          If the assembly does not, within 30 days, furnish the school board  
20          with a statement of the sum to be made available, the amount requested  
21          in the budget is automatically approved. By May 31, the assembly  
22          shall appropriate the amount to be made available from local sources  
23          from money available for the purpose.

24          (d) The borough assembly shall determine the location of school  
25          buildings with due consideration to the recommendations of the borough  
26          school board.

27          (e) The borough school board is responsible for the design  
28          criteria of school buildings. To the maximum extent consistent with  
29          education needs, a design of a school building shall provide for

1 multiple use of the building for community purposes. Subject to the  
2 approval of the assembly, the school board shall select the appropriate  
3 professional personnel to develop the designs. The school board shall  
4 submit preliminary and subsequent designs for a school building to the  
5 assembly for approval or disapproval; if the design is disapproved, a  
6 revised design shall be prepared and presented to the assembly.

7 (f) The borough school board shall provide custodial services  
8 and routine maintenance for school buildings and shall appoint, compen-  
9 sate, and otherwise control personnel for these purposes. The borough  
10 assembly through the borough administrator, shall provide for all  
11 major rehabilitation, all construction and major repair of school  
12 buildings. The recommendations of the school board shall be considered  
13 in carrying out the provisions of this section.

14 (g) State law relating to teacher salaries and tenure, to  
15 financial support, to supervision by the Department of Education and  
16 other general laws relating to schools, governs the exercise of the  
17 functions by the borough. The school board shall appoint, compensate,  
18 and otherwise control all school employees and administration officers  
19 in accordance with this title.

20 (h) School boards within the borough may determine their own  
21 policy separate from the borough for the purchase of supplies and  
22 equipment.

23 \* Sec. 9. AS 14.14.065 is amended to read:

24 Sec. 14.14.065. RELATIONSHIP BETWEEN CITY SCHOOL DISTRICT AND  
25 CITY. The relationships between the school board of a city school  
26 district and the city council and executive or administrator are governed  
27 in the same manner as provided in sec. 60 of this chapter [AS 07.15.330]  
28 for the school board of a borough school district and the borough  
29 assembly and executive or administrator.

1 \* Sec. 10. AS 29.18.120(b) is amended to read:

2 (b) Nominations for initial officers are made by petition. The  
3 petition is in the form prescribed by the lieutenant governor and  
4 includes the name and address of the nominee and a statement of the  
5 nominee that he is qualified under the provisions of this title for  
6 the office that he seeks. A person may file for and occupy more than  
7 one office, but he may not serve simultaneously as borough mayor  
8 and as a member of the borough assembly or as mayor and as a member  
9 of the council of a home rule or first class city. Petitions to  
10 nominate officers of a second class city must include the signature  
11 and resident address of 10 voters in the area of the proposed city.  
12 [PETITIONS TO NOMINATE BOROUGH ASSEMBLYMEN MUST INCLUDE THE SIGNATURE  
13 AND RESIDENT ADDRESS OF 50 VOTERS WHO ARE RESIDENTS OF THE PROPOSED  
14 BOROUGH IN THE AREA OUTSIDE HOME RULE AND FIRST CLASS CITIES.] Peti-  
15 tions to nominate elected [OTHER] municipal officers must include the  
16 signature and resident address of 50 voters in the area of the proposed  
17 municipality, or that area of the proposed municipality from which  
18 the officers are to be elected under the composition and apportionment  
19 set out in the accepted incorporation petition.

20 \* Sec. 11. AS 29.18.120(d) is amended to read:

21 (d) The initial elected municipal officials take office on the  
22 first Monday following certification of their election. Borough  
23 assembly members representing home rule or first class cities [ARE]  
24 appointed by the city council [AND] serve until the next regular city  
25 election and until their successors are elected and have qualified.  
26 All other elected municipal officials serve until the first regular  
27 election occurring after they have served two years in office and  
28 until their successors are elected and have qualified.

29 \* Sec. 12. AS 29.27.020 is repealed and re-enacted to read:

1           Sec. 29.23.020. COMPOSITION, APPORTIONMENT, AND REAPPORTIONMENT.

2           (a) The assembly shall be composed of the number of members and be  
3           apportioned in a manner set out in the incorporation petition approved  
4           by the voters or, if a borough is already incorporated, the assembly  
5           shall be composed and apportioned in a manner prescribed by charter  
6           or ordinance. Assembly composition and apportionment, including voting  
7           procedures based on the apportionment, may be prescribed in any manner  
8           consistent with the equal representation standards of the Constitution  
9           of the United States.

10           (b) Within six months of the effective date of this section, and  
11           thereafter within six months of the official report of a federal  
12           decennial census and issuance of any supplementary data to the report  
13           necessary to establish population distribution within the borough, the  
14           assembly shall

15                   (1) determine and declare by resolution whether the existing  
16           assembly apportionment meets the standards designated under (a) of  
17           this section;

18                   (2) if the existing apportionment does not meet the desig-  
19           nated standards, provide by ordinance for reapportionment and, if it  
20           chooses, changes in assembly composition, in accordance with the  
21           designated standards;

22                   (3) submit the ordinance to borough voters for approval  
23           or rejection as provided in (c) of this section.

24           (c) The vote on an ordinance submitted under (b)(3) of this  
25           section shall be tabulated in two separate classifications. One  
26           classification shall consist of all votes cast in the first class and  
27           the home rule cities of the borough. The other classification shall  
28           consist of all votes cast in the remaining areas of the borough. In  
29           order for the ordinance to be approved it must receive majority approval

1 in each classification. If, at the end of the time period prescribed  
2 in (b) of this section, no ordinance has been approved, the Local  
3 Affairs Agency shall provide for the reapportionment in accordance  
4 with the standards designated in (a) of this section.

5 (d) In addition to providing for apportionment at the times  
6 required under (b) of this section, the borough assembly shall provide  
7 for its reapportionment and, if it chooses, a change in assembly  
8 composition, whenever, on the basis of federal census reports or other  
9 reliable population data, it determines that the existing apportion-  
10 ment does not meet the standards for apportionment designated in (a)  
11 of this section. The assembly is required to determine whether the  
12 standards are being met upon petition of 50 borough voters. The peti-  
13 tion must include reliable evidence that the existing apportionment  
14 of the assembly does not meet the designated standards. Reapportion-  
15 ment under this section shall be implemented by ordinance or by act  
16 of the Local Affairs Agency in the same manner as prescribed for  
17 reapportionment in (c) of this section.

18 (e) Members of the assembly are selected according to assembly  
19 composition and apportionment set out in the incorporation petition  
20 approved by the voters or subsequently provided in accordance with  
21 this section. A change in assembly composition or apportionment under  
22 this section shall be effective beginning with the next regular elec-  
23 tion to the assembly.

24 (f) Assembly or Local Affairs Agency determinations or reapportion-  
25 ments made under this section are subject to judicial review. The  
26 running of time periods specified in (b) of this section shall be  
27 tolled until a final judgment is rendered in an action brought under  
28 this subsection.

29 (g) This section applies to home rule and general law boroughs.

1 \* Sec. 13. AS 29.23.040 is repealed and re-enacted to read:

2       Sec. 29.23.040. REGULAR TERM OF OFFICE. Assemblymen are selected  
3 for three-year terms and until their successors are selected and have  
4 qualified, unless different terms not exceeding four years are pre-  
5 scribed by borough charter or ordinance. However, if under a borough  
6 apportionment city councilmen are appointed as assemblymen or elected  
7 to dual assembly-council seats, they may not be replaced until their  
8 assembly term expires as provided by city charter or ordinance, or  
9 they cease to be a member of either the assembly or council. The  
10 current term of incumbent assemblymen may not be altered under this  
11 section. This section applies to home rule and general law boroughs.

12 \* Sec. 14. AS 29.23.050 is repealed and re-enacted to read:

13       Sec. 29.23.050. QUALIFICATIONS. A resident of the borough is  
14 eligible to be an assemblyman if he is a borough voter. An assemblyman  
15 who ceases to be a borough voter immediately forfeits his office. An  
16 assemblyman elected from or selected to represent a borough area less  
17 than the borough area at large and who becomes a resident of another  
18 area may continue to serve only until the next regular election. The  
19 assembly may by ordinance establish residence requirements for assembly-  
20 men not exceeding three years. This section applies to home rule and  
21 general law boroughs.

22 \* Sec. 15. AS 29.23.080 is repealed and re-enacted to read:

23       Sec. 29.23.080. ASSEMBLY VACANCIES. The assembly shall provide  
24 by ordinance the manner in which a vacancy in assembly representation  
25 occurs. A vacancy is filled by the majority of the remaining assembly-  
26 men, who designate a voter and, if the assembly seat vacated is other  
27 than an at-large seat, a resident of the borough area to which the  
28 seat was apportioned, to serve until the next regular election. How-  
29 ever, if under a borough apportionment city councilmen are appointed

1 as assemblymen or elected to dual assembly-council seats, a vacancy  
2 in a councilman's seat on the assembly shall be filled by a councilman  
3 designated by a majority of the remaining membership of the council  
4 to serve until the next regular election.

5 \* Sec. 16. AS 29.23.030, 29.23.060(f), (g), (h), (i), (j) and 29.23.090 -  
6 29.23.100 are repealed.

7 \* Sec. 17. Secs. 10 - 16 of this Act take effect upon the condition and  
8 at the time that the Supreme Court of the State of Alaska finds that sec. 4,  
9 art. X of the Constitution of the State of Alaska as it relates to representa-  
10 tion of cities on borough assemblies is in violation of the Constitution of  
11 the United States or an amendment to the Constitution of the State of Alaska  
12 relating to assembly representation and consistent with the provisions of  
13 secs. 6 - 12 of this Act becomes effective, whichever occurs earlier.

14 \* Sec. 18. AS 29.23 is amended by adding new sections to read:

15 Sec. 29.23.395. PURPOSE. It is the intent of secs. 395 - 401 of  
16 this chapter to provide an opportunity for the young people of Alaska  
17 to become involved in the institutions and processes of local government  
18 comparable to that embodied in legislation under consideration at the  
19 First Session of the Seventh Legislature providing for participation  
20 in the executive branch of state government.

21 Sec. 29.23.397. COMMISSION. (a) The governing body of a munici-  
22 pality may by ordinance establish a commission on the involvement of  
23 young people in local government.

24 (b) The commission may consist of not more than nine members,  
25 drawn from fields of public affairs, education, the sciences, the  
26 professions, other fields of private endeavor, from the state or local  
27 service, and three additional members from the 17 - 22 age group, and  
28 shall include women and representatives of minority groups. The members  
29 shall be appointed by the governing body in the manner prescribed by

1 ordinance without regard to political affiliation and shall serve at the  
2 pleasure of that body. One member shall be designated by the governing  
3 body as chairman of the commission.

4 (c) Members of the commission serve without compensation but  
5 are entitled to per diem and travel expenses as may be authorized by  
6 ordinance.

7 (d) The commission shall establish procedures to enable it to  
8 recommend annually to the governing body a group of promising young men  
9 and women from whom the governing body may select interns and youth  
10 voting members of municipal boards and commissions. The commission,  
11 in establishing these procedures, shall enlist the aid of municipal  
12 residents who are actively interested in working with young people.  
13 Following adoption of the procedures, the commission shall accept appli-  
14 cations from persons and nominations for consideration, and shall  
15 interview all applicants or nominees.

16 (e) Recommendations of the commission shall be limited to young  
17 people who

18 (1) have a capacity, desire, interest, ability and potential  
19 for leadership and service to the community and to the state;

20 (2) will have attained the age of 17 but not the age of 22  
21 before the beginning of their service.

22 (f) Annually, the commission shall evaluate the program and  
23 shall submit a written report to the governing body.

24 Sec. 29.23.399. INTERNS. An intern may be appointed to serve  
25 on the staff of the governing body or the municipal administration  
26 for a period of time prescribed by the governing body, with a maximum  
27 of one year. He may be assigned responsibilities in any office, depart-  
28 ment or agency of the municipality. Service will begin at a time  
29 prescribed by the governing body. Interns shall be appointed without

1 regard to political affiliation. Salaries shall be individually estab-  
2 lished by the governing body on the basis of prior experience and the  
3 responsibilities of the position to which the intern is assigned.

4 Sec. 29.23.401. APPOINTMENT TO MUNICIPAL BOARDS AND COMMISSIONS.

5 (a) Notwithstanding AS 39.05.100 or a provision of law relating to age,  
6 the municipal appointing authority for a municipal board or commission  
7 may appoint a 17 - 21 year old municipal resident to the board or  
8 commission if recommended by the commission, established in sec. 397  
9 of this chapter.

10 (b) A young person recommended by the commission may be appointed  
11 to a municipal board or commission having special qualifications for  
12 membership if the proposed nominee, except for his age, meets the  
13 required qualifications set by law.

14 (c) An individual appointed to a municipal board or commission  
15 under this section is entitled to the rights, privileges and responsi-  
16 bilities of other members, and his appointment is subject to confirma-  
17 tion by the governing body when required by law.

18 (d) No additional seat on a municipal board or commission is  
19 created by virtue of secs. 395 - 401 of this chapter.

20 \* Sec. 19. AS 29.18 is amended by adding new sections to read:

21 ARTICLE 4. DEVELOPMENT CITIES.

22 Sec. 29.18.220. LEGISLATIVE FINDINGS. The legislature finds that  
23 the development of natural resources in isolated and relatively un-  
24 populated areas requires a policy and procedure which will provide  
25 planning, financial and other assistance necessary for encouraging  
26 orderly development of well-planned, diversified and economically sound  
27 new cities necessary to support the sound development of the state's  
28 resources by both the private and public sector. It is the purpose of  
29 secs. 220 - 460 of this chapter to set out the mutual responsibilities

1 of the private and public sectors to achieve these objectives with a  
2 view to securing information valuable to future legislatures so that  
3 general legislation applicable to the establishment of development  
4 cities may be perfected.

5 Sec. 29.18.230. DEVELOPMENT CITIES. Subject to reclassification  
6 under sec. 400(c) of this chapter, a development city is a city of the  
7 class designated by the Local Affairs Agency.

8 Sec. 29.18.240. INCORPORATION. An area not served by an existing  
9 municipality which is not reasonably practicable to be served by an  
10 existing municipality may be incorporated as a development city by

11 (1) petition of the industrial developer to the Local Affairs  
12 Agency to be acted on by the Local Boundary Commission; or

13 (2) act of the legislature.

14 Sec. 29.18.250. PETITION FOR INCORPORATION. A development city  
15 incorporation petition proposed by an industrial developer shall  
16 include the following information about the proposed city:

17 (1) class,

18 (2) name,

19 (3) boundaries,

20 (4) composition of the council,

21 (5) maps, documents, preliminary economic development projec-  
22 tions, preliminary population projections, outline of the industrial  
23 developer's investigative and development expenditures and its proposed  
24 capital program, and other information required by the Local Affairs  
25 Agency to show that the proposed city meets the standards for incorpora-  
26 tion,

27 (6) the proposed agreement required under sec. 330 of this  
28 chapter.

29 Sec. 29.18.260. REVIEW. The Local Affairs Agency shall review

1 the petition for content and shall return deficient petitions for  
2 correction and completion.

3 Sec. 29.18.270. INVESTIGATION. If the petition contains the re-  
4 quired information, the Local Affairs Agency shall investigate the pro-  
5 posal to determine whether the development expenditures and proposed  
6 capital program by the developer serve the public interest and  
7 demonstrate a probability of being carried forward to a successful con-  
8 clusion.

9 Sec. 29.18.280. REPORT. (a) The Local Affairs Agency shall  
10 report its findings to the Local Boundary Commission with its recom-  
11 mendations regarding the incorporation within 60 days of receipt of  
12 the petition for incorporation.

13 (b) The Local Boundary Commission shall review the petition and  
14 the findings and recommendations of the Local Affairs Agency within 60  
15 days of receiving them.

16 Sec. 29.18.290. DECISION ON DEVELOPMENT CITY INCORPORATION. (a)  
17 The Local Boundary Commission may reject a petition for incorporation  
18 if it finds that

19 (1) the area proposed for incorporation is served by an  
20 existing municipality or could be served by an existing municipality;

21 (2) it is improbable that the proposed development will  
22 take place;

23 (3) the program and activities contemplated by this chapter  
24 may be undertaken through expansion of the corporate limits of an  
25 existing city and then declares that city to be a development city  
26 for the purpose of preferential designation under secs. 10 and 340 -  
27 460 of this chapter;

28 (4) the program and activities contemplated by this chapter  
29 may be undertaken by establishing a service area within an existing

1 organized borough for a development project, and declares the service  
2 area to be eligible for preferential designation under secs. 410 and  
3 450 of this chapter;

4 (5) the proposed development does not serve the public  
5 interest.

6 (b) If the Local Boundary Commission finds that a service area  
7 within an organized borough is to be designated for preferential  
8 treatment under (a)(4) of this section, the assembly may undertake the  
9 project in the manner of a development city and shall present to the  
10 Local Boundary Commission a contractual agreement outlining responsi-  
11 bilities assumed by the borough and the industrial developer to imple-  
12 ment the proposed development program.

13 (c) The assembly may decline findings under (b) of this section  
14 to establish a service area and in the alternative request the Local  
15 Boundary Commission to approve incorporation of a development city.

16 (d) The Local Boundary Commission may dissolve a development city  
17 established under sec. 20 of this chapter if subsequent to its in-  
18 corporation

19 (1) the major economic development projected does not occur  
20 within a period of five years; and

21 (2) if the development project had been reviewed as a new  
22 project the Local Boundary Commission determines it would have rejected  
23 the petition on the basis that it is improbable the proposed develop-  
24 ment would have taken place.

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

27 Sec. 29.18.300. PRELIMINARY PLANNING. The city shall prepare  
28 and submit to the state preliminary plans in advance of completion of  
29 the final basic comprehensive plan for the city. The preliminary plans

1 shall include

2 (1) maps, documents, preliminary economic development pro-  
3 jections, preliminary population projections, outline of the industrial  
4 developer's investigative and development expenditures and its proposed  
5 capital program, and other information required by reviewing agencies  
6 of the state;

7 (2) a report on the physical and biological character of  
8 the proposed city's site and a land and water use plan and the design  
9 and siting of the community to be developed based upon these natural  
10 factors.

11 Sec. 29.18.310. REVIEW AND REPORT. (a) The division of planning  
12 and research, in conjunction with the Local Affairs Agency and the  
13 Departments of Natural Resources and Environmental Conservation and  
14 other departments as determined appropriate by the division of planning  
15 and research, shall review the preliminary planning and additional data  
16 may be requested.

17 (b) The division of planning and research shall coordinate the  
18 preparation of a report and recommendations, if any, which shall be  
19 submitted to the governor within 60 days of receipt by the state of  
20 the preliminary plans from the city. The city may proceed to the  
21 completion of the final basic comprehensive plan upon satisfying any  
22 specific recommendations contained in the report.

23 (c) During the course of planning toward completion of the basic  
24 comprehensive development plan the division of planning and research  
25 and the Local Affairs Agency shall be kept currently informed and the  
26 final plan shall be subject to review and recommendation by the divi-  
27 sion of planning and research, which shall act in its coordinating  
28 capacity to secure review by the Department of Environmental Conserva-  
29 tion and other state agencies as appropriate.

1           Sec. 29.18.320. LIMITATION. The city may not proceed with commit-  
2 ment of funds or formal undertakings for physical development until it  
3 has a signed contract or contracts for sale of the company's products  
4 in quantities shown in the economic data and submitted by the company  
5 to be adequate to sustain an economically viable operation. The  
6 company may submit alternative valid evidence that the projected  
7 operation will proceed. The company shall notify the Local Affairs  
8 Agency of the meeting of this requirement. Unless the Department of  
9 Economic Development makes a determination that the data is insuffi-  
10 cient, the city may proceed.

11           Sec. 29.18.330. LOCAL HIRE. In consideration of the incorpora-  
12 tion of a development city under this chapter, the major developer shall  
13 enter into an agreement with the appropriate agencies of the state  
14 concerning

15           (1) establishing and maintaining an approved Department of  
16 Labor on-the-job training program to qualify Alaska residents lacking  
17 in the requisite technical skills of the activities to be undertaken;

18           (2) establishing resident hire goals in terms of per cent  
19 of employees at the end of the first year, second year and third year  
20 of operation;

21           (3) establishing the responsibilities of the various state  
22 agencies towards providing technical assistance, manpower procurement,  
23 relocation assistance, job opportunity services to residents in the  
24 area, supplemental vocational training, and the scope of effort each  
25 state agency has in this regard with specific commitments in terms of  
26 numbers of residents, time schedule and dollar value of training;

27           (4) establishing the penalties and conditions of noncompli-  
28 ance with the agreement.

29           Sec. 29.18.340. DEVELOPMENT CITY COUNCIL. The council of a

1 development city has five members consisting of the director of the  
2 Local Affairs Agency, or his designee, and four public members desig-  
3 nated by the governor. The governor shall appoint no fewer than two  
4 public members from a list of nominees designated by the major developer  
5 providing the industrial base of the city as measured by employment  
6 and capital investment. The council shall serve at the pleasure of the  
7 governor. The designated councilmen need not be residents of the  
8 city during its development stage.

9 Sec. 29.18.350. FILLING A VACANCY. If a vacancy occurs in the  
10 council as constituted under sec. 340 of this chapter, the applicable  
11 appointing authority shall designate the replacement during the  
12 development stage of the city.

13 Sec. 29.18.360. POWERS AND DUTIES OF COUNCIL. During the develop-  
14 ment stage the council of a development city may

15 (1) exercise the powers and duties of a school board if the  
16 city is located outside an organized borough;

17 (2) exercise the powers and duties of a planning commission  
18 under AS 29.33.080, except that during the first five years or until  
19 the development city has 400 permanent residents, zoning and zoning  
20 changes will be reviewed and approved by the division of planning and  
21 research and the Department of Environmental Conservation.

22 Sec. 29.18.370. POWERS AND DUTIES OF DEVELOPMENT CITY EXECUTIVE  
23 DIRECTOR. During the development stage the council shall appoint an  
24 executive director of the development city, who may be one of its  
25 members, to serve at the pleasure of the council. The executive  
26 director shall have the powers and duties of all executive and adminis-  
27 trative city officials set out in this title in order to develop the  
28 city under a comprehensive community development plan.

29 Sec. 29.18.380. PROCEDURES. During the development stage, the

1 council may provide for conference telephone or radiophone meetings  
2 at times determined by the council and shall determine its own rules  
3 and order of business.

4 Sec. 29.18.390. DEVELOPMENT CITY CAPITAL IMPROVEMENT FUNDS.

5 All state agencies shall, where appropriate, adopt procedures to insure  
6 that, during the development stage, the needs of a development city  
7 are carefully considered in the allocation of funds available for  
8 capital improvement projects where those funds have not otherwise been  
9 committed by the legislature.

10 Sec. 29.18.400. TRANSITION. (a) When a development city has  
11 400 permanent residents elections shall take place according to the  
12 following schedule:

13 (1) in the first year two additional councilmen who shall be  
14 city residents elected for three-year terms;

15 (2) in the second year two councilmen who shall be city  
16 residents elected for three-year terms to replace one of the council-  
17 men nominated by the industrial developer and one of the public  
18 members designated by the governor;

19 (3) in the third year two councilmen who shall be city resi-  
20 dents elected for three-year terms to replace the local affairs director  
21 and one of the councilmen nominated by the industrial developer;

22 (4) in the fourth year a mayor who shall be a city resident  
23 elected for a three-year term to replace the remaining councilman  
24 nominated by the industrial developer.

25 (b) At the time of the election under (a)(4) of this section, or  
26 any time after it, the electorate may exercise the right to become a  
27 home rule city as authorized under this title.

28 (c) If, within a period of five years from the incorporation of  
29 a development city, the number of permanent residents does not reach 400,

1 the Local Affairs Agency shall order an election for city officials and  
2 designate a successor class of city based on population as provided in  
3 this title. If the agency designates a successor class of city, the  
4 provisions of this title relating to that class of city apply, and the  
5 city shall be reclassified accordingly.

6 Sec. 29.18.410. HOUSING POWERS. From the time of the appointment  
7 of the first city council and for a period of 10 years following the  
8 first election of councilmen, the council may act as its own housing and  
9 urban renewal authority if such powers have been granted to cities  
10 under applicable provisions of law.

11 Sec. 29.18.420. LAND SELECTION. (a) The Department of Natural  
12 Resources shall attempt to secure the transfer of the available federally  
13 owned land located within the boundaries of a development city into  
14 state ownership. After the transfer, a development city may select 10  
15 per cent of the vacant, unappropriated, unreserved state land located  
16 within its boundaries. Nothing in this section affects a valid existing  
17 claim, location, or entry under the laws of the state or the United  
18 States whether for homestead, mineral, right-of-way or other purposes  
19 or affects the rights of an owner, claimant, locator, or entryman to  
20 the full use and enjoyment of the land so occupied.

21 (b) If land desired by the development city is unsurveyed at the  
22 time of its selection, the Department of Natural Resources shall survey  
23 or approve a survey by the city of the exterior boundaries of the area  
24 requested without interior subdivision and shall issue a patent for  
25 the selected area in terms of the exterior boundary survey. The cost  
26 of the survey is borne by the city. If land desired by the city has  
27 been surveyed at the time of its selection, the boundaries of the  
28 areas requested must conform to the public land subdivisions established  
29 by the approval of the survey. Land selected by the city under this

1 section is patented to the city by the Department of Natural Resources.

2 (c) After the selection of the land by the development city but  
3 before the issuance of final patent, the city may execute conditional  
4 leases and make conditional sales of selected land.

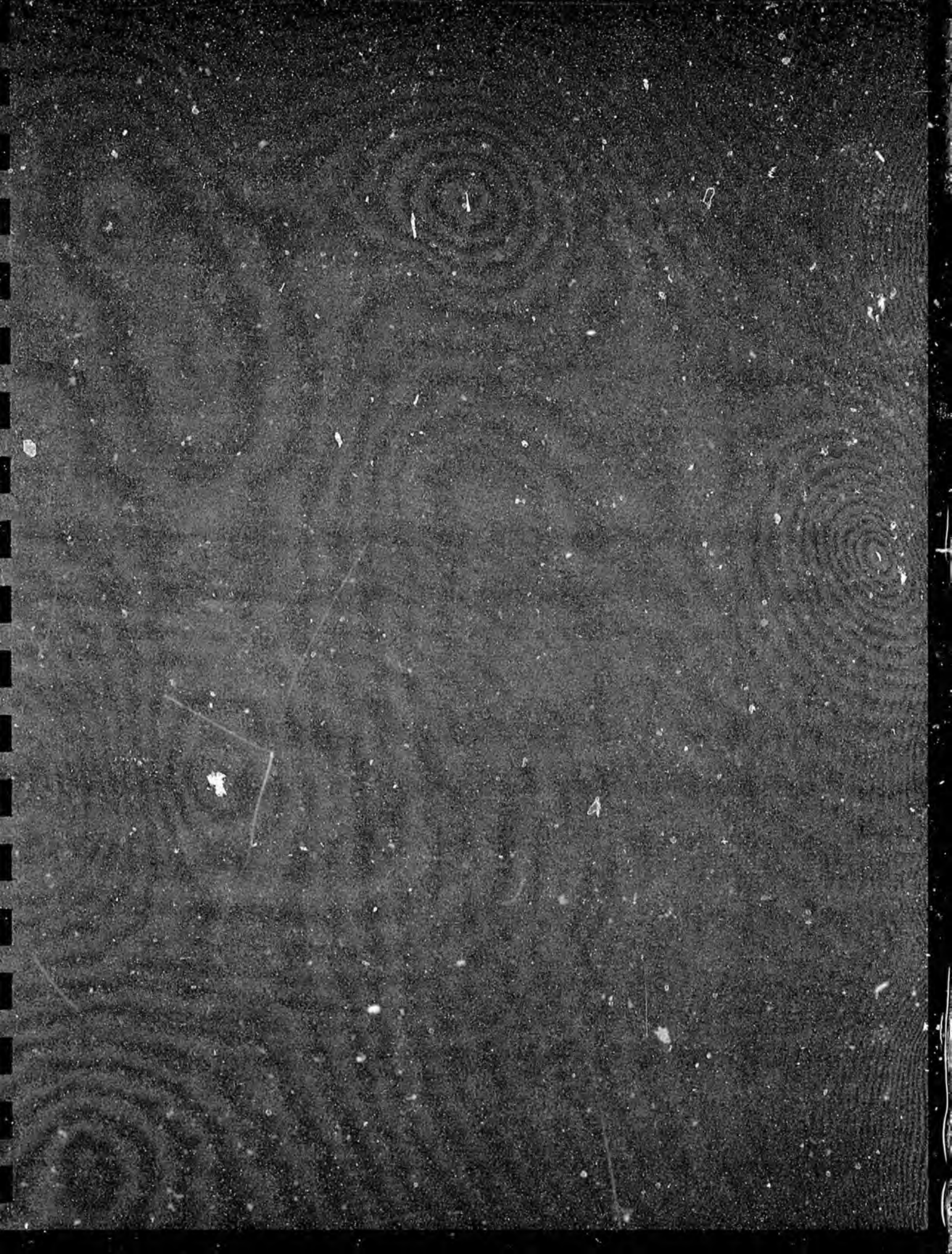
5 Sec. 29.18.430. REVENUE BONDS. Revenue bonds may be issued by a  
6 development city under the provisions of AS 29.58.200 - 29.58.220.  
7 However, no vote of the people is required to issue revenue bonds  
8 during the development stage. During the development stage revenue  
9 bonds may be issued by a majority vote of the city council.

10 Sec. 29.18.440. SHARED REVENUE. A development city is entitled  
11 to shared revenue and other state funds on the same basis as a city or  
12 organized borough of the first class or, if reclassified under sec.  
13 400(c) of this chapter, on the basis of the reclassification. During  
14 the development stage the Local Affairs Agency may establish an  
15 assumed population figure which shall be used to determine shared  
16 revenue based on population on per capita grants.

17 Sec. 29.18.450. APPLICABILITY OF OTHER PROVISIONS OF THIS TITLE.  
18 All applicable provisions of this title consistent with the provisions  
19 of this chapter apply to development cities. Provisions of this  
20 chapter prevail over other provisions of this title which are inconsis-  
21 tent.

22 Sec. 29.18.460. DEFINITION. In this chapter "development stage"  
23 means that period of time extending from the date of incorporation of  
24 a development city until such time as the city may attain a population  
25 of 400 permanent residents, or five years from the date of incorpora-  
26 tion, whichever is earlier.

27 \* Sec. 20. The terms of elected officials who are incumbents  
28 on the effective date of this Act are not affected by this Act. Their terms  
29 expire as provided before enactment of this Act.



FCC Notebook

Volume 2

Agenda, Minutes,

Amendments &

Bills Considered

L-DIR #139  
(2 of 3)

VOLUME I

AGENDA AND MINUTES OF THE MEETINGS HELD  
by the  
JOINT LOCAL GOVERNMENTS COMMITTEES  
of the  
HOUSE AND SENATE

ALASKA LOCAL GOVERNMENT

## AGENDA

### MATTERS PENDING BEFORE MUNICIPAL CODE FREE CONFERENCE COMMITTEE

#### I. Proposed amendments to be considered

- Page 66 - relating to appointment of bond and financial consultants
- " 67 - relating to priority of boundary changes
- " 68 - relating to court review of tax assessment appeals (SB 159)
- " 69 - relating to voting residency requirements
- " 70 - relating to full and true value definition for tax purposes to be reconsidered from last meeting.
- " 72 - relating to payment of cost on election appeals
- " 73 - relating to designation of temporary chairman
- " 74 - relating to vote on assumption of non area-wide powers
- " 75 - relating to assembly proposing formation of unification charter commission
- " 76-80 - revised draft of borough composition and apportionment
- " 81 - relating to flood control powers

Technical amendments relating to election dates, board and commission function and others to be submitted.

#### II. Policy Matters

1. Adding more detailed provisions regarding issuance of tax and other revenue anticipation notes by local governments. (SB 316)
2. Providing for borough executive in addition to manager in manager planned boroughs (consider page 22 of CSSB 113).
3. Requiring run-offs in local government elections (consider page 36, lines 5-7 in CSSB 113).
4. Adding development cities provision to code.
5. Adding provisions on operational control of local government and school facilities used jointly (see memo on page 32 of book).
6. Retention or deletion of Sec. 29.33.090 (d) (page 48 of CSSB 113).
7. Requiring systematic reevaluation of property as prerequisite to taxation regarding assessments (see draft of amendment on page 43 of book).
8. Exempting food stamp purchases from local sales taxes (see draft of amendment on page 48 of book).
9. Senior citizens local property tax relief.
10. Integration of other local government bills and consideration of other policy matters as the committee determines.

111 *Handwritten notes:* (see page 20 of CSSB 113)

Free Conference Committee Meeting - CSSB 113  
May 17, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. E. Merdes
	Sen. C. Groh

Others present:

Sig Strandberg, Local Affairs Agency  
Marilyn Miller, Alaska Municipal League  
Bill Berrier, Attorney, City and Borough of Juneau  
Sheila Gallagher, Attorney, Greater Anchorage Area Borough  
Greg Wachyowsky, Legislative Affairs

A draft of the proposed Conference Committee Report summarizing changes in the proposed Free Conference Bill from the provisions of the bills before the committee was presented.

The committee decided to include in the conference report a provision that the report reflects legislative intent, where such intent is consistent with the pertinent code provision. In case of conflict, the code provision would be intended to prevail.

The committee decided to add a definition of "municipal elections" to the code to make clear that such elections include city, borough and school board elections. The committee decided to delete, as unnecessary, the definition of "general election" in the definitions chapter of the code.

The committee decided to delete the code amendment of AS 14.12.050 (Sec. 4 of CSSB 113), thus retaining present law for mandatory three year school terms (rather than setting terms at two years unless other terms up to four years are authorized by ordinance). Sec. 29.23.310 was accordingly directed to be amended, with the reference to "two" deleted and "three" substituted.

The committee approved a proposed amendment to Sec. 29.23.130 (d) making clear that when a newly adopted manager plan of government for a borough takes effect, the borough mayor then in office continues to serve his term as borough executive.

In response to a presentation made by Sheila Gallagher, Attorney, Greater Anchorage Area Borough, the committee amended the run-off elections provision of Sec. 29.28.040 to require that the run-off election be held two weeks from the date of certification of the initial election.

Technical amendments to recently adopted legislation incorporated in the code, i.e. development cities legislation and legislation relating to involvement of young people in local government, were noted and approved.

The committee requested that a specific check of all bills sent to the Governor, but not yet allowed, be made for possible inclusion in the code, particularly the provisions of CSB 200, intended to replace

the provisions of Sec. 29.33.170 in the bills before the committee and otherwise to be drafted into the code. It was noted that the special Act incorporating the City of Lost River was not to be included in the code, inasmuch as that Act would be codified under the "Temporary and Special Acts" binder of the Alaska Statutes.

Several amendments clarifying code intent were noted and approved, among them: provisions requesting delegations to hear and decide cases before planning commissions, platting boards and boards of adjustment (Sec. 29.33.245); provision expressly that borough assumption of additional area-wide powers under Secs. 29.33.250 - 29.33.290 precludes city exercise of the powers assumed (Sec. 29.33.010(b)); provision that borough assumption of area-wide transportation powers under Sec. 29.48.030(b) confers exclusive authority to the borough for areawide exercise of the powers unless, as to boroughs not exercising the powers areawide at the time the code takes effect as law, the Alaska Transportation Commission decides otherwise; it was noted also that the power could be assumed through the usual method of assembly petition and public vote; adjustment of provisions of Sec. 29.48.030 (b) to make clear that air pollution control powers, consistent with the provision of AS 18.30, must be exercised by a borough on an areawide basis only.

The committee authorized further technical changes in the bill as necessary to coordinate code provisions, and review of the changes with respective committee chairmen.

Bill Berrier, Attorney of the City and Borough of Juneau, and Sheila Gallagher, Attorney of the Greater Anchorage Area Borough, volunteered to read the final copy of the bill being prepared and offer any technical suggestions which might be thought necessary.

The committee decided to amend the transition section (Sec. 3) of the code to provide for 180 days, rather than 90 days, as the time period, after the code takes effect as law for bringing local ordinances into conformity with code provisions.

The committee decided to meet on Friday, May 19, 1972, 3:30 p.m. to review a draft of the conference committee report summarizing changes made by the committee in the bills before it. It was indicated that the proposed conference bill and report would be ready for distribution on the following Monday. It was also noted that an additional report of the committee would be prepared to offer an overall comparison of the code, represented by the conference bill, with existing law.

4

Free Conference Committee Meeting - CSSB 113  
May 18, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. C. Groh
Rep. J. Harris	Sen. E. Merdes

Others present:

Sig Strandberg, Local Affairs Agency  
Bill Berrier, Attorney, City and Borough of Juneau  
Sheila Gallagher, Attorney, Greater Anchorage Area Borough  
Greg Machyowsky, Legislative Affairs  
Marilyn Miller, Alaska Municipal League

The committee examined copies of the proposed conference report on the code and approved the report. Advance copies of the prepared conference bill were also circulated.

The committee decided to except from the transitional provisions of Sec. 3 of the code (permitting 180 days after the code takes effect as law for adjustment of local ordinances to code provisions), the election requirement of Sec. 29.28.040, and an amendment accordingly was directed to be inserted in the transition section.

It was indicated that the final prepared copy of the code, together with the conference report, would be available for distribution Monday, May 23, 1972.

5

AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE - CSSB 113  
May 17, 1972

Page 127, lines 20-21: Delete all matter.

Page 127, between lines 24 and 25: Insert the following new matter:  
"municipal election" means an election conducted by a municipality and includes but is not limited to elections for city council members, borough assembly members, school board and utility board members"

Page 129, lines 6-28: Delete all matter (and leave blank).  
renumber following sections

Page 29, line 9: Delete "two" and substitute "three"

Page 29, lines 10-12: After "office." delete all matter through  
"incumbent."

Page 129, line 3: Delete "90" and substitute "180"

I. SUGGESTED AMENDMENTS AND INFORMATION

Committee Minutes 3/18/72  
Committee Minutes 3/21/72  
Committee Minutes 3/23/72  
Committee Minutes 3/28/72  
Committee Minutes 3/30/72  
Committee Minutes 4/ 6/72  
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Greater Anchorage Borough, Sheila Gallagher, Atty.	10 - 15
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Memorandum from Greg Machyowsky + 3 amendments	19 - 22
Memorandum from Greg Machyowsky + 2 amendments	23 - 26
Memorandum from Greg Machyowsky + 2 amendments	27 - 30
Amendment by Juneau Assessor re. Mobile Homes	31
Amendment by Rick Garnett re. schools reflecting community interest	32
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II. HOUSE BILLS

	<u>Status</u>
HB 41	Local Government
HB 81	" "
CSHB 86	LAW 29.95.050
HB 96	Local Government
HB 111 am	LAW
CSHB 161	Finance
HB 175	Local Government
HB 187	HWE
HB 214	Local Government
HB 240	State Affairs
HB 257	Local Government
CSHB 258 am	S. Local Government
HB 280	Local Government
HB 285	HWE
HB 290	Local Government
CSHB 296	S. Local Government
HB 315	State Affairs
HB 332	Local Government
HB 335	Rules
HB 423 am	S. Local Government
HB 456	Local Government
HB 470	" "
HB 474	" "
HB 596	" "
HB 660	" "
HB 709	S. HWE
HB 720	Local Government
HB 729	Resources

III. SENATE BILLS

SB 37	Local Government
SB 44	Finance
SB 74	LAW 07.17.020
SB 79	Local Government
SB 82	H. Finance
HCSSB 117 am H	LAW 29.25
HCSSB 119 am H	LAW 29.10.223
SB 159	Local Government
SB 189 am	LAW 40.15.075
SB 190 am H	LAW 07.15.320
SB 260	Local Government
SB 342	" "
SB 363	" "
SB 371	" "
SB 316	" "

IV.

V. MUNICIPAL CODE (CSSB 113) AND AMENDMENTS ADOPTED

Joint Senate-House Free Conference Committee Meeting - CSSB 113  
March 18, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. E. Merdes
Rep. J. Harris	Sen. C. Groh

Senator Miller moved that Rep. Miller be the presiding Chairman of all meetings.

After general discussion, the committee decided on the following:

- To bring Vic Fischer and Tom Moorehouse down to help with the municipal code.
- Meeting schedule: Tuesday and Thursday evenings, 7:30 P.M.
- Notify Local Affairs Agency, Attorney General's office, Don Berry of the Alaska Municipal League, and Bill Berrier, Attorney for the City and Borough of Juneau, of the schedule of meetings.
- Should have everything engrossed before presenting to House and Senate.
- Invite Greg Wachyowsky to the meetings.

Among other matters, members indicated they wished considered, were the following:

- Merdes - Question of reapportionment regarding borough assembly.
- Borough assembly should have the option by right of referendum to combine school boards and assemblies into one unit.
  - List of suggested amendments from Bob Thomas, Department of Education.

Naughton - Municipal election dates.

Harris - Tax exemption on property tax for elderly.

T. Miller - Suggested that the staff assistant compile a list of all bills pending or passed which would amend the code.

Groh - Policy determination - confirmation of municipal department heads by the assembly.

Joint Senate-House Free Conference Committee Meeting - CSSB 113  
March 21, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. J. Harris	Sen. C. Groh
Rep. E. Naughton	Sen. E. Merdes

Others present:

Don Berry, Executive Director, Alaska Municipal League  
Bill Barrier, Attorney, City & Borough of Juneau  
Rick Garnett, Assistant Attorney General

All of the Senate Amendments were approved by the committee.

Senator Groh questioned if (h) of the House Education Amendment is existing law. The committee asked Bill Barrier to check this out.

A memorandum from Greg Machyowsky proposed that definitions of "property", "real property" and "personal property" be added to the Definitions section on page 123, between lines 18 and 19. Senator Groh asked how sewer and water facilities, owned by community cooperatives, would be classified. The committee asked the staff assistant to contact the State Assessor and the Greater Anchorage Borough and North Star Borough Assessors to see how they handle this.

The committee approved the Senate amendment on elections with the following provision to be included:

"Notwithstanding the other provisions of the Act, a municipality may by ordinance adopt a date other than the first Tuesday of October as the date for regular municipal elections."

Senator Miller suggested that the committee consider making mandatory three year terms for municipal officials, instead of the present two year term, unless changed by ordinance.

Rick Garnett suggested that Page 45, line 4, (g) should include wording stating that schools should reflect community interest. The committee asked that he draw up an amendment to this effect.

10

Joint Senate-House Free Conference Committee Meeting - CSSB 113  
March 21, 1972  
Page 2

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

Page 76, line 19: after the word "exempt" add: "or partially exempt residential"

Page 77, line 6: change period to semicolon and add "and"

Page 77, between line 6 and 7: add the following new matter:  
"(C) historic sites, buildings and monuments."

Page 79, line 7: after the word "purposes" add: "except where expressly classified as personal property by municipal ordinance."

Page 124, lines 18 - 19: strike "are elected on the date provided before the enactment of this title and"

Joint Senate-House Free Conference Committee Meeting - CSSB 113  
March 23, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. J. Harris	Sen. C. Groh
Rep. E. Naughton	

Others present:

Hayden Kaden, Legislative Affairs  
Don Berry, Executive Director, Alaska Municipal League  
Rick Garnett, Assistant Attorney General  
Bill Berrier, Attorney, City and Borough of Juneau  
Byron Mallott, Director, Local Affairs Agency

Senator Miller received correspondence stating that Vic Fischer and Tom Moorehouse will be able to come the first part of April.

The committee went through the proposed amendments from Greg Machyowsky, City of Anchorage and the Greater Anchorage Borough. All of Greg Machyowsky's amendments were passed by the committee.

The committee's discussion on the Greater Anchorage Borough amendment suggestions are as follows:

- Chapter 23 - Municipal Officers and Employees
1. Sec. 29.23.020 - Senator Miller suggested apportionment be at borough option with voter referendum to decide how city representatives are chosen, provided it's one-man one-vote. A city would have six months to correct the problem.
  2. Sec. 29.23.090 (a) (1) - Senator Groh suggested having the Local Affairs Agency act on mal-apportionment. The committee requested Hayden Kaden to draw up an amendment on the above two sections.
  5. Sec. 29.28.073 - The committee asked Hayden Kaden to draw up an amendment to this effect.
  7. Sec. 29.33.080 - The committee asked Byron Mallott to pull this out of the Anchorage Charter and give to Hayden Kaden to draw up an amendment.
  3. Sec. 29.33.090 (d) - Referred this section to Greg Machyowsky. The committee asked Bill Berrier to study the utilization of "police power".
  9. Sec. 29.33.110 (b) (3) - The committee asked Byron Mallott to pull this out of the Anchorage Charter and give to Hayden to draw up an amendment.

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

Page 44, line 27: after "school buildings." add "To the maximum extent consistent with education needs, the design of a school building shall provide for multiple use of the building for community purposes."

Page 47, line 23: after "districts" add "and exceptions may be made in order to provide for the preservation, maintenance and protection of historic sites, buildings and monuments"

Page 61, between lines 5 and 6, add the following new matter: "preservation, maintenance and protection of historic sites, buildings and monuments"

Page 63, line 17: after "areawide;" add "exceptions to requirements of the codes may be made in the codes among other reasons, in order to provide for the preservation, maintenance and protection of historic sites, buildings and monuments;"

Page 82, between lines 26 and 27 add:  
"(e) The borough assembly sits as a board of equalization for the purpose of hearing in the manner provided for first class cities any appeal from determinations of the borough assessor, or it may delegate this authority to a board appointed by it for that purpose. The board of equalization shall consist of that number of members of the assembly over and above the number required for a quorum to transact business and is governed in its proceedings by such procedures consistent with general rules of administrative law and the laws governing equalization proceedings in first class cities as may be adopted by ordinance, including but not limited to quorum, and voting requirements."

Page 121, line 23: before "municipality" insert "home rule or general law"

Page 121, line 26: after "09.55.460." insert the following new matter: "In the case of a second class city, before exercising the power, the council shall request or petition the Local Affairs Agency for permission to exercise the power. The council may not exercise the power of eminent domain or declaration of taking without the formal approval of the Local Affairs Agency. The exercise of the power of eminent domain or declaration of taking shall be by ordinance which shall be submitted to the qualified voters at the next regularly scheduled general election or special election called for that purpose. A majority of the qualified voters voting on the question is required for approval of the ordinance."

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

Page 121, line 27: before "municipality" insert "home rule or general law"

Page 123, between lines 18 and 19, add the following new matter:

"(10) "property" means real and personal property;

(11) "real property" means land and improvements and all possessory rights and privileges appurtenant to the property, and includes personal property affixed to the land or improvements;

(12) "personal property" means tangible property other than real property, such as merchandise and stock in trade, machinery and equipment, furniture and fixtures, motor vehicles and vehicles, boats and vessels and aircraft;"

Renumber the following paragraphs accordingly.

14  
Joint Senate-House Free Conference Committee Meeting - CSSB 113  
March 28, 1972

Members present:

Rep. A. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. C. Groh
	Sen. E. Merdes

Others present:

Hayden Kaden, Legislative Affairs  
Don Berry, Executive Director, Alaska Municipal League  
Bill Berrier, Attorney, City and Borough of Juneau  
Sig Strandberg, Local Affairs Agency  
Rick Garnett, Assistant Attorney General

Chairman Miller stated that Barry Jackson will present testimony before the committee Thursday evening regarding apportionment.

The committee discussed the amendments Hayden Kaden drew up, as requested at last Thursday's meeting. Senator Miller asked Mr. Kaden to change the last sentence of (b) re. apportionment to read "After six months if no". The committee decided to wait until Barry Jackson made his presentation before taking final action on this.

Senator Miller brought up several policy issues for discussion.

Page 19, line 17 (f) (g) (h) (i) (j) - Senator Miller's view was that in the future weighted voting would be abolished on the basis of whether a measure was area-wide or non area-wide in nature. The committee asked Hayden Kaden to draft an amendment striking this distinction.

Page 22 - Executive Power - Senator Miller felt that in boroughs which adopt the borough manager plan of government, the municipality, nonetheless, should retain a chairman for ceremonial reasons, as much as mayors are presently retained in city-manager-governed cities. Senator Miller will refine his proposal and present it at the next meeting.

Page 107, lines 16 - 19: re. Local Boundary Commission. The committee asked Rick Garnett to draw up an amendment giving the Local Boundary Commission authority in annexations without necessarily having a vote by the people.

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

Page 38, line 24: delete the words "filing date" and add: "date on which the petition is rejected as insufficient"

Page 47, between lines 5 and 6: add a new subsection to read:  
"(g) The commission may delegate the power to act, to hear and to decide if authorized to do so by ordinance of the assembly."

Page 78, line 22: after the word "agricultural" delete the words "or horticultural"

Page 61, between lines 5 and 6: add a new subsection to read:  
"(21) consumer protection"

Page 35, line 28 and 29: strike "for one year"

Page 28, line 11: strike "executive and"

Page 57, between lines 16 and 17: add a new subsection to read:  
"(c) A third class borough may borrow money and issue negotiable general obligation, revenue or refunding bonds and other evidences of indebtedness as provided for first and second class boroughs in AS 29.58.150 and AS 29.58.350.

16  
Joint Senate-House Free Conference Committee Meeting - CSSB 113  
March 30, 1972

Members present:

Rep. M. Miller  
Rep. J. Harris

Sen. T. Miller

Others present:

Don Berry, Executive Director, Alaska Municipal League  
Sig Strandberg, Local Affairs Agency  
Hayden Kaden, Legislative Affairs  
Barry Jackson, Attorney  
Bill Berrier, Attorney, City and Borough of Juneau  
Bob Bettisworth, North Star Borough President  
Robert Dozier, State Assessor

Barry Jackson testified before the committee regarding apportionment.  
Detailed written testimony was submitted to the committee for the  
records.

17  
Joint Senate-House Free Conference Committee Meeting - CSSB 113  
April 6, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. J. Harris	Sen. C. Groh

Others present:

Sig Strandberg, Local Affairs Agency  
Rich Garnett, Assistant Attorney General  
Greg Machyowsky, Legislative Affairs

Proposed legislation re. unification from the Greater Anchorage Area Borough was assigned to Terry Gardiner for research.

The following suggestions were made concerning the reapportionment amendment by Greg Machyowsky:

1. AS 29.23.090 be incorporated in sub-section (b) of AS 29.23.020.
2. AS 29.23.020, sub-section (b): on line 2 of this sub-section, after the words "completion of" add: "the official report of the federal decennial census or additional necessary information"
3. AS 29.23.020, sub-section (b): last line of this sub-section delete: "for abuse of discretion."
4. AS 29.23.090: Page 2, line 8, after the word "reapportionment" add: "must be made"

The committee asked Greg Machyowsky to rephrase the question on his proposed amendment re. unification. Action was postponed until Sen. Merdes returns.

Committee action on Greg Machyowsky's proposed amendment re. Reevaluation was postponed until Sen. Merdes returns.

Sen. Groh introduced an amendment relative to exclusion of cities from boroughs. This information was given to Greg Machyowsky for further study.

A memorandum was received from Sen. Merdes requesting SB 159 be considered for inclusion in the code. Sen. Groh pointed out that this insures the right to a trial--under existing law the court can refuse. The committee asked Greg Machyowsky to make the necessary changes concerning trial de novo.

Policy Decisions:

1. The committee asked Greg Machyowsky to draw up the necessary amendments changing all voting election laws from 1 year to 30 days.
2. Page 48, lines 12 - 15 (d): re. zoning and police powers -- Greg Machyowsky will work with Bill Berrier on this.
3. Sen. Miller suggested making it mandatory that candidates for elected offices should receive 40% of the votes cast.

18  
Joint Senate-House Free Conference Committee Meeting - CSSB 113  
April 11, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. C. Groh
Rep. J. Harris	Sen. E. Merdes

Others present:

Don Berry, Executive Director, Alaska Municipal League  
Sig Strandberg, Local Affairs Agency  
Tom Morehouse  
Rich Garnett, Assistant Attorney General  
Bill Berrier, Attorney, City and Borough of Juneau  
Roger Huntington, Local Affairs Agency

The committee asked Greg Machyowsky to revise the necessary sections of his amendment re. reapportionment making it clear that a city may appoint its council members to the assembly, provided that equal representation standards are met.

The wording of the ballot proposition re. unification was adopted by the committee. Sen. Merdes offered an amendment requiring that the unification question be placed on the ballot in each borough at the next regular borough election. On hand vote, the amendment failed.

The committee adopted or decided to give further consideration to the following suggestions made by Tom Morehouse:

1. The committee asked Greg Machyowsky to draft an amendment enabling borough assemblies by ordinance to allow the placement of the unification question on the ballot.
2. Page 24, line 20 - 22: The committee asked Greg Machyowsky to draft an amendment to have the borough chairman designate an administrative officer with assembly confirmation to act as chairman during a chairman's temporary absence or disability.
3. An amendment was adopted that a municipality would pay all costs and expenses incurred in a recount when the difference is 2% or less. The committee asked Greg Machyowsky to draw up the necessary language to incorporate it in the code.

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AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE - CSSB 113  
April 11, 1972

Page 111, line 1 - 17: delete, all matter and substitute the following: "Shall a charter commission be formed (and charter commission members be elected as elsewhere provided on this ballot) to prepare, adopt and submit to the voters for their approval or rejection a proposed charter uniting the Borough and all cities within it as a single unit of home rule government having the powers, duties and functions of a unified government as authorized by law?

YES [ ]                      NO [ ]"

Page 9, line 10: delete "encompasses a trading area with" and substitute "of the area includes the"

Page 42, line 25: delete "two-thirds"

Joint Senate-House Free Conference Committee Meeting - CSSB 113  
April 18, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. J. Harris	Sen. C. Groh
Rep. E. Naughton	Sen. E. Merdes

Others present:

Sig Strandberg, Local Affairs Agency  
 Bill Berrier, Attorney, City and Borough of Juneau  
 Jim Bruce, Attorney, North Star Borough  
 Robert Dozier, State Assessor  
 Greg Machyowsky, Legislative Affairs  
 Robert Dupere, Consultant for Lost River Mining Co.  
 Ron Scheardown, Lost River Mining Co.  
 Pete Walsh, Home

Jim Bruce suggested to the committee that page 64, line 4 of the code be amended re. the borough building code authority in relation to flood control. Senator Groh asked Mr. Bruce to draw up an amendment and to give it to Greg Machyowsky for further consideration at the next committee meeting.

Jim Bruce asked the committee to amend Page 82, lines 24 - 26, to include a hearing officer on the Board of Equalization. Greg Machyowsky will draft the amendment.

An amendment suggested by Bob Dozier, State Assessor, (#2 on page 70 of notebook) was adopted by the committee. Greg Machyowsky will draft the amendment for final approval at Thursdays meeting.

AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE - CSSB 113  
April 18, 1972

Page 83, line 2: after "facts" insert "which are"

Page 83, line 5: delete "three" and add "seven"

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Joint Senate-House Free Conference Committee Meeting - CSSB 113  
April 25, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. C. Groh
Rep. J. Harris	Sen. E. Merdes

Others present:

Sig Strandberg, Local Affairs Agency  
Greg Machyowsky, Legislative Affairs  
Bill Berrier, Attorney, City and Borough of Juneau

It was the decision of the committee to have the code engrossed before presenting to both Houses.

The committee asked Greg Machyowsky to draw up the necessary amendments on municipal voter qualifications, leaving length of state residency unspecified and requiring 30 days municipal residence.

The committee asked Greg Machyowsky to incorporate SB 316 into the code.

The committee asked Greg Machyowsky to draw up an amendment providing for borough mayor in addition to manager in manager plan boroughs.

The committee asked Greg Machyowsky to draw up an amendment which would provide for run-off elections for assemblymen or councilmen, if no candidate received in excess of 40% of the votes cast for that office. The election should be held two weeks after initial election.

It was the committee's decision to wait on adding development cities provision to the code until the Senate bill is acted on.

It was the committee's decision to wait on exempting food stamp purchases from local sales taxes until the House bill is acted on.

The committee asked Greg Machyowsky to draw up an amendment incorporating CSHB 296 - senior citizens local property tax relief - into the code.

The committee decided to bring up as the first order of business at the next meeting the agenda item of mass transit powers,

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

- Page 7, between lines 17 and 18: insert the following new matter:  
"(23) AS 29.58.315"
- Page 100, between lines 3 and 4: insert the following new matter:  
"Sec. 29.58.315. BOND ATTORNEYS, BOND AND FINANCIAL CONSULTANTS. The governing body or its designee of a home rule or general law municipality shall be the sole contracting authority for bond attorneys, bond consultants and financial consultants engaged in long-range financial planning of the municipality which leads to sale of bonds."
- Page 107, line 29: add the following new matter:  
"(c) A boundary change effected under (a) of this section prevails over a boundary change initiated by local action, without regard to priority in time."
- Page 83, line 8: strike "review" and substitute "trial"
- Page 83, line 8: After "for" add ", and is entitled to,"
- Page 83, line 9: After "action." add the following new matter:  
"Either party to the appeal may demand a jury trial."
- Page 79, line 20: strike "amount" and substitute "estimated price"
- Page 79, line 20: delete "on" and substitute "in"
- Page 79, line 20: after "market" insert "and under the then prevailing market conditions"
- Page 79, line 21: delete "on normal payment terms"
- Page 36, line 22: after "election" insert "or the difference between the winning and a losing vote on the result contested is more than two per cent"
- Page 24, line 20-21: Delete "The assembly presiding officer shall" and substitute "The borough chairman, subject to assembly approval, shall designate a person to"
- Page 56, line 25: after "question" insert "in the borough area outside cities"
- Page 64, line 3: after "powers" insert ", except as those code powers relate to flood control,"
- Page 48, lines 12 - 15: delete all matter

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

Page 80, between lines 26 and 27, add the following new matter:  
"Sec. 29.53.095. REEVALUATION. A systematic reevaluation of taxable real and personal property undertaken by the assessor, whether of specific areas in which real property is located or of specific classes of real or personal property to be assessed, shall be made only in accordance with a resolution or other act of the assembly directing a systematic reevaluation of all taxable property within the borough over the shortest period of time practicable, as determined by the assembly and fixed in the resolution or other act of the assembly."

Page 110, line 20: delete all matter and substitute: "Formation of a charter commission to propose a unification charter shall be proposed by resolution of the assembly or by petition. An assembly resolution for the purpose may be adopted not more often than once every twelve months."

Page 110, line 22: delete "for"

Page 110, line 23: delete "unification"

Page 110, line 27: delete "UNIFICATION" and substitute "ELECTION OF CHARTER COMMISSION TO PROPOSE UNIFICATION CHARTER"

Page 112, line 2: delete "for unification"

Page 112, line 9: delete "for unification"

Page 112, line 10: after "chapter," insert "or the assembly by its resolution proposes an election on formation of a charter commission to propose a unification charter"

Page 113, line 9: delete "for unification" and substitute "or adoption of an assembly resolution for the purpose"

Page 113, line 13: after "petition" insert "or adoption of the resolution"

Page 125, line 23: Add new sections to read:

"Sec. 6. AS 29.18.120 (b) is amended to read:

(b) Nominations for initial officers are made by petition. The petition is in the form prescribed by the lieutenant governor and includes the name and address of the nominee and a statement of the nominee that he is qualified under the provisions of this title for the office that he seeks. A person may file for and occupy more than one office, but he may not serve simultaneously as borough chairman and as a member of the borough assembly or as mayor and as a member of the council of a home rule or first class city. Petitions to nominate officers of a second class city must include the signature and resident address of 10 voters in the area of the proposed city [PETITIONS TO NOMINATE BOROUGH ASSEMBLYMEN MUST INCLUDE THE SIGNATURE AND RESIDENT ADDRESS OF 50 VOTERS WHO

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

ARE RESIDENTS OF THE PROPOSED BOROUGH IN THE AREA OUTSIDE HOME RULE AND FIRST CLASS CITIES.] Petitions to nominate elected [OTHER] municipal officers must include the signature and resident address of 50 voters in the area of the proposed municipality, or that area of the proposed municipality from which the officers are to be elected under the composition and apportionment set out in the accepted incorporation petition.

\*Sec. 7. AS 29.18.120 (d) is amended to read:

(d) The initial elected municipal officials take office on the first Monday following certification of their election. Borough assembly members representing home rule or first class cities [ARE] appointed by the city council [AND] serve until the next regular city election and until their successors are elected and have qualified. All other elected municipal officials serve until the first regular election occurring after they have served two years in office and until their successors are elected and have qualified.

\*Sec. 8. AS 29.23.020 is repealed and re-enacted to read:

\*Sec. 29.23.020. COMPOSITION, APPORTIONMENT, AND REAPPORTIONMENT.

(a) The assembly shall be composed of the number of members and be apportioned in a manner set out in the incorporation petition approved by the voters or, if a borough is already incorporated, the assembly shall be composed and apportioned in a manner prescribed by charter or ordinance. Assembly composition and apportionment, including voting procedures based on the apportionment, may be prescribed in any manner consistent with the equal representation standards of the Constitution of the United States.

(b) Within six months of the effective date of this section, and thereafter within six months of the official report of a federal decennial census and issuance of any supplementary data to the report necessary to establish population distribution within the borough, the assembly shall

(1) determine and declare by resolution whether the existing assembly apportionment meets the standards designated under (a) of this section;

(2) if the existing apportionment does not meet the designated standards, provide by ordinance for reapportionment and, if it chooses, changes in assembly composition, in accordance with the designated standards;

(3) submit the ordinance to borough voters for approval or rejection as provided in (c) of this section.

(c) The vote on an ordinance submitted under (b)(3) of this section shall be tabulated in two separate classifications. One classification shall consist of all votes cast in the first class and the home rule cities of the borough. The other classification shall consist of all votes cast in the remaining areas of the borough. In order for the ordinance to be approved it must receive majority approval in each classification. If,

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

at the end of the time period prescribed in (b) of this section, no ordinance has been approved, the Local Affairs Agency shall provide for the reapportionment in accordance with the standards designated in (a) of this section.

(d) In addition to providing for apportionment at the times required under (b) of this section, the borough assembly shall provide for its reapportionment and, if it chooses, a change in assembly composition, whenever, on the basis of federal census reports or other reliable population data, it determines that the existing apportionment does not meet the standards for apportionment designated in (a) of this section. The assembly is required to determine whether the standards are being met upon petition of 50 borough voters. The petition must include reliable evidence that the existing apportionment of the assembly does not meet the designated standards. Reapportionment under this section shall be implemented by ordinance or by act of the Local Affairs Agency in the same manner as prescribed for reapportionment in (c) of this section.

(e) Members of the assembly are selected according to assembly composition and apportionment set out in the incorporation petition approved by the voters or subsequently provided in accordance with this section. A change in assembly composition or apportionment under this section shall be effective beginning with the next regular election to the assembly.

(f) Assembly or Local Affairs Agency determinations or reapportionments made under this section are subject to judicial review. The running of time periods specified in (b) of this section shall be tolled until a final judgment is rendered in an action brought under this subsection.

(g) This section applies to home rule and general law boroughs.

\*Sec. 9. AS 29.23.040 is repealed and re-enacted to read:

\*Sec. 29.23.040. REGULAR TERM OF OFFICE. Assemblymen are selected for three-year terms and until their successors are selected and have qualified, unless different terms not exceeding four years are prescribed by borough charter or ordinance. However, if under a borough apportionment city councilmen are appointed as assemblymen or elected to dual assembly-council seats, they may not be replaced until their assembly term expires as provided by city charter or ordinance, or they cease to be a member of either the assembly or council. The current term of incumbent assemblymen may not be altered under this section. This section applies to home rule and general law boroughs.

\*Sec. 10. AS 29.23.050 is repealed and re-enacted to read:

\*Sec. 29.23.050. QUALIFICATIONS. A resident of the borough is eligible to be an assemblyman if he is a borough voter. An assemblyman who ceases to be a borough voter immediately

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

forfeits his office. An assemblyman elected from or selected to represent a borough area less than the borough area at large and who becomes a resident of another area may continue to serve only until the next regular election. The assembly may by ordinance establish residence requirements for assemblymen not exceeding three years. This section applies to home rule and general law boroughs.

\*Sec. 11. AS 29.23.080 is repealed and re-enacted to read:

\*Sec. 29.23.080. ASSEMBLY VACANCIES. The assembly shall provide by ordinance the manner in which a vacancy in assembly representation occurs. A vacancy is filled by the majority of the remaining assemblymen, who designate a voter and, if the assembly seat vacated is other than an at-large seat, a resident of the borough area to which the seat was apportioned, to serve until the next regular election. However, if under a borough apportionment city councilmen are appointed as assemblymen or elected to dual assembly-council seats, a vacancy in a councilman's seat on the assembly shall be filled by a councilman designated by a majority of the remaining membership of the council to serve until the next regular election.

\*Sec. 12. AS 29.23.030, 29.23.060 (f), (g), (h), (i), (j) and AS 29.23.090 - 29.23.100 are repealed.

\*Sec. 13. Secs. 6 - 12 of this Act take effect upon the condition and at the time that the Supreme Court of the State of Alaska finds that sec. 4, art. X of the Constitution of the State of Alaska as it relates to representation of cities on borough assemblies is in violation of the Constitution of the United States or an amendment to the Constitution of the State of Alaska relating to assembly representation and consistent with the provisions of secs. 6 - 12 of this Act becomes effective, whichever occurs earlier.

April 27, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. E. Merdes
Rep. J. Harris	Sen. C. Groh

Others present:

Don Berry, Executive Director, Alaska Municipal League  
Sig Strandberg, Local Affairs Agency  
Bill Berrier, Attorney, City and Borough of Juneau  
Rich Garnett, Assistant Attorney General

The committee decided to add water pollution control powers as an areawide power which could be acquired at the option of the borough, without the usual procedures for petition and vote. The committee decided to include the air pollution control laws of Title 18 on the same basis.

The committee approved the requested amendment relating to acquisition of mass transit powers areawide by boroughs and the acquisition of areawide animal control powers. With respect to mass transit powers, an additional provision was directed to be inserted calling for the Alaska Transportation Commission to decide the question of acquisition of the areawide powers by the borough if a dispute arises between a city and the borough as to acquisition. The provision would apply only in the case of boroughs not exercising mass transit powers areawide on the effective date of the code.

Senator Groh withdrew his amendment relating to exclusion of territory from boroughs.

The amendments approved for inclusion in the code relating to borough mayors in manager plan boroughs, senior citizen property tax relief, and technical amendments on election dates, delegation of powers by municipal boards and commissions and otherwise are to be drafted for approval as to form at the next meeting or otherwise are to be submitted to Rep. Miller and Sen. Miller for their review.

The committee decided to await the Senate Resources Committee proposals on pending development cities legislation before acting on inclusion of such legislation in the code. The committee declined to include food stamp purchases sales tax exemption provisions in the code.

The committee authorized preparation of a summary of changes represented by the free conference bill from bills approved in both Houses. The committee discussed expanding the summary to include a general summary of code provisions.

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

Page 94, lines 13 - 28: delete all matter and substitute the following new matter:

"ARTICLE 1. REVENUE ANTICIPATION NOTES.

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

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

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

Sec. 29.58.040. ISSUANCE OF NOTES IN ANTICIPATION OF STATE, FEDERAL GRANTS. (a) The governing body of a municipality, upon adoption of a long-range capital improvement budget by ordinance or resolution, may by resolution provide for revenue anticipation notes in an amount not to exceed the total amount of any state or federal grants finally committed for these projects. The notes mature no later than the end of the next fiscal year. These notes may be for single or multiple projects outlined in the adopted capital improvement budget.

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

Sec. 29.58.050. PRIORITY OF REPAYMENT. The payment of the principal and interest on revenue anticipation notes shall be a first charge and lien upon the revenues in anticipation of the

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

collection of which these notes have been issued, and their payment additionally shall be secured by a pledge of the full faith, credit and unlimited taxing power of the municipality issuing them."

Page 94, line 29: delete "29.58.040" and substitute "29.58.060"

Page 1, line 10: after "AS 29.05 - 29.95;" insert "AS 37.30"

Page 123, line 14: after "corporation" insert "and political sub-division,"

Page 94, line 29: delete "tax" and substitute "revenue"

Page 61, line 14: after "garbage" add "and solid waste"

Page 61, line 17: after "garbage" add "and solid waste"

Page 61, line 19: after "garbage" add "and solid waste"

Page 61, line 20: after "garbage" add "and solid waste"

Page 61, line 21: after "garbage" add "and solid waste"

Page 61, line 29: after "garbage" add "and solid waste"

Page 62, line 2: after "garbage" add "and solid waste"

Page 62, line 5: after "garbage" add "and solid waste"

Page 62, line 7: after "garbage" add "and solid waste"

Page 62, line 11: after "garbage" add "and solid waste"

Page 36, line 7: After "ELECTIONS." add the following new matter:  
"If in a municipal election no candidate receives in excess of forty per cent of the votes cast for his respective office, the assembly or council shall hold a runoff election within two weeks between the two candidates receiving the greatest number of votes for the office. Notice of a runoff election shall be published at least 5 days before the election."

Page 35, line 28: after "who" insert "is qualified to vote in state elections and"; delete "of Alaska for"

Page 35, line 29: delete "one year and"

Page 36, line 1: delete "or meets"

Page 36, line 2: delete "registration requirements of the municipality if any"

Free Conference Committee Meeting - CSSB 113  
April 27, 1972  
Page 4

NEW AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE

- Page 36, line 3: after "constitution." insert "Voter registration by the municipality may not be required."
- Page 124, line 4: after "who" insert "is qualified to vote in state elections and"
- Page 124, line 5: delete "of Alaska for one year and"
- Page 124, line 7: delete "or meets registration requirements of the municipality"
- Page 124, line 8: delete "if any"
- Page 35, lines 8 - 10: delete all matter through "requirements." and substitute "The municipality may not alter voter qualification requirements of this title."

Free Conference Committee Meeting - CSSB 113  
May 2, 1972

Members present:

Rep. M. Miller	Sen. T. Miller
Rep. E. Naughton	Sen. E. Merdes
Rep. J. Harris	Sen. C. Groh

Others present:

Sig Strandberg, Local Affairs Agency  
Bill Berrier, Attorney, City and Borough of Juneau  
Greg Machyowsky, Legislative Affairs  
Marilyn Miller, Alaska Municipal League

The committee approved the amendment conferring mass transit powers upon boroughs and providing for city objections to exclusive area-wide exercise of the powers to be resolved by the Alaska Transportation Commission.

The committee approved the amendments conferring animal, water and air pollution powers upon boroughs.

The committee approved the amendment establishing a borough mayor in manager plan boroughs but revised that part of the amendment withholding veto powers from the mayor and directed that the amendment accord such power.

The committee approved the amendment authorizing senior citizen property tax relief and authorized some revisions in subsection (h) to reflect committee intent that a local government may grant a broader senior citizen exemption than given in the amendment but must assume the additional cost of the exemption without state reimbursement.

The committee approved several technical amendments and authorized Rep. Miller and Sen. Miller to review and approve further technical amendments to adjust code provisions as necessary to reflect and clarify committee policy decisions.

The committee decided to await further Senate action on development cities before deciding whether to include such legislation in the code.

The committee chairman announced that the committee would meet further at the call of the chair.

AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE  
May 2, 1972

Page 17, line 7: Before "first" insert "home rule or"

Page 15, line 3: Delete "the effective date of this" and substitute "January 1, 1968"

Page 15, line 4: Delete "Act"

Page 19, line 1: After "pleasure" insert ", except that in boroughs having an appointed manager the borough mayor serves as presiding officer"

Page 22, lines 24-26: After "(a)" strike all matter and substitute the following: "The administrative power of the borough is vested in an elected chairman or in an appointed manager. The executive power of the borough is vested in an elected chairman or, if the borough has adopted a manager plan, in an elected borough mayor who has the same functions as are conferred under sec. 240 of this chapter upon the mayor of a city having a manager plan."

Page 22, line 26: After "chairman" insert "or mayor"

Page 22, line 27: After "chairman's" insert "or borough mayor's"

Page 23, line 8: After "is" insert "an elected borough mayor but no"

Page 23, line 14: Delete "executive" and substitute "chairman or manager as the case may be"

Page 23, line 16: Delete "executive" and substitute "chairman or mayor"

Page 24, line 25: After "chairman" insert "or borough mayor"

Page 24, line 29: After "chairman" insert "or borough mayor"

Page 25, line 11: After "chairman" insert "or borough mayor"

Page 60, line 7: After "disposal" insert "subject to sec. 33(a) of this chapter"

Page 61, line 7: After "section" insert "or sec. 33(a) of this chapter"

Page 63, between lines 21 and 22: Insert the following new matter:  
"(18) air pollution control as provided in AS 18.30"

Re-number following paragraph.

Page 63, line 29: after "cities." insert the following new matter:  
"However, as to powers conferred under (a)(5), (17) and (18) of this section, exercise of the powers areawide or in the borough area outside cities is at the option of the borough and is not subject to those restrictions on acquisition of

AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE  
May 2, 1972

additional borough powers. Upon adoption of a borough ordinance to provide for areawide exercise of the powers specified, no home rule or general law city within the borough may exercise the powers, unless the borough ordinance provides otherwise or the borough by subsequent ordinance ceases to exercise the power."

Page 54, line 9: after "question" insert:

", except as provided otherwise in AS 29.48.030 and AS 29.48.035(b)"

Page 61, between lines 11 and 12: insert the following new matter:  
"However, as to powers conferred under (a)(12) of this section, exercise of the powers areawide or in the borough area outside cities is at the option of the borough and is not subject to those restrictions on acquisition of additional borough powers. With respect only to boroughs which on the effective date of this Act are not exercising powers conferred under (a)(12) of this section on an areawide basis, objection which a city may raise to areawide exercise of the powers by a borough shall be reviewed by the Alaska Transportation Commission. The Commission shall decide whether or not areawide exercise of the powers is to be approved as in the public interest under the particular facts and circumstances at issue."

Page 75, between lines 27 and 28, insert the following new matter:  
"(6) the real property of certain residents of the state to the extent and subject to the conditions provided in (c) of this section."

Page 76, between lines 17 and 18, insert the following new matter:  
"(e) After January 1, 1973 the real property owned and occupied as a permanent place of abode by a resident 65 years of age or over whose gross annual income totals less than \$10,000 is exempt from taxation of the assessed value of the real property. Only one exemption may be granted with respect to the same property and, if two or more persons are eligible for an exemption with respect to the same property, the parties shall decide between or among themselves which shall receive the benefit of the exemption; however, in the case of more than one party eligible for an exemption with respect to the same property, the total combined gross annual income of the parties may not exceed \$10,000. No real property may be exempted under this subsection which the assessor determines, after notice and hearing to the parties concerned, has been conveyed to the applicant primarily for the purpose of obtaining the exemption. The determination of the assessor is appealable under AS 44.62.560 - 44.62.570.

(f) No exemption may be granted except upon written application for the exemption upon a form prescribed by the state assessor for use by local assessors. The claimant must file the application no later than January 15 of the assessment year for which the exemption is sought and must file a separate application for each assessment year in which the exemption is sought. If an application is filed within the required time and is approved by the assessor, he shall allow an exemption in

AMENDMENTS ADOPTED BY THE FREE CONFERENCE COMMITTEE  
May 2, 1972

accordance with the provisions of this section. The assessor may at any time require proof in the form he considers necessary of the right and amount of an exemption claimed under this section, and in that respect may as one form of proof require authorization from the taxpayer to verify gross income level by reference to gross income shown in the latest state income tax return available for all or part of the assessment year for which an exemption is sought.

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

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



*see 2-16*  
CITY OF  
ANCHORAGE



ALASKA

*International*  
Polar air crossroads of the world

February 18, 1972

POST OFFICE BOX 170  
ANCHORAGE, ALASKA  
99501

Honorable Edward A. Merdes  
Alaska State Senate  
Juneau, Alaska 99801

Dear Ed:

I asked John Spencer, City Attorney, to review Senate Bill No. 316 since its contents indicated it might be a problem to us if applied to Home Rule Cities. A copy of John's review and report to me (memorandum, dated 2-16-72) is attached for your information.

We hope you will consider specifically excluding Home Rule Cities from the provisions of this bill. We feel we now have adequate authority. If the provisions of this bill were made applicable we would have far greater restrictions than we now operate under. We do interim or short term borrowing of all types now without any difficulty.

Sincerely yours,

*Robert E. Sharp*  
Robert E. Sharp  
City Manager

RES: al  
Enclosure

cc: Mr. Don Berry  
Mr. Wally Droz  
City Attorney  
Finance Director



AIRMAIL IS FASTER

FEB 17 1972

## City of Anchorage

## MEMORANDUM

CITY MANAGERS  
OPINION NO. 1009-72

TO: City Manager

FROM: City Attorney

SUBJECT: Revenue Anticipation Notes

DATE: 2/16/72

Friday you requested that I look at Senate Bill No. 316, involving the issuance of revenue anticipation notes by political subdivisions.

It is my opinion that the City should oppose this bill, inasmuch as it is not a required piece of legislation to enable the City of Anchorage to do any borrowing in anticipation of revenues, whether federal, state or otherwise.

There have been several opinions concerning this matter written by this office at various times. The general consensus of those opinions provides that there is authority to issue anticipation notes. The City Charter states:

"The City shall have the power to borrow money for any specific purpose and to issue its evidences of indebtedness therefor."  
Sec. 11.1(a)

There are three limitations to the power granted by the Charter. The first appears to be the requirement that money borrowed must be for a specific purpose. The Council resolution authorizing the borrowing of the money could certainly set this specific purpose out. Secondly, the State Constitution provides a limitation wherein we find:

"The State and its political subdivisions may borrow money to meet appropriations for any fiscal year in anticipation of the collection of the revenues for that year but all debts so contracted shall be paid before the end of the next fiscal year." Article IX, Sec. 10.

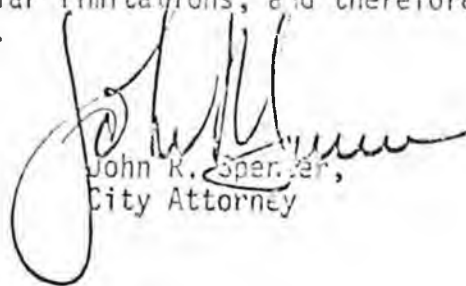
The third limitation is found in Section 11.1(b) of the City Charter. That section provides that a period of thirty days must elapse from the time of initial Council authorization before the Council can

unilaterally (that is, without electorate consent) enter into financing agreements. Again, that is no severe obstacle to overcome, and is just a matter of watching the time periods.

The notes can contain the wording whereby the security would be in the anticipated revenues from any of various sources, grants-in-aid, federal or state, revenue sharing from the state, bonding or any other anticipated source of income. In the event of failure of the security, the note becomes a general unsecured obligation of the City, unless otherwise set out on the note itself.

Therefore, in summary, it is my opinion that Mr. Merdes' Senate Bill No. 316 is not a requirement for a home rule city or borough and, in fact, would appear to impose more strenuous regulations on the City concerning the anticipation notes.

The first limitation, of course, is the 50% of the amount of anticipated revenue, except in anticipation of State or Federal grants. However, in the issuance of notes in anticipation of State or Federal grants the City would be bound by the requirement of adoption of a long-range capital improvements budget which, so far as the City is concerned would be out of the question, unless we used our capital improvements program forecast as a budget, or the CIP funding for that particular fiscal year as adopted in our annual budget would suffice. However, it is not necessary under our current system to have these particular limitations, and therefore I would not support Mr. Merdes' bill.

  
John R. Sperber,  
City Attorney

JRS:LCM  
cc: Mayor Sullivan,  
Finance Director

GREATER ANCHORAGE AREA BOROUGH

3500 TUDOR ROAD  
POUCH 6-650  
ANCHORAGE, ALASKA 99502



February 3, 1972

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Free Conference Committee  
for House Bill 208 (Municipal Code)  
Pouch V  
Juneau, Alaska 99801

Dear Committee Members:

I understand that the Governor intends to offer some amendments to the Municipal Code (HB 208). My staff has reviewed the Code and recommends the attached changes. We feel that the recommendations numbered 7, 8, 9 and 11 are the most important.

If the Code is opened up to general and substantive change in free conference, I would appreciate any support you might give in securing these changes.

Respectfully,

*John M. Asplund*  
John M. Asplund  
Borough Chairman

JMA:JBW:vp  
attachment

SECTION 2. PENDING LEGISLATION WHICH THE BOROUGH BELIEVES SHOULD BE AMENDED

The Greater Anchorage Area Borough Administration requests that the following pending legislation be amended.

(A) Municipal Code

While the Borough favors passage of the Municipal Code, it believes that the following list of amendments are practical and would permit smoother operation under the Code.

Chapter 23 - Municipal Officers and Employees

- 1. Sec. 29.23.020 provides standards for apportionment.

Problem: We question re-enacting provisions known to be unconstitutional.

- 2. Sec. 29.23.090(a)(1) provides that an assembly initiated apportionment plan must be submitted to the Local Affairs Agency "for review".

Problem: The meaning of "for review".

Recommendation: State that the Agency does or does not have the power to disapprove the plan.

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Chapter 28 - Elections

- 3. Sec. 29.28.015(b) allows one person to serve simultaneously in several offices with only a few restrictions.

Problem: The advisability of permitting assemblymen or councilmen to sit on lesser bodies is questionable, particularly since the assembly or council often ratifies or acts as an appellate body concerning the decisions of lesser bodies. If you have the same people at different levels, it would seem to diminish your right of appeal.

Recommendation: Add a provision allowing assemblies and councils to place further limitations on simultaneous office holding.

- 4. Sec. 29.28.020(a) calls for concurrent state and municipal elections.

Problem: While the goal of concurrent elections may be desirable, there is one immediate practical problem. Until election laws become uniform, it will be necessary for cities, boroughs and the state to each have a separate election board. Getting enough qualified people to man each of these boards on the same election day will be difficult.

Recommendation: Make concurrent elections optional with the municipalities; or, in the alternative, amend Title 15 of the Alaska Statutes so that election judges need not be residents of the precinct in which they function.

- 5. Sec. 29.28.073 provides that the clerk has 10 days from the filing of an initiative or referendum petition to certify it, and if the petition is insufficient, it may be amended or supplemented within 10 days after the filing date.

Problem: If the clerk needs or takes 10 days to check out the petition, all right to amend or supplement it would be extinguished.

Recommendation: The wording should be similar to that of the recall provision and allow the petitioner 10 days from the time of the clerk's rejection in which to amend or supplement the petition.

ADOPTED  
3/23  
7/28

- 6. Sec. 29.28.150 provides that a petition to recall a municipal official need only contain signatures equal in number to 15% of the votes cast in the area represented by the official in the last preceding general election for officers.

Problem: Turnout for local elections often runs only about half that for state elections, and fluctuates greatly depending upon what controversial item might happen to be on the ballot. Therefore, the difficulty in exercising the right of recall will vary widely in different years.

Recommendation: Base the percentage of signatures required on the number of registered voters.

Chapter 33 - Planning, Platting and Zoning

- 7. Sec. 29.33.020 places numerous responsibilities upon planning commissions and Sec. 29.33.245 is an attempt to take some of the pressure off of the commission.

Problem: These sections point out the re-occurring problem of stacking numerous responsibilities on administrative bodies without express provisions that some of the responsibilities may be delegated to other bodies, and that other sub-administrative bodies may be created if necessary. In the past we have used a Board of Examiners and Appeals to handle appeals from administrative decisions and requests for variances. Even then, the Anchorage Planning Commission is overworked. While the hearing officer provisions of Sec. 29.33.245 will provide some relief, we think it desirable to give local legislative bodies more leeway in this area.

Recommendation: Add a provision to the Municipal Code allowing assemblies and councils some flexibility to delegate and re-distribute functions and to establish separate boards as necessary.

- 8. Sec. 29.33.090(d) provides that "(t)he designation of zoning purposes does not confer police powers upon a borough except as authorized by this title nor does it prohibit cities within the borough from exercising police powers as to those purposes".

Problems: The first part of the subsection seems to be a restatement of the obvious. Giving planning power to a borough does not give the borough general police power. On the other hand, the planning function would include the implied police powers necessary to carry out that function. The "except as authorized" wording of the section might be read to require individual express powers before a borough could act in the various areas of planning and, therefore, restrict a borough from operating with powers which are implied but not expressly authorized by the title.

The second part of the subsection indicates that cities within a borough may enforce planning and zoning ordinances, and raises the question of whether a home rule city could pass and enforce its own planning and zoning ordinances. This again flies in the face of an areawide planning concept.

Recommendation: Eliminate the entire subsection.

*via LAWSON  
IN ARE  
CHANGES  
Amend adopted  
3/28*

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Cruz*

- 9. Sec. 29.33.110(b)(3) provides for appeals from decisions on requests for variances from the planning commission to the board of adjustment.

Problem: This again brings out the problem discussed in Item 7 above. The Greater Anchorage Area Borough uses a board of examiners and appeals to hear requests for variances, and appeals are made directly to the board of adjustment. Article 4 seems to indicate that we could no longer use a body other than the planning commission or its representatives to hear such requests.

Recommendation: As recommended in Item 7 above, add a general provision to the Municipal Code allowing local governments the flexibility to delegate and re-distribute functions and to establish separate boards as necessary.

Chapter 53 - Municipal Assessment and Taxation

SAME AS #7

- 10. Sec. 29.53.035(c) includes in the definition of "farm use" lar's put to a "horticultural use."

Problem: Garden supply and plant stores have been claiming the farm and agricultural reductions.

Recommendation: Exclude the term "horticultural use" from the definition of "farm use."

ADOPTED 3/23 3/28

- 11. Sec. 29.53.040 classes mobile homes as real property for tax purposes.

Problem: While such a change might help municipalities which don't tax personal property, it will be an administrative nightmare for the other municipalities. The Anchorage Borough would have approximately 8,000 pieces of real property which move, and the burden would be shifted to the Borough to keep track of each. Under the present system the owners must file returns or be subject to prosecution. On the other hand, if trailers are to be treated as realty, the borough will need to find and file on each of them, and a failure to do so would result in the owner not carrying his share of the tax burden

Recommendation: Make the provision optional.

- 12. Sec. 29.53.080 permits the assessor to make his own evaluation of property when no return has been filed.

Problem: If the assessor doesn't find the property until after the return should have been filed, the law is unclear as to when penalty and interest provisions apply.

44

Recommendation: A provision should be added that penalty and interest accrue from the original due date which would have applied had the taxpayer filed a timely return.

13. Sec. 29.53.070 makes it a misdemeanor to file a fraudulent return.

Problem: It is almost always difficult to establish the necessary intent in order to prove fraud. In addition, it is questionable whether a misdemeanor will offer a strong enough deterrent. In the few cases where fraud can be proven, we think it would be desirable to make examples out of the perpetrators of the fraud.

Recommendation: Add a provision whereby the state may prosecute fraudulent returns as a felony rather than the municipalities prosecuting them as misdemeanors.

14. Sec. 29.53.120 provides for correction of errors and omissions in the assessment roll, and for appeals from corrected notices.

Problem: Most municipalities allow 30 days for appeal from errors in assessment rolls. Under Sec. 29.53.120(B) the appeal time would necessarily be extended an extra 30 days, substantially delaying the procedure.

Recommendation: Require all errors to be appealed within 30 days, and if a satisfactory adjustment can be made before the Board of Equalization meets, the appeal could then be dismissed.

15. Sec. 29.53.390 contains provisions for refund of taxes.

Problem: Because of the cost of processing minor refunds, it would be desirable if small overpayments could be ignored.

Recommendation: Add a provision whereby overpayments in the amount of \$1.00 or less may be written off unless a specific demand is made for the refund within 30 days.

GREATER ANCHORAGE AREA BOROUGH

3500 TUDOR ROAD  
POUCH 6.650  
ANCHORAGE, ALASKA 99502

December 7, 1971

DEPARTMENT OF LAW  
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Senator Edward A. Merdes  
50<sup>1</sup>/<sub>2</sub> Monroe Street  
Fairbanks, Alaska 99701

Dear Ed:

Sorry to be so late in responding to your request for additional comments on the Municipal Code. We circulated the Code to all department heads then sifted through their comments to put together a package of suggested amendments. There were many minor comments but the ones in the enclosure are those I felt the most substantive.

If you would like comments on any other provision, I would be happy to oblige as I have a fairly fat file on the subject but thought I'd spare you another ton of paper.

Of course we stand willing to testify or do whatever is necessary to aid you in your consideration of the bill, so feel free to call upon me at any time.

Sincerely,

*Sheila*  
Sheila Gallagher  
Borough Attorney

SG:gv  
cc: Senator Terry Miller  
Senator John Rader