

ALABAMA LEGISLATIVE COMMISSION FILED 1907 2

1227

HCRA

HB 150

-

HB 170

227

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 150
 Title SENIOR CITIZENS HOUSING
 Requested by LEGISLATIVE FINANCE Date 2-20-81

II. FISCAL DETAIL

Agency Affected DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS
 Program Category Affected SOCIAL & ECONOMIC ASSISTANCE FOR THE AGED
 BRU, Program, or Subprogram(s) Affected SENIOR CITIZEN HOUSING

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

-0-

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

-0-

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

This bill will require no additional operating expenses other than a continuation budget.

IV. DATE 2-25-81 PREPARED BY JACK SMODEX

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

AGENCY Dept. of Community & Regional Affairs Division
 PHONE 272-4585 of Housing Assistance

AGENCY COMMENTS:

Sponsor Substitute for House
Bill No. 150

Needs Assessment

This bill provides for an appropriation of \$225,000 which would be utilized to develop a statewide senior citizen housing needs assessment.

Population estimates and projections for funding decisions are a major element to efficient planning of elderly housing projects on State, area-wide, and local levels.

The elderly housing needs assessment will serve to inform the Legislature and the Department of Community and Regional Affairs when communities with substantial need are being left out as proposals come in. The Department of Community and Regional Affairs could then take an "activist approach" to meeting that need. Planning grants could then easily be obtained by interested senior citizens and would enable senior citizens to have the financial resources to control the project, i.e., to see their decisions concerning location, design, management and ownership implemented.

A very rough estimate of the demand for senior citizen housing is approximately 800 units as follows:

230 units--urban areas;

326 units--population areas over 500

267 units--population areas less than 500

Administration

This bill provides for an appropriation for construction and development of rental housing for senior citizen and requires the DCRA to continue to administer the existing Senior Citizens Housing Program. The existing program has utilized State funds to leverage existing federal financing when possible and to provide 100% State grants when leveraging federal funding was not appropriate.

Continued placement in the DCRA would assure equalitarian administration and distribution of funds to all public housing authorities and communities throughout Alaska.

Additionally, by permitting the Department of Revenue to "hold" the funds until allocated to a specific project, the State will continue to receive the investment income earned on the \$24,775,000 allocation.

Communities which have received planning grants from the DCRA are: Wasilla, Wrangell and St. Marys. Additionally, Kodiak and Homer are preparing applications for planning grants. These communities will then require grants to construct the housing.

It is our recommendation that the DCRA be permitted to utilize a portion of this allocation to assist the Alaska State Housing Authority (ASHA) in obtaining permanent financing on all interim construction loans outstanding with the Department of Revenue for existing senior citizen housing (e.g. Anchorage, Fairbanks, Cordova, Seward and Bethel). Assistance means leveraging state funds with financing from other sources to a feasible level for debt retirement and maintenance and operating expenses.

SENIOR CITIZEN HOUSING BOND FUND

JANUARY 1981

FINANCING METHOD	LOCATION	SPONSOR	OWNER	UNITS	AMOUNT	%	OTHER FUNDS SOURCE &	TOTAL ALL SOURCES
<u>DIRECT FINANCING:</u>								
	Chugiak-Eagle	Municipality of Anchorage	Municipality of Anchorage	24	\$1,510,809	100	--	\$1,510,809
	Allakaket	City of Allakaket	City of Allakaket	2	75,865.69	100	--	75,865.73
	Anvik	City of Anvik	City of Anvik	2	64,631.62	100	--	64,631.89
	Fort Yukon	City of Fort Yukon	City of Fort Yukon	4	131,433.97	100	--	131,434.45
	Grayling	City of Grayling	City of Grayling	1	23,090.86	100	--	23,090.86
	Holy Cross	City of Holy Cross	City of Holy Cross	2	60,852.58	100	--	60,851.73
	McGrath	City of McGrath	City of McGrath	4	123,203.49	100	--	123,203.49
	Nulato	City of Nulato	City of Nulato	2	53,629.75	100	--	53,629.75
	Ruby	City of Ruby	City of Ruby	2	73,718.79	100	--	73,718.73
	Shageluk	City of Shageluk	City of Shageluk	2	91,403.17	100	--	91,403.17
	Tanana	City of Tanana	City of Tanana	2	69,363.78	100	--	69,363.78

FINANCING METHOD	LOCATION	SPONSOR	OWNER	UNITS	AMOUNT		OTHER FUNDS SOURCE &	TOTAL ALL SOURCES
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COVERAGING:

	Juneau	City and Borough of	ASHA	42	\$525,000	27	\$1,425,683 HUD Sec. 5402	\$1,950,683
	Ketchikan	City of Ketchikan	ASHA	50	775,000	31	1,740,565 HUD Sec. 5402	2,515,565
	Sitka	City of Sitka	Tlingit and Haida Housing Devel. Corp.	24				
	Haines	City of Haines	Tlingit and Haida Housing Devel. Corp.	12				
	Hoonah	City of Hoonah	Tlingit and Haida Housing Devel. Corp.	12				
	Kake	City of Kake	Tlingit and Haida	12	383,000	9	4,020,000 HUD Sec. 8/202	4,403,000
	Saxman	City of Saxman	Tlingit and Haida Housing Devel. Corp.	12				
	Klawock	City of Klawock	Tlingit and Haida Housing Devel. Corp.	12				
	Craig	City of Craig	Tlingit and Haida Housing Devel. Corp.	9				

FINANCING METHOD	LOCATION	SPONSOR	OWNER	UNITS	AMOUNT	%	OTHER FUNDS SOURCE &	TOTAL ALL SOURCES
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ERAGING:

	Bethel	City of Bethel	AVCP Housing Authority	24	\$ 342,527	19	\$ 1,233,100 HUD	\$ 1,575,627
	Seward	City of Seward	ASHA	30	239,000	19	1,973,000 HUD	2,212,000
	Cordova	City of Cordova	ASHA	22	204,000	19	1,480,000 HUD	1,652,000
	Seldovia	City of Seldovia	Cook Inlet Housing Authority	18	150,000	17	1,468,000 HUD	1,618,000
	Petersburg	City of Petersburg	City of Petersburg	24	1,300,000	50	1,300,000 FmHA, Sec. 515	2,600,000

D MONEY:

	Petersburg	City of Petersburg	Petersburg Senior Citizen, Inc.		30,000			
	Bethel	City of Bethel	AVCP Housing Authority		20,000			
	Wrangell	City of Wrangell	U/K	20	30,000			
	Juneau	City of Juneau	City of Juneau/ASHA	20	50,000			

FINANCING METHOD	LOCATION	SPONSOR	OWNER	UNITS	AMOUNT	%	OTHER FUNDS SOURCE &	TOTAL ALL SOURCES
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DED MONEY:

	St. Mary's	City of St. Mary's	U/K	8	\$ 30,000			
	Wasilla	City of Wasilla	U/K	20	50,000			

LOCAL GRANT AWARDS:

418 \$6,406,530.70

Bond Costs

Public Facility Planning Fund 60,620.00

TOTAL \$6,467,150.70

UND AVAILABILITY \$7,500,000.00

UND AWARDS & COSTS -6,467,150.70

UND BALANCE \$1,032,849.30

H B

1666

Education Funding Questionnaires received from

Cordova
Fairbanks North Star Borough
City of Galena
Haines Borough
City & Borough of Juneau
Kenai Peninsula Borough
Ketchikan Gateway Borough
Kodiak Island Borough
Matanuska-Susitna Borough
City of Nome
City of Pelican
City of Petersburg
City & Borough of Sitka
City of Unalaska
City of Valdez

not received from
Municipality of Anchorage
Bristol Bay Borough
North Slope Borough (not sent)
City of Wrangell
City of Craig
City of Dillingham
City of Hoonah
City of Hydaburg (not sent)
City of Kake
City of King Cove
City of Klawock (not sent)
City of Nenana (non-member)
City of Saint Mary's
City of Sand Point
City of Skagway
City of Yakutat



Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Rep. Ben Grussendorf
Chairman
465-3870

Pouch V
State Capitol
Juneau, Alaska 99811

Summary- HB 166 - by Rep. Phillips

"An Act providing for reimbursement for property taxes levied by municipalities for school purposes; and providing for an effective date."

This bill would entitle residents to reimbursement for property taxes which have been paid to a municipality for the operation of schools. The reimbursement would equal the assessed value of real property occupied by the resident as his permanent place of abode, multiplied by the rate of levy made by the municipality for the operation of schools and for school construction debt retirement.

A resident must apply to the Dept. of Revenue and present proof of the taxes paid. The bill also provides reimbursement for renters. The renter reimbursement formula is 1% per mil of levy for operation of schools and debt retirement. A renter must submit rent receipts when submitting his application for reimbursement.

The assembly shall determine the rate of levy before June 15 and by July 1 the tax collector shall mail tax statements setting out the levy for the operation of schools & the school construction debt retirement.

Alaska MUNICIPAL League

TELEPHONES
907 586-1325
586-6526

204 N FRANKLIN ST
JUNEAU, ALASKA 99801

October 27, 1980

To: Finance Directors

From: Ginny Chitwood *GC*

Re: Education Funding

Legislators are working on a number of alternatives for providing property tax relief, including the concept of 100% funding of education. In order to get an idea of how much such a program would cost the state and how much property tax relief it would provide, we would appreciate your answering this short questionnaire. Since we would like to discuss the concept at the AML conference in Fairbanks, please send the answers in time to reach us by November 7.

NAME OF PERSON FILLING OUT QUESTIONNAIRE _____

NAME OF MUNICIPALITY Anchorage _____

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ _____

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT _____ %

MIL LEVY EQUIVALENCY OF THAT AMOUNT _____ MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ _____

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT _____ %

MIL LEVY EQUIVALENCY OF THAT AMOUNT _____ MILS

TOTAL AREAWIDE ASSESSED VALUE \$ _____

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Barlowe

*33% of their
property tax
dollars*

*1980 budget
4.64 mills
\$1,626,882*

Alaska MUNICIPAL League

TELEPHONES
907) 586-1325
586-6526

204 N FRANKLIN ST
JUNEAU, ALASKA 99801

October 27, 1980

To: Finance Directors

From: Ginny Chitwood *G.C.*

Re: Education Funding

RECEIVED

OCT 30 1980

CITY OF BARROW

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NAME OF PERSON FILLING OUT QUESTIONNAIRE Bryan MacLean

NAME OF MUNICIPALITY City of Barrow

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ NA

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT NA %

MIL LEVY EQUIVALENCY OF THAT AMOUNT NA MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ NA

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT NA %

MIL LEVY EQUIVALENCY OF THAT AMOUNT NA MILS

TOTAL AREAWIDE ASSESSED VALUE \$ _____

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

*Did you send one to
the North Slope Borough? they
are the ones that the applies
to.*

Alaska MUNICIPAL League

RECEIVED

TELEPHONES
907, 586-1325
586 6526

204 N FRANKLIN ST.
JUNEAU, ALASKA 99801

October 27, 1980

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NAME OF PERSON FILLING OUT QUESTIONNAIRE Dorinda Sniepp

NAME OF MUNICIPALITY Cordova

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 277,927

PERCENTAGE OF ^{TOTAL} GENERAL FUND OF THAT AMOUNT = 16.70 - 55% of total 201,423 \$

MIL LEVY EQUIVALENCY OF THAT AMOUNT 8 1/4 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ _____

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT _____ %

MIL LEVY EQUIVALENCY OF THAT AMOUNT _____ MILS

TOTAL AREAWIDE ASSESSED VALUE \$ _____

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Capital Improvements funded via 1% Sales tax, not thru General Fund. Bond principal + interest \$130.50 per year on \$ approx 4 mills.

Alaska MUNICIPAL League

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907 586-1325
586-6526

204 N FRANKLIN ST.
JUNEAU, ALASKA 99801

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NAME OF PERSON FILLING OUT QUESTIONNAIRE ROBERT G. JONES

NAME OF MUNICIPALITY FAIRBANKS NORTH STAR BOROUGH

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 9,746,830 FY '80

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 40 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 5.10 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES
(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE) \$ 4,742,178
\$ 100,000

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 19.5 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 2.3 .05 MILS

TOTAL AREA WIDE ASSESSED VALUE \$ 1,910,520,130

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

not del. income
5,606,478.10
2,621,000.00
4,742,178.10
del. income

Alaska
MUNICIPAL
League

Tous

TELEPHONES
(907) 586-1325
586-6526

204 N FRANKLIN ST
JUNEAU, ALASKA 99801

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NAME OF PERSON FILLING OUT QUESTIONNAIRE Tom Gilson

NAME OF MUNICIPALITY Valdez

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 2,151,159

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 14.8 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 1.259 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ 1,908,175

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 13.1 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 1.117 MILS

TOTAL AREA-WIDE ASSESSED VALUE \$1,708,962,310

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Alaska MUNICIPAL League

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907 586-1325
586-6526

204 N FRANKLIN ST
JUNEAU, ALASKA 99801

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NAME OF PERSON FILLING OUT QUESTIONNAIRE James R. Filip

NAME OF MUNICIPALITY City of Galena

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 2,800.00

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 0.65 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT INA ** MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE) \$ 0

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 0 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT INA ** MILS

TOTAL AREAWIDE ASSESSED VALUE* \$4,011,200.00

* 1979 FULL VALUE DETERMINATION

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

** INFORMATION NOT AVAILABLE -
GALENA DOES NOT LEVY A
PROPERTY / PERSONAL PROPERTY TAX

Alaska MUNICIPAL League

TELEPHONES
 (907) 586-1325
 586-6526

204 N FRANKLIN ST.
 JUNEAU, ALASKA 99801

October 27, 1980

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NAME OF PERSON FILLING OUT QUESTIONNAIRE STEPHANIE K. SCOTT

NAME OF MUNICIPALITY THE HAINES BOROUGH

	FY79-80	FY80-81
GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION	\$82,371.94	48,112.88
PERCENTAGE OF GENERAL FUND OF THAT AMOUNT	_____ %	
MIL LEVY EQUIVALENCY OF THAT AMOUNT	79-80 = 2 mills	80-81 = 1 mill
	MILS	
GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES (INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE	\$ _____	
PERCENTAGE OF GENERAL FUND OF THAT AMOUNT	_____ %	
MIL LEVY EQUIVALENCY OF THAT AMOUNT	_____ MILS	
TOTAL AREA-WIDE ASSESSED VALUE	79-80	80-81
	\$ 41,185.971	\$48,112.88

Please return to: Alaska Municipal League
 204 North Franklin
 Juneau, Alaska 99801

Alaska MUNICIPAL League

TELEPHONES
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 586-6526

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 JUNEAU, ALASKA 99801

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NAME OF PERSON FILLING OUT QUESTIONNAIRE Edward S. Hildebrand

NAME OF MUNICIPALITY City and Borough of Juneau

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION: \$3,072,600.00

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 32 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 5.83 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE *867,413.00* \$ 334,800.00* *debt ser- vice of schools bonds*

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT *1,202,213.00* .04 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT *2.28* .06 MILS *at*

TOTAL AREA-WIDE ASSESSED VALUE \$527,467,850.00

Please return to: Alaska Municipal League
 204 North Franklin
 Juneau, Alaska 99801

* This is General Government only, does not include what the school budgets for maintenance.

8867,413

Alaska MUNICIPAL League

TELEPHONES
907, 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

October 27, 1980

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NAME OF PERSON FILLING OUT QUESTIONNAIRE LEROY H BARTON

NAME OF MUNICIPALITY Kenai Peninsula Borough

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 5,450,215

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 44.24%

MIL LEVY EQUIVALENCY OF THAT AMOUNT 2.97 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ 5,178,402

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 36.14%

MIL LEVY EQUIVALENCY OF THAT AMOUNT 3.25 MILS

TOTAL AREA-WIDE ASSESSED VALUE \$ 1,839,461,245

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801



Alaska MUNICIPAL League

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 586-6526

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 JUNEAU, ALASKA 99801

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NAME OF PERSON FILLING OUT QUESTIONNAIRE Marvin L. Yoder, Borough Manager

NAME OF MUNICIPALITY Ketchikan Gateway Borough

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 52,526,310

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 74.8%

MIL LEVY EQUIVALENCY OF THAT AMOUNT 1.87 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES
 (INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE) \$ 280,000

debt service
~~insurance~~

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 0.3 *28.3*

MIL LEVY EQUIVALENCY OF THAT AMOUNT 0.2 *3.12* MILS

7 TOTAL AREAWIDE ASSESSED VALUE \$ 306,854,630

Please return to: Alaska Municipal League
 204 North Franklin
 Juneau, Alaska 99801

*Does not include debt service of \$520,000 or insurance of \$157,000.

Alaska MUNICIPAL League

TELEPHONES
907 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU ALASKA 99801

MAIL ROOM DIVISION
JUNEAU, ALASKA
787 011 50

October 27, 1980

To: Finance Directors

From: Ginny Chitwood *G.C.*

Re: Education Funding

OCT 30 1980

0809010128450

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NAME OF PERSON FILLING OUT QUESTIONNAIRE Marolyn Pedersen, Admin. Assistant
for Support Services, KIBSD *MP*

NAME OF MUNICIPALITY Kodiak Island Borough

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 1,100,000 FY '80

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 39.1 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 3.74 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES
(INCLUDING EXPENDITURES REINBURSABLE TWO YEARS LATER BY STATE) \$ 449,565

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 16.0 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 1.53 MILS

TOTAL AREA-WIDE ASSESSED VALUE \$ 294,127,162

Copy to: Shirley Miller, Borough Clerk/Treasurer

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Alaska MUNICIPAL League

Date Recd: 10-30-80 Initial: aw

TELEPHONES
907: 586-1325
586-6526

204 N FRANKLIN ST.
JUNEAU, ALASKA 99801

October 27, 1980

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From: Ginny Chitwood *G.C.*

Re: Education Funding

Legislators are working on a number of alternatives for providing property tax relief, including the concept of 100% funding of education. In order to get an idea of how much such a program would cost the state and how much property tax relief it would provide, we would appreciate your answering this short questionnaire. Since we would like to discuss the concept at the AML conference in Fairbanks, please send the answers in time to reach us by November 7.

NAME OF PERSON FILLING OUT QUESTIONNAIRE Walter Chappel, Controller *745-4601*

NAME OF MUNICIPALITY Matanuska-Susitna Borough

	FY '80
GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$	<u>4,428,582</u>
Revenues	
PERCENTAGE OF GENERAL FUND / OF THAT AMOUNT	<u>39.26 %</u>
MIL LEVY EQUIVALENCY OF THAT AMOUNT	<u>5.5</u> MILS
GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES	
(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE	<u>\$ 75,425</u> <i>5,513,555</i>
PERCENTAGE OF GENERAL FUND OF THAT AMOUNT	<u>-0.67%</u> <i>16.4</i>
MIL LEVY EQUIVALENCY OF THAT AMOUNT	<u>.93</u> <i>6.9</i> MILS
TOTAL AREA-WIDE ASSESSED VALUE	<u>\$ 804,776,620</u>

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

*School
Just received
705,500,133
call walt*

Alaska MUNICIPAL League

TELEPHONES
907, 586-1325
586-6526

204 N FRANKLIN ST
JUNEAU, ALASKA 99801

October 27, 1980

To: Finance Directors **OCT 30 Recd**

From: Ginny Chitwood **GC**

Re: Education Funding

Legislators are working on a number of alternatives for providing property tax relief, including the concept of 100% funding of education. In order to get an idea of how much such a program would cost the state and how much property tax relief it would provide, we would appreciate your answering this short questionnaire. Since we would like to discuss the concept at the AML conference in Fairbanks, please send the answers in time to reach us by November 7.

NAME OF PERSON FILLING OUT QUESTIONNAIRE Linda E. Conley, City Clerk

NAME OF MUNICIPALITY City of Nome

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 125,000.00 *

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 4.91% %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 2.92 MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ N/A

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT N/A %

MIL LEVY EQUIVALENCY OF THAT AMOUNT N/A MILS

TOTAL AREAWIDE ASSESSED VALUE

* \$55,644,713.00

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

* All real property - both
exempt & taxable
taxable real property
is \$35,311,886.00

* The City of Nome appropriates
X amount of \$ - it is not designated
for capital exp. or education.

Alaska MUNICIPAL League

TELEPHONES
907, 586-1325
586-6526

204 N FRANKLIN ST.
JUNEAU ALASKA 99801

October 27, 1980

To: Finance Directors

From: Ginny Chitwood *G.C.*

Re: Education Funding

Legislators are working on a number of alternatives for providing property tax relief, including the concept of 100% funding of education. In order to get an idea of how much such a program would cost the state and how much property tax relief it would provide, we would appreciate your answering this short questionnaire. Since we would like to discuss the concept at the AML conference in Fairbanks, please send the answers in time to reach us by November 7.

NAME OF PERSON FILLING OUT QUESTIONNAIRE Edith M. Carlson, City Clerk

NAME OF MUNICIPALITY City of Pelican

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 8,100.00

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 2 1/3%

MIL LEVY EQUIVALENCY OF THAT AMOUNT Unknown MILS

GENERAL FUND AMOUNT APPROPRIATE TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ N/A

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT N/A

MIL LEVY EQUIVALENCY OF THAT AMOUNT N/A MILS

TOTAL AREAWIDE ASSESSED VALUE \$ 5,591,400

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Alaska MUNICIPAL League

TELEPHONES
(907) 586-1325
586 6526

204 N FRANKLIN ST
JUNEAU, ALASKA 99801

October 27, 1980

To: Finance Directors

From: Ginny Chitwood *GC.*

Re: Education Funding

Legislators are working on a number of alternatives for providing property tax relief, including the concept of 100% funding of education. In order to get an idea of how much such a program would cost the state and how much property tax relief it would provide, we would appreciate your answering this short questionnaire. Since we would like to discuss the concept at the AML conference in Fairbanks, please send the answers in time to reach us by November 7.

NAME OF PERSON FILLING OUT QUESTIONNAIRE Jerry Van Vleck

NAME OF MUNICIPALITY City of Petersburg

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 109,600

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 10.91 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT two MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE)

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 0 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 0 MILS

TOTAL AREAWIDE ASSESSED VALUE

\$ 62,034,684

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Alaska MUNICIPAL League

TELEPHONES
(907) 586-1325
586-6526

204 N FRANKLIN ST
JUNEAU, ALASKA 99801

October 27, 1980

To: Finance Directors

From: Ginny Chitwood *G.C.*

Re: Education Funding

Legislators are working on a number of alternatives for providing property tax relief, including the concept of 100% funding of education. In order to get an idea of how much such a program would cost the state and how much property tax relief it would provide, we would appreciate your answering this short questionnaire. Since we would like to discuss the concept at the AML conference in Fairbanks, please send the answers in time to reach us by November 7.

NAME OF PERSON FILLING OUT QUESTIONNAIRE Jerry Van Vleck

NAME OF MUNICIPALITY City of Petersburg

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ 109,600

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 10.91 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT two MILLS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE 0)

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT 0 %

MIL LEVY EQUIVALENCY OF THAT AMOUNT 0 MILLS

TOTAL STATEWIDE ASSESSED VALUE

\$ 62,034,684

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Alaska MUNICIPAL League

TELEPHONES
 (907) 586-1325
 586-6526

204 N. FRANKLIN ST.
 JUNEAU, ALASKA 99801

11-4-80

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*Heilo -
 Inc included our 80-81
 budget as I was unsure of
 the answers to most of the
 questions - I hope the budget
 will enable you to obtain the
 information you need*

g property tax
 order to get an
 a property tax
 short question-
 ifference in
17.

NAME MUNICIPALITY City of Unalaska

	FY '80
GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION	\$ <u>144,500.</u>
PERCENTAGE OF GENERAL FUND OF THAT AMOUNT	<u>5.2%</u>
MIL LEVY EQUIVALENCY OF THAT AMOUNT	<u>2.91</u> MILS
GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES (INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE)	\$ <u>100,000</u>
PERCENTAGE OF GENERAL FUND OF THAT AMOUNT	\$
MIL LEVY EQUIVALENCY OF THAT AMOUNT	MILS
TOTAL AREAWIDE ASSESSED VALUE	$ \begin{array}{r} 33,331,900 \\ - 470 \\ \hline 49,611,571 \end{array} $

Please return to: Alaska Municipal League
 204 North Franklin
 Juneau, Alaska 99801

*General fund \$2,782,034
 (See also budget
 attachment)*

Alaska MUNICIPAL League

TELEPHONES
907, 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

October 27, 1980

To: Finance Directors

From: Ginny Chitwood *G.C.*

Re: Education Funding

Legislators are working on a number of alternatives for providing property tax relief, including the concept of 100% funding of education. In order to get an idea of how much such a program would cost the state and how much property tax relief it would provide, we would appreciate your answering this short questionnaire. Since we would like to discuss the concept at the AML conference in Fairbanks, please send the answers in time to reach us by November 7.

NAME OF PERSON FILLING OUT QUESTIONNAIRE *Pick Anderson*

NAME OF MUNICIPALITY *CI/BA JICA*

FY '80

GENERAL FUND AMOUNT APPROPRIATED TO SCHOOL DISTRICT FOR EDUCATION \$ *1,015,682*

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT *17.6* %

MIL LEVY EQUIVALENCY OF THAT AMOUNT *3.44* MILS

GENERAL FUND AMOUNT APPROPRIATED TO MUNICIPALITY FOR SCHOOL CAPITAL EXPENSES

(INCLUDING EXPENDITURES REIMBURSABLE TWO YEARS LATER BY STATE \$ *338,874*

PERCENTAGE OF GENERAL FUND OF THAT AMOUNT *6.2* %

MIL LEVY EQUIVALENCY OF THAT AMOUNT *1.14* MILS

TOTAL AREAWIDE ASSESSED VALUE \$ *195,000,000*

Please return to: Alaska Municipal League
204 North Franklin
Juneau, Alaska 99801

Alaska MUNICIPAL League

TELEPHONES
(907) 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

Randy-

Here are the results of the AML education funding survey. Rather than showing total dollars spent on education operations and capital projects, this survey attempts to depict the emphasis education funding receives in relation to other municipal functions. We sent questionnaires to all local governments with responsibility for education: the first class and home rule cities in the unorganized borough, boroughs, and unified municipalities.

Because most cities in the unorganized borough offer a range of municipal services, education funding is a smaller percentage of their general fund expenditures than in boroughs, which typically offer a limited number of areawide services. The cities inside the boroughs offer those services that are provided by the cities in the unorganized borough, rather than the boroughs. The unified municipalities combine features of both other categories, with percentages of education funding falling in the middle.

Although mill levy equivalencies are listed for both operating and capital, in many cases school bond debt service and other capital expenditures are funded by sales tax receipts. The dollar numbers were converted to mill levy equivalencies for comparison purposes.

Totals of local appropriations for education operations are in the Association of Alaska School Boards booklet. There are some discrepancies in numbers, probably because some finance directors may have reported for FY 81 instead of FY 80.

Quinn

ALASKA MUNICIPAL LEAGUE

results of educator
funding questionnaire
-December 1980

	general fund amount to school district for education	percentage of general fund of that amount	mill levy equivalency of that amount	general fund amount to municipalities for school capital expenditures (including debt service)	percentage of general fund of that amount	mill levy equivalency of that amount	total areawide assessed value
Municipality of Anchorage (185,280) -	26,626,882	33% of local tax	4.64	included in other figures			6,248,131,411
City of Cordova (2,780) 4	277,967	16% (55% of taxes)	8.25	130,500	7.5%	4.0	56,731,600
Fairbanks North Star Borough (60,227) 2	9,746,830	40%	5.1	4,744,478	19.5%	2.5	1,910,520,130
City of Galena (957) -	2,800	0.65%	0.7				4,011,200
Haines Borough (1,924) 1	82,372	100% of local tax	2.0	92,898	sales tax	2.01	41,185,971
City & Borough of Juneau (23,115) 1	3,072,600	32%	5.83	1,202,213	12.5%	2.28	527,467,850
Kenai Peninsula Borough (25,507) 2	5,456,015	44.24%	2.97	5,978,402	36.14%	3.25	1,839,461,245
Ketchikan Gateway Borough (13,463) 1.5	2,526,310	74.8%	1.87	957,000	28.3%	3.12	306,854,630
Kodiak Island Borough (3,926) -	1,100,000	39.1%	3.74	449,565	16.0%	1.53	294,127,162
Matanuska-Susitna Borough (23,177) -	4,428,582	39.26%	5.5	5,575,558	49.0%	6.9	804,776,620
City of Nome (2,892) 3	125,000	4.91%	2.82				55,644,713
City of Pelican (221) 3	8,100	2.33%	1.45				5,591,400
City of Petersburg (3,197) 5	109,600	10.91%	2				62,034,684
City & Borough of Sitka (8,787) 4	1,015,683	18.6%	3.44	338,834	6.2%	1.14	295,000,000
City of Unalaska (568) 1	144,500	5.2%	2.91	100,000	3.6%	2.0	49,611,571
City of Valdez (4,066) 6.5	2,151,159	14.8%	1.26	1,908,175	13.1%	1.12	1,708,962,310

	(1)	(2)	(3)	(4)	(5)	(6)
1 City of Cordova	15	8.5	56.7%	4%		1% for schools
2 King Cove	0	0	0%	1%		- all for schools
3 Nonana	70	0	0%	3%		- all for schools
4						
5						
6 None	15	282	18.8%	3%		
7 Pelican	6.45	0.13	2%	3%		
8						
9 Petersburg	6	2	33.3%	5%		
10 Zone I	12	2	16.7%			
11 Skagway	7	0.3	4.3%	3%		
12						
13 Unalaska	14	2.91	20.8%	1%		
14 Valdez	6.548	2.38	36.3%			
15						
16 Wrangell + Yakutat	breakdowns not available					
17						
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Comparison for Phillips Bill HB 166

Municipality	(12) mill levy	(13) mill levy for schools	(3) school % of total	(4) sales tax	(5)	(6)
1 Anchorage					operating	
2 areawide	6.28	3.93	62.6%	0	4.64	73.9%
3 Spenard S.A.	12.64	3.93	31.1%	0	4.64	36.7%
4						
5 Bristol Bay Bor.						
6 Areawide	7.5	7.5	100%	3%	- raw fish only	
7 S. Naknek S.A.	9	7.5	83.3%	"		
8						
9 Fairbanks Bor.						
10 Areawide	6.2	5.1	82.3%	2%		
11 City of Fbks	13.7	5.1	37.2%	3%	in addition to bor	
12 Ballanet S.A.	12.2	5.1	41.8%	2%		
13						
14 Haines Bor.	1.0	1.0	100%	1%		
15 Fire Dist	3.27	1.0	30.6%			
16						
17 C+B Juneau						
18 Areawide	9.82	6.03	61.4%	1%		
19 Juneau SA	12.83	6.03	47%	2%	in addition to bor	
20						
21 Kenai Pen Bor.						
22 Areawide	2.5	1.72	68.8%	2%	- all goes to schools	
23 City of Seldovia	17.5	1.72	9.8%	1%	in addition to bor	
24 Bear Cr. Fire SA	6.72	1.72	25.6%			
25						
26 Ketchikan Bor.	breakdowns not available			1.5%	- all goes to schools	
27						
28 Kodiak I. Bor.						
29 Areawide	6.98	6.41	91.8%			
30 City of Kodiak	12.98	6.41	49.4%	5%		
31 Road Dist. S.A.	12.18	6.41	52.6%			
32						
33 Mat Su Bor.						
34 Areawide	8.95	5.82	65%			
35 City of Palmer	13.4	5.82	43.4%	2%		
36 Garden Ter. S.A.	11.55	5.82	50.4%			
37						
38 North Slope Bor.	10.33	0	0%	3%		
39						
40 C+B Sitka	3.5	0	0%	4%	2% for schools	

Sec. 29.53.150. Supplementary assessment rolls. The assessor shall include property omitted from the assessment roll on a supplementary roll, using the procedures set out in this chapter in the original roll. (§ 2 ch 118 SLA 1972)

Erroneous omissions from assessment roll do not invalidate all taxes. —The omission of property from an assessment roll, through error of judgment or of law, will not invalidate all taxes, thus putting an end to the operation of the statute. *Valentine v. City of Anchorage*, 36 F.2d 904 (9th Cir. 1929).

Sec. 29.53.160. Tax adjustments on property affected by a natural disaster. (a) The assembly may provide for reassessment and reduction of taxes for property destroyed, damaged, or otherwise reduced in value as a result of a natural disaster.

(b) A reassessment may be made by the assessor only upon receipt of a sworn statement of the taxpayer that his losses exceed \$1,000. A reduction of taxes may be made only on losses in excess of \$1,000 for the remainder of the year following the disaster. Upon reassessment, the borough shall recompute this tax and other fund taxes which have already been paid.

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

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

(e) In this section "disaster" means a major disaster declared by the President of the United States under the provisions of the Federal Disaster Act of 1950, Title 42, United States Code, §§ 1855-1855g, or other federal law. (§ 2 ch 118 SLA 1972)

Sec. 29.53.170. Tax levy and rate. (a) The power granted to the assembly to assess, levy and collect a general property tax shall be exercised by means of general ordinances, but the rate of levy, the date of equalization and the date when taxes become delinquent shall be fixed by resolution.

(b) The assembly shall annually determine the rate of levy before June 15. By July 1 the tax collector shall mail tax statements setting out the levy, dates when taxes are payable and delinquency and penalties and interest. (§ 2 ch 118 SLA 1972)

Sec. 29.53.180. Rates of penalty and interest. (a) If the taxpayer is required to pay the entire tax on the due date set by the assembly, a penalty not to exceed 10 per cent may be added to the

... taxes, and interest upon all unpaid taxes until paid in full. ... in two installments. ... tax becomes delinquent as follows:

(1) If the first half is not paid on the due date fixed by the assembly, the tax is delinquent after that date.

(2) A penalty not to exceed 10 per cent shall be added to the tax and interest at the rate of 10 per cent shall be charged on the whole of the tax due date until paid in full.

(3) After the due date of payment of not more than 10 per cent, and interest at the rate of 10 per cent on all unpaid taxes, no penalty shall be paid in full.

(4) If the assembly increases property taxes when due to the assessment forms, the rate of increase shall not exceed 10 per cent per year.

(5) If the assembly changes the rate of interest on the delinquent taxes, the rate shall be paid in full. (§ 2 ch 118 SLA 1972)

Article 2.

- 29.53.190. Validity
- 29.53.200. Tax liability
- 29.53.210. Enforcement of personal property tax liens by levy and sale
- 29.53.220. Real property tax collection
- 29.53.230. Foreclosure list
- 29.53.240. Curing delinquencies
- 29.53.250. List to lienholder
- 29.53.260. General foreclosure
- 29.53.270. Answer and objection
- 29.53.280. Judgment
- 29.53.290. Transfer and appeal

Sec. 29.53.200. Validity and binding on all persons claiming an exemption or invalidity in relation to the assessment

Tit. 29
Municipal Government

HB 166
Sect. 1

est may not exceed eight per cent a year upon the delinquent taxes and shall be charged from the due date until paid in full. (§ 2 ch 118 SLA 1972)

This section gave municipalities the additional power to levy a consumer sales tax. City of Anchorage v. Chugach Elec. Ass'n, 17 Alaska 481, 252 F.2d 412 (9th Cir. 1958).

A municipality may impose the consumer sales tax on retail sales of liquor. Juneau, Alaska & Juneau-Douglas Independent School Dist. v. Baranof Hotel, Inc., 1 Alas. L.J. No. 6, p. 12 (June, 1963).

It is a tax on the "price" paid by the consumer not a tax on the com-

modity sold or on the vendor. Juneau, Alaska & Juneau-Douglas Independent School Dist. v. Baranof Hotel, Inc., 1 Alas. L.J. No. 6, p. 12 (June, 1963).

The prohibition against additional taxes on liquor in the Liquor Manufacture and Traffic Control Act does not apply to the consumer's sales tax. Juneau, Alaska & Juneau-Douglas Independent School Dist. v. Baranof Hotel, Inc., 1 Alas. L.J. No. 6, p. 12 (June, 1963).

Sec. 29.53.420. Referendum, adoption and modification. (a) The assembly shall hold a referendum vote on the question of levy of sales taxes. Borough sales tax propositions may be presented only once in any 12-month period.

(b) If the proposition receives a majority of the votes cast, the assembly may enact the sales tax as a levy upon buyers, sellers, or both. The sales tax is collected at the time of sale or at the time of payment in credit transactions and transmitted to the borough. (§ 2 ch 118 SLA 1972)

Article 5. City Sales and Use Taxes.

Section
440. Power of levy

450. Power of levy and collection

Section

460. Combining sales tax with incorporation

Sec. 29.53.440. Power of levy. Cities within a borough which levies and collects sales or use taxes for areawide borough functions may levy sales or use taxes upon all sources taxed by the borough in the manner provided for boroughs. (§ 2 ch 118 SLA 1972)

Am. Jur. reference.—47 Am. Jur., Sales and Use Taxes, §§ 37 to 41.

Sec. 29.53.450. Power of levy and collection. Cities within a borough which does not levy and collect sales or use taxes for areawide borough functions may levy and collect sales or use taxes in the manner provided for boroughs. (§ 2 ch 118 SLA 1972)

Sec. 29.53.460. Combining sales tax with incorporation. A petition for second class city incorporation may request that a sales tax proposal be placed on the same ballot. The petition must state the proposed tax rate. The petition may request that incorporation be dependent upon the passage of the sales tax proposition. If so, the incorporation proposition fails if the sales tax fails. (§ 2 ch 118 SLA 1972)

- 1. Revenue Anticipation Notes (§§ 29.58.010—29.58.060)
- 2. Bond Anticipation Notes (§§ 29.58.070—29.58.140)
- 3. General Obligation Bonds (§§ 29.58.150—29.58.180)
- 4. Revenue Bonds (§§ 29.58.200—29.58.220)
- 5. Refunding Bonds (§§ 29.58.240—29.58.280)
- 6. Miscellaneous Provisions (§§ 29.58.800—29.58.840)

Article 1. Revenue Anticipation Notes.

Section	Section
30. Borrowing in anticipation of revenue	40. Issuance of notes in anticipation of state, federal grants
50. Issuance of notes	60. Priority of repayment
80. Limitation on issuance of notes	90. Sale of 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. (§ 2 ch 118 SLA 1972)

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. (§ 2 ch 118 SLA 1972)

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. (§ 2 ch 118 SLA 1972)

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. The notes may be for

sect 2

HB 166 - Article 6 - here 114
29.53.500 - .505 & .510

Chapter 25. Department of Revenue.

Article

- 1. Department Generally (§§ 44.25.010 — 44.25.020)
- 2. Loan Program; P.L. 92-203 Corporations (§§ 44.25.030 — 44.25.039)

Article 1. Department Generally.

Section

- 10. Commissioner of revenue
- 20. Duties of department

Sec. 44.25.010. Commissioner of revenue. The principal executive officer of the Department of Revenue is the commissioner of revenue. (§ 10 ch 64 SLA 1959)

Am. Jur. 2d and C.J.S. references. — Employees, § 24; 72 Am. Jur. 2d, States, Territories and Dependencies, § 64
63 Am. Jur. 2d, Public Funds, § 1 et seq.; 81A C.J.S. States § 127.
63 Am. Jur. 2d, Public Officers and

→ Sec. 44.25.020. Duties of department. The Department of Revenue shall

- (1) enforce the tax laws of the state;
- (2) collect, account for, have custody of, invest, and manage all state funds and all revenues of the state except revenues incidental to a program of licensing and regulation carried on by another state department, except that the Department of Revenue shall issue fish and game licenses other than vessel licenses under AS 16.05.490 — 16.05.520, collect fish and game license revenues other than revenues from vessel licenses under AS 16.05.490 — 16.05.530, and do all other acts incidental to the performance of these functions;
- (3) register cattle brands; and
- (4) supply necessary clerical and administrative services for the Alcoholic Beverage Control Board. (§ 10 ch 64 SLA 1959; am § 1 ch 1 SLA 1961; am § 15 ch 31 SLA 1963; am § 60 ch 32 SLA 1971; am § 10 ch 105 SLA 1977)

Revisor's note. — The following executive order signed by Governor William A. Egan was transmitted to the legislature on January 22, 1962. It was not disapproved by the legislature during the 1962 session and therefore became law under the provisions of § 23 art III of the state constitution and AS 24.30.130. The effective date of the executive order was July 1, 1962. "EXECUTIVE ORDER NO. 17. WHEREAS the Department of Revenue is the Department of State Government primarily charged with the duties, powers, and responsibilities involved in the collection, accounting for, custody, investment and management of all state funds; and

"WHEREAS the Department of Fish and Game is the Department of the State Government primarily charged with the regulation and management of the fish and game resources of the State of Alaska; and

"WHEREAS the Department of Fish and Game is also charged with certain duties and powers relative to the collection, accounting for and custody of state revenues which are only incidental to the Department's regulation and management of the fish and game resources of the State of Alaska.

THEREFORE IT IS ORDERED

"1. All duties, functions and powers relative to the collection, accounting for

and custody of state revenues incidental to the management of the resources of the State Government, are transferred to the Department of Revenue.

"2. The Department of Fish and Game shall continue to hold and manage the State Game with the same as if the functions transferred to the Department of Revenue had not been transferred.

"3. All funds appropriated to the Department of Fish and Game shall be transferred to the Department of Revenue.

Article 2.

Section

- 1. Declaration of public utility
- 2. Loans
- 3. Limitation on loans

Cross reference. — Payment of organizational expenses incurred by regional corporation.

Sec. 44.25.030. To facilitate the creation of regional Native corporations under § 7 of the Alaska Native Claims Settlement Act, the creation of which is authorized by the Alaska Native Claims Settlement Act, from the Alaska

Sec. 44.25.031. regional Native corporations, the Department of State Government shall facilitate the association or incorporation of regional corporations.

Sec. 44.25.032. organizational expenses shall be determined by the Department of State Government. \$250,000 per regional corporation.
(b) A loan may be made to a regional corporation at an interest rate not exceeding the interest rate on loans made by the State of Alaska to regional corporations.

Title 43
Revenue and Taxation

Title 44
State Government

Seet 3.
HB 166
amends

ration. (a) A charter commission shall prepare, adopt and submit a plan for the area to be unified to the voters for a special borough election called by the voters within 30 days of the date of publication and as required in AS 29.68.380. The provisions:

(1) existing bonded indebtedness and which will reserve a fair and equitable share, subject to AS 29.68.410;

(2) provisions for the areas; and

(3) districts or sections for the election of the unified municipality, if election is not areawide, and procedures by districts or sections;

(4) provisions, if established; and (5) government and provision for the powers and responsibilities of the governing authority;

(6) protection of property and other rights, and the local government to be unified;

(7) rights of initiative and referendum;

(8) charter, if approved at the charter election; and (9) the municipality's official name, subject to the provisions of the charter.

When the charter commission elects to form a home rule charter under this section, it shall be known as a borough or a city or a home rule municipality. (§ 2 ch 118 SLA 1972; am § 12 ch 128 SLA 1980)

This section requires a home rule charter to provide for apportionment. See *Municipality of Anchorage v. Frohne*, Sup. Ct. Op. No. 1477 (File Nos. 3050, 3104), 568 P.2d 3 (1977).

Sec. 29.68.360. Public hearings.

Applied in *Municipality of Anchorage v. Frohne*, Sup. Ct. Op. No. 1477 (File Nos. 3050, 3104), 568 P.2d 3 (1977).

Sec. 29.68.390. Election on charter.

Cited in *Municipality of Anchorage v. Frohne*, Sup. Ct. Op. No. 1477 (File Nos. 3050, 3104), 568 P.2d 3 (1977).

Chapter 73. Miscellaneous Provisions.

Section

- 60. Property tax equivalency payments
- 70. Taxpayer notice

*HB 166
sect 4*

Sec. 29.73.060. Property tax equivalency payments. (a) A resident of the state 65 years of age or older who rents a permanent place of abode is eligible for tax equivalency payments from the state through the Department of Community and Regional Affairs.

(b) For purposes of determining payments to eligible persons, the department shall calculate a property tax equivalent percentage for each home rule or general law municipality which levies a general property tax at the rate of one percent per mil. The property tax equivalent percentage applied to the annual rent charged to the applicant equals the property tax equivalency payment payable under this section.

(c) To obtain tax equivalency payments the eligible resident must apply to the department for payment for the preceding year by January 15 of each year on forms and in the manner prescribed by the department. Each applicant shall submit with the application rental receipts or, if rental receipts are not available, other evidence satisfactory to the department for determination of the fact of payment of rent and the amount paid.

(d) If two or more persons occupy a residence as tenants, not all of whom are eligible for tax equivalency payments under this section, the assessor shall determine equitable partial payments to be made to the eligible tenants. However, tax equivalency payments to an eligible applicant may not be reduced because the spouse is less than 65 years of age. If all occupants in a residence are eligible for tax equivalency payments under this section, the occupants shall decide between and among themselves which shall receive payment. (§ 2 ch 217 SLA 1976; am § 1 ch 124 SLA 1980)

HB 166 - (e) - here

Effect of amendment. — The 1980 amendment, effective July 1, 1980, and retroactive to January 1, 1980, inserted a

comma following "municipality" and "general property tax", substituted "one" for "1/4", substituted "The property tax



Rep. Ben Grussendorf
Chairman
465-3870

Alaska State Legislature

House of Representatives

Committee on

Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811

Summary- HB 166 - by Rep. Phillips

"An Act providing for reimbursement for property taxes levied by municipalities for school purposes; and providing for an effective date."

This bill would entitle residents to reimbursement for property taxes which have been paid to a municipality for the operation of schools. The reimbursement would equal the assessed value of real property occupied by the resident as his permanent place of abode, multiplied by the rate of levy made by the municipality for the operation of schools and for school construction debt retirement.

A resident must apply to the Dept. of Revenue and present proof of the taxes paid. The bill also provides reimbursement for renters. The renter reimbursement formula is 1% per mil of levy for operation of schools and debt retirement. A renter must submit rent receipts when submitting his application for reimbursement.

The assembly shall determine the rate of levy before June 15 and by July 1 the tax collector shall mail tax statements setting out the levy for the operation of schools & the school construction debt retirement.

HB

1770

COMMITTEE REPORT

HOUSE

2/17/81

FURTHER:

(5)

Date: 2/5/82

Mr. Speaker:

The Committee on COMMUNITY & REGIONAL AFFAIRS has had HB 170

"An Act relating to municipal government; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

[] do pass [] do not pass

[] do pass with attached amendments(s)

[x] replace with CS for HB 170 [x] same title [] new title

and recommends do pass

[] AND attaches a "Letter of Intent" [] New Fiscal Note

[] reports it back without recommendation

[] referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]
[Signature]
[Signature]
[Signature]

[Signature]
CHAIRMAN

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

DIVISION OF ADMINISTRATIVE SERVICES

POUCH B
JUNEAU, ALASKA 99811

January 28, 1982

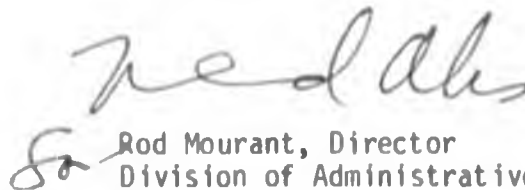
The Honorable Patrick O'Connell
Chairman
House Community & Regional Affairs Committee
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Representative O'Connell:

As requested by the House Community & Regional Affairs Committee, enclosed is a fiscal note for CS SB 180/CS HB 170, "An Act relating to municipal government."

Should you have any questions concerning this note please contact me at 465-4709.

Sincerely,



Rod Mourant, Director
Division of Administrative Services

cc: Keith Specking, Legislative Assistant
Office of the Governor

Ron Lehr, Director
Division of Budget & Management
Office of the Governor

Elmer Lindstrom, Fiscal Analyst
Legislative Finance Division
Legislative Affairs Agency

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS SB 180/ CS HB 170
 Title "An Act relating to municipal government"
 Requested by Community and Regional Affairs Committee Date January 22, 1982

II. FISCAL DETAIL

Agency Affected Department of Community and Regional Affairs
 Program Category Affected Community Development
 BRU, Program, Or Subprogram(s) Affected Local Government Assistance
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME		-0-	-0-	-0-	-0-	-0-
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

This bill, which substantially amends and restructures Title 29 of the Alaska Statutes, will not create any noticeable need for increases in administrative or grant program funding.

IV. DATE January 22, 1982 PREPARED BY Doug Griffin
 AGENCY C & RA/Local Gov't Assistance
 Original: Legislative Finance PHONE 465-4736
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/81)

THE FOLLOWING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

STATE OF ALASKA
THE LEGISLATURE

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

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

February 4, 1982

SUBJECT: Chapter summary of Municipal Code
Revision [CSHB 170] (Work Order
No. 12-2379)

TO: Representative Patrick M. O'Connell
Chairman, House Community and
Regional Affairs Committee

FROM: Tamara Brandt Cook
Legislative Counsel

You have requested a chapter summary of the municipal code revision (CSHB 170) highlighting significant changes to existing law. For your convenience, I have attached a table of contents by chapter and article to the revision. Corresponding chapter numbers in the existing Title 29 are included in parentheses.

Chapter 03. The Unorganized Borough. No significant change.

Chapter 04. Classification of Municipalities. No significant change.

Chapter 05. Incorporation. Does not authorize incorporation of a third class borough.

Chapter 06. Alteration of Municipalities. Does not authorize incorporation of a third class borough through merger or consolidation.

Chapter 10. Home Rule Municipalities. Authorizes a second class city to adopt a home rule charter if the city has at least 400 permanent residents. Requires home rule municipalities to provide land use regulation.

Chapter 14. Capital City. No significant change.

Chapter 20. Municipal Officers and Employees. Requires a municipality to adopt a conflict of interest ordinance that requires a member of the governing body to declare a substantial financial interest he has in an official action. The presiding officer must then determine whether to excuse him from a vote and this decision may be overturned by majority vote of the membership. Allows a special meeting to be called if a majority of the members are given at least 24 hours notice and reasonable efforts are made to notify all members. A special meeting may be conducted with less than 24 hours notice if all members are present or if absent members waive in writing the required notice. Requires the governing body to appoint within 7 days the number of members needed for a quorum if the membership is reduced to fewer than the number needed. Requires that a veto be overridden at the next regular meeting or within 21 days after exercise of the veto. Grants authority to a municipality to establish advisory, administrative, technical, or quasi-judicial boards and commissions. Allows the governing body to provide for a classified service and to designate positions that are wholly or partially exempt from the classified service.

Chapter 25. Municipal Enactments. A penalty not to exceed that imposed for a class B misdemeanor may be imposed for a violation of an ordinance. A mandatory, nonsuspendable term of imprisonment for 5 days may be imposed for violation of an ordinance. A civil action may be instituted against a person who violates an ordinance and a civil penalty of up to \$1,000 may be imposed for each violation. An action to enjoin a violation may be brought and the court must grant the injunction on finding a violation. Each day a violation continues is a separate violation.

Chapter 26. Elections. The judge of a precinct must be a voter of the precinct for which he is appointed unless no voter is willing to serve. Both general law and home rule municipalities are required to give at least 20 days notice of a regular or special election. A runoff election shall be held if no candidate receives over 40 percent of the votes cast for the office of mayor or member of the governing body or school board. There is no super majority requirement for other elected offices, and a municipality

may change the requirement for mayor, member of the governing body, or member of the council by ordinance. The initiative and referendum process and the recall process have been substantially altered. An application must be filed with the clerk for a petition. The clerk prepares the petition and provides it to the voters who will sponsor the petition. When a petition is returned, the clerk certifies whether it is sufficient and notifies the sponsors. The petition may be supplemented with additional signatures obtained and filed within 10 days after the petition is first rejected, except that a recall petition may only be supplemented if it contains an adequate number of signatures, counting both valid and invalid. A person may not be recalled until after he has served 120 days and may not be recalled if there are only 180 days left in his term.

Chapter 35. Municipal Powers and Duties. The following have been included in the list of facilities that a municipality may provide outside its boundaries. solid and septic waste facilities, utility services transportation facilities, wharves, harbors and other marine facilities. A municipality that provides a facility outside its boundaries may regulate its use only to the extent that the jurisdiction in which the facility is located does not. Extends eminent domain and declaration of taking power to second class cities as it may be exercised by other municipalities. Unless a grant of a franchise or permanent permit is made on a competitive basis, the grant of an exclusive right to use a public street or right-of-way for more than five years to a utility or transportation system that is not certified is valid only if approved by vote. (Under existing law no franchise is valid unless it is submitted to the voters for approval.) The governing body is required by ordinance to establish a formal procedure for acquisition and disposal of land, but is not otherwise limited in its ability to dispose of land. A first class borough is allowed to exercise on a nonareawide basis any power, and on an areawide basis any power that is acquired, so long as exercise of the power is not specifically prohibited by law. Allows a second class borough to exercise on a nonareawide basis an power approved by the voters living outside cities, unless the power is prohibited by law. Allows a second class borough to exercise an areawide power if it is approved by the voters or transferred by the cities in the borough, unless prohibited by law. A city may exercise any power not prohibited by law.

Chapter 40. Planning, Platting, and Land Use Regulation. A planning commission is authorized to utilize methods other than zoning to implement a comprehensive plan. The governing body must update the plan as necessary. Requires the assembly to provide for an appeal from the application of a land use regulation before a hearing officer or board of adjustment. The governing body must establish a platting authority, but the planning commission need not act as platting authority. Plat requirements may not be waived, but in certain cases a short plat procedure may be followed rather than the regular procedure. A person who violates a land use regulation or condition imposed by a platting authority is subject to the penalties that may be imposed for violation of an ordinance.

Chapter 45. Municipal Taxation. Allows a municipality to exempt by ordinance personal property from taxation. Extends the limit on assessing farm use land to greenhouses so that they are assessed at full and true value for farm use. A penalty not to exceed 20 percent of the tax due may be added to delinquent taxes, and interest not to exceed 15 percent shall accrue on unpaid taxes. The right to repurchase foreclosed property is cut off after 10 years. If, in the absence of a suit, it becomes obvious to the governing body that judgment for recovery of taxes would be obtained the municipality must refund the taxes. A petition for incorporation of a second class city may be combined with a sales and use tax proposal, so the incorporation proposition fails if the tax proposal fails.

Chapter 46. Special Assessments. Costs that may be included in a special assessment are listed. These may not exceed actual costs, but may include reasonable estimates of the costs of issuing bonds. If an assessment is increased a new public hearing must be held unless all owners of property subject to the increase agree to the increase in writing. A municipality may issue notes for the costs of a local improvement project to be eventually paid from assessments for the improvement.

Chapter 47. Municipal Debt. The issuance of revenue bonds and use of proceeds from revenue bonds are not subject to the prohibition against a political subdivision making a subscription to the capital stock of a corporation, lending its credit for the use of a corporation, or borrowing money for the use of a corporation. Refunding bonds may be

February 4, 1982

exchanged at the discretion of the governing body and need not be exchanges at par for bonds being refunded. Revenue bonds may be issued to finance any project and to be secured solely from the revenue and property of that project. Bonds and notes may be sold in the manner and at the price determined by the municipality regardless of the par value. Allows the interest rate payable on bonds or notes to exceed the contract usury rate. Indebtedness of a service area remains a debt even though a court subsequently determines that the service area was not validly formed under law.

Chapter 55. Municipal Programs. No significant change.

Chapter 60. State Programs. No significant change.

Chapter 65. General Grant Land. no significant change.

Chapter 71. General Provisions. Dedication of streets, rights-of-way, easements of other areas for public use may not be construed to require the municipality to maintain, improve or provide for municipal services in the area dedicated.

TBC:ljb

Attachment

TABLE OF CONTENTS

<u>Chapter</u>	<u>Title</u>	<u>Page</u>
Chapter 03	The Unorganized Borough (AS 29.03)	001
Chapter 04	Classification of Municipalities (AS 29.08)	001
Chapter 05	Incorporation (AS 29.18)	003
Article 1	Requirements	003
Article 2	Procedure	005
Article 3	Transitional assistance	010
Chapter 06	Alteration of Municipalities (AS 29.68)	010
Article 1	Change of Name	011
Article 2	Annexation and Detachment	011
Article 3	Merger and Consolidation	013
Article 4	Unification of Municipalities	015
Article 5	Dissolution	023
Chapter 10	Home Rule Municipalities (AS 29.13)	026
Article 1	Charters	026
Article 2	Home Rule Limitations	029
Chapter 14	Capital City (AS 29.18)	031
Chapter 20	Municipal Officers and Employees (AS 29.23)	035
Article 1	Conflict of Interest, Public Meetings	035
Article 2	Governing Bodies	035
Article 3	Municipal Executive and Administrator	045
Article 4	Boards and Commissions	049
Article 5	Other Officials and Employees	050
Article 6	Manager Plan	051
Article 7	Miscellaneous Provisions	054
Chapter 25	Municipal Enactments (AS 29.48)	055
Chapter 26	Elections (AS 29.28)	059
Article 1	Regular and Special Elections	059
Article 2	Initiative and Referendum	062
Article 3	Recall	067

<u>Chapter</u>	<u>Title</u>	<u>Page</u>
Chapter 35	Municipal Powers and Duties (AS 29.33, 29.38, 29.41, 29.43, 29.48, 29.63)	071
Article 1	General Powers	071
Article 2	Mandatory Areawide Powers	077
Article 3	Additional Powers	078
Article 4	City Powers	080
Article 5	Acquisition of Additional Powers	081
Article 6	Construction of Powers	084
Article 7	Service Areas	084
Chapter 40	Planning, Platting, and Land Use Regulation (AS 29.33)	086
Chapter 45	Municipal Taxation (AS 29.53)	096
Article 1	Municipal Property Tax	096
Article 2	Enforcement of Tax Liens	115
Article 3	City Property Tax	124
Article 4	Borough Sales and Use Tax	125
Article 5	City Sales and Use Tax	127
Chapter 46	Special Assessments (AS 29.63)	128
Chapter 47	Municipal Debt (AS 29.58)	137
Article 1	Revenue Anticipation Notes	137
Article 2	Bond Anticipation Notes	138
Article 3	General Obligation Bonds	140
Article 4	Revenue Bonds	141
Article 5	Refunding Bonds	141
Article 6	Miscellaneous Provisions	142
Chapter 55	Municipal Programs (AS 29.48)	145
Chapter 60	State Programs (AS 29.88, 29.89, 29.90, 29.95)	146
Article 1	Municipal Tax Resource Equalization	147
Article 2	State Aid for Miscellaneous Purposes	148
Article 3	State Aid for Hospital and Health Facility Construction	156
Article 4	General Provisions	158

<u>Chapter</u>	<u>Title</u>	<u>Page</u>
Chapter 65	General Grant Land (AS 29.18)	160
Chapter 71	General Provisions (AS 29.73, 29.78)	172

THE PRECEDING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

Original sponsor: Rules/Legislative Council

1 IN THE HOUSE

BY THE COMMUNITY AND REGIONAL
AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 170 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal government; and providing
7 for an effective date."

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

9 * Section 1. AS 29.03 is amended by adding a new section to read:

10 Sec. 29.03.030. PLATTING AUTHORITY. Subject to AS 40.15.075, the
11 Department of Natural Resources is the platting authority in the un-
12 organized borough in the area outside all cities.

13 * Sec. 2. AS 29 is amended by adding a new chapter to read:

14 CHAPTER 04. CLASSIFICATION OF MUNICIPALITIES.

15 Sec. 29.04.010. HOME RULE. A home rule municipality is a municipi-
16 pal corporation and political subdivision. It is a city or a borough
17 that has adopted a home rule charter, or it is a unified municipality.
18 A home rule municipality has all legislative powers not prohibited by
19 law or charter.

20 Sec. 29.04.020. GENERAL LAW. A general law municipality is a
21 municipal corporation and political subdivision and is an unchartered
22 borough or city. It has legislative powers conferred by law.

23 Sec. 29.04.030. CLASSES OF GENERAL LAW. General law municipali-
24 ties are of four classes:

- 25 (1) first class boroughs;
- 26 (2) second class boroughs;
- 27 (3) first class cities;
- 28 (4) second class cities.

29 Sec. 29.04.040. RECLASSIFICATION. (a) A second class city may



Official Business

Alaska State Legislature

Senate

Committee on

Community & Regional Affairs

465-4934
465-4935

Donald Gilman, Chairman
Robert H. Ziegler, Sr., Vice-Chairman
Mike Colletta
Arliss Sturgulewski
Frank Ferguson

Pouch V
State Capitol
Juneau, Alaska 99811

January 21, 1982

MEMORANDUM

TO: House and Senate Community and
Regional Affairs Committees

FROM: Staff, House and Senate Community and
Regional Affairs Committees

SUBJECT: Committee Substitute for House Bill 170/
Senate Bill 180

Attached is the draft of the Committee Substitute for House Bill 170/Senate Bill 180. Along with reviewing the Committee Substitute, there are three issues which the committees need to consider at today's joint meeting (3 p.m., Behrend's Conference Room). These issues are summarized below:

- 29.04.030 (1) With its current language, HB 170/SB 180 eliminates the third class borough as a form of local government with the specific exception of the Haines Borough, which it grandfathered. The Haines Borough would be required to abide by those sections of the existing Title 29 which pertain to it. It is not mentioned or included in the proposed Title 29. This could lead to the very awkward situation of having two Title 29's, one for the Haines Borough and one for the rest of the State. Legal Services has drafted proposed language that would eliminate this difficulty while maintaining the committees' intent.
- 29.45.060 (2) According to an Attorney General's opinion, current language in Section 29.45.060 does not include greenhouses used for commercial agricultural purposes in the definition

Continued on next page

of land eligible for an agricultural tax deferment. It has been suggested that greenhouses be included in this section and the State Assessor's Office supports their inclusion. Legal Services has draft language prepared.

29.71.040(16) (3) In the past, the committees have been concerned over the definition of "publish" as it is currently used in Title 29. Legal Services has prepared alternate draft language which the committees may wish to consider.



JUNEAU, ALASKA

Alaska State Legislature

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

465-4934
465-3824

Pouch V
State Capitol
Juneau, Alaska 99811

January 19, 1982

M E M O R A N D U M

To: House and Senate Community and
Regional Affairs Committees

From: Staff, House and Senate Community and
Regional Affairs Committees

Subject: Committee Substitute for House Bill 170/Senate Bill 180

The following list has been compiled to briefly explain the major policy changes in the revision of Title 29; HB 170 and SB 180.

- 1) Numerical reorganization of Title 29.
- 2) Second Class Boroughs and Cities, with a population greater than 400, may now go directly to home rule status.
- 3) The procedure for Initiative Referendum and Recall petitions must now be drafted by City Clerks unlike former provisions requiring the petitioners' draft to be submitted to the Clerk.
- 4) Substantial easement of the approach to municipal powers with the differences between home rule municipalities and general law governments being less distinct.
- 5) Third Class Boroughs will no longer be able to be formed. Haines will be able to exist as a Third Class Borough or upgrade directly to home rule status.

To: House Community & Regional Affairs
Committee Members

Date: 1/20/82

From: Committee Staff

Re: CS for HB 170

Attached is the draft of the Committee Substitute for House Bill 170/ Senate Bill 180. In reviewing the Committee Substitute, there are three issues that have been suggested for change by the Legal Services Division. They are as follows:

29.04.030 With it's current language, CSHB 170/ CSSB 180 eliminates the third class borough as a form of government with the specific exception of the Haines Borough, which it grandfathers.

There is no other reference to the Third Class Borough (Haines) other than this section. Therefore, an awkward situation exists and unless the old Title 29 is also placed in the statutes, there is no directive for Haines to function.

Tam Cook has suggested that this situation could be resolved by not eliminating the references to the third class borough but simply putting in a proviso that no future third class borough may be formed nor may any current boroughs downgrade to third class status.

The Committee Substitute does provide for the direct transition from third class to home rule status if the Haines borough chooses to do so.

29.10.110 Section 29.45.650 states that a person who furnishes proof that he has paid the sales tax on the source of which a use tax is levied, is required to pay the use tax only to the extent of the difference. This subsection applies to any taxing jurisdiction whether inside or outside of the state.

Legal Services has suggested that this should be placed as a home rule limitation and has previously been overlooked.

29.71.040 (16) The Committee, in the past, has been concerned over the definition of "published" as it is currently used in Title 29 and exists in CSHB 170/CSSB 180. Tam Cook has suggested language that strengthens the definition if the Committee wishes to consider it.



Alaska State Legislature

SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

465-4934
465-3824

JUNEAU, ALASKA

Pouch V
State Capitol
Juneau, Alaska 99811

January 19, 1982

M E M O R A N D U M

To: House and Senate Community and
Regional Affairs Committees

From: Staff, House and Senate Community and
Regional Affairs Committees

Subject: Committee Substitute for House Bill 170/Senate Bill 180

The following list has been compiled to briefly explain the major policy changes in the revision of Title 29; HB 170 and SB 180.

- 1) Numerical reorganization of Title 29.
- 2) Second Class Boroughs and Cities, with a population greater than 400, may now go directly to home rule status.
- 3) The procedure for Initiative Referendum and Recall petitions must now be drafted by City Clerks unlike former provisions requiring the petitioners' draft to be submitted to the Clerk.
- 4) Substantial easement of the approach to municipal powers with the differences between home rule municipalities and general law governments being less distinct.
- 5) Third Class Boroughs will no longer be able to be formed. Haines will be able to exist as a Third Class Borough or upgrade directly to home rule status.

THE FOLLOWING PAGES WERE TREATED AS
A UNIT IN THE ORIGINAL FILE.

HCRA 1481/82

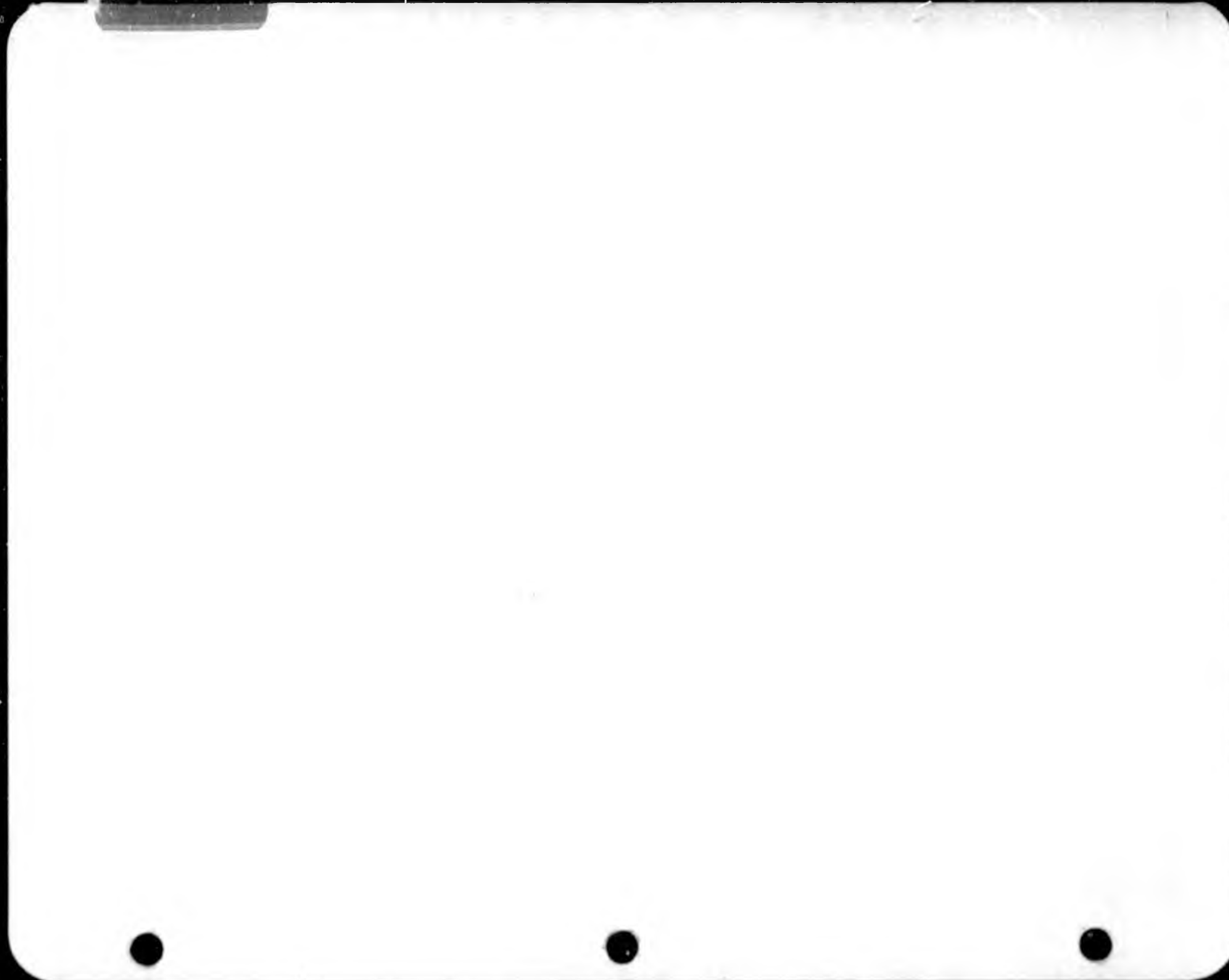
Representative Bylsma

Title 29 Revision

HB 170 - Analysis - Index

See also
SB180

1981 - 1982



BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Title 29
Revision Commission)

1 IN THE HOUSE

2 HOUSE BILL NO. 170

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal government; and providing
7 for an effective date."

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

9 * Section 1. AS 29.03 is amended by adding a new section to read:

10 Sec. 29.03.030. PLATTING AUTHORITY. Subject to AS 40.15.075, the
11 division of lands is the platting authority in the area outside a home
12 rule or general law city in the unorganized borough.

13 * Sec. 2. AS 29 is amended by adding a new chapter to read:

14 CHAPTER 04. CLASSIFICATION OF MUNICIPALITIES.

15 Sec. 29.04.010. HOME RULE. A home rule municipality is a municipi-
16 pal corporation and political subdivision. It is a city or a borough
17 which has adopted a home rule charter, or it is a unified municipality.
18 A home rule municipality has all legislative powers not prohibited by
19 law or charter.

20 Sec. 29.04.020. GENERAL LAW. A general law municipality is a
21 municipal corporation and political subdivision and is an unchartered
22 borough or city. It has legislative powers conferred by law.

23 Sec. 29.04.030. CLASSES OF GENERAL LAW. General law municipali-
24 ties are of four classes:

- 25 (1) first class boroughs;
26 (2) second class boroughs;
27 (3) first class cities;
28 (4) second class cities.

29 Sec. 29.04.040. RECLASSIFICATION. (a) A second class city may

1 be reclassified as a first class city by holding an election on the
2 question, if the department determines from the best figures available
3 that the population of the city has reached 400 permanent residents.

4 (b) An election on the question of reclassification may be ini-
5 tiated in two ways:

6 (1) a number of voters equal to 15 percent of the number of
7 votes cast in the city at the preceding regular election may file a
8 petition with the council; or

9 (2) the council may propose reclassification.

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

13 (d) The council shall, within 30 days after its findings have
14 been made public, order an election to be held on the question. The
15 election shall be held at least 30 days after the order and not later
16 than the next regular election occurring after the 30-day period. If
17 more than one question is to be voted on at the election, each appears
18 separately on the ballot.

19 (e) The council shall certify the election results to the depart-
20 ment. If the majority of votes cast on the question is favorable, the
21 city shall be considered reclassified to first class status 30 days
22 after certification of the election results.

23 (f) A second class borough may reclassify as a first class borough
24 in the manner provided by AS 29.35.320 - 29.35.330 for the addition of
25 an areawide power by a borough, except the petition or proposal requests
26 reclassification instead of requesting addition of a power.

27 Sec. 29.04.050. TRANSITION. (a) A borough which is third class
28 on the effective date of this Act continues as a third class borough
29 under the conditions established by law before the effective date of

1 this Act and until it is reclassified in accordance with this section
2 or adopts a home rule charter.

3 (b) A third class borough may reclassify as a first or second
4 class borough in the manner provided by AS 29.35.320 - 29.35.330 for
5 the addition of an areawide power by a borough, except the petition or
6 proposal requests reclassification instead of requesting addition of a
7 power.

8 (c) If reclassification of a third class borough is approved, a
9 school board shall be elected in conformity with AS 14.12 at an election
10 held within 90 days of the date of the reclassification election.
11 Expiration dates of terms of school board members elected at a special
12 election must coincide with the date of the regular election. Until a
13 school board is elected and qualified, the assembly continues to serve
14 as the board.

15 * Sec. 3. AS 29 is amended by adding a new chapter to read:

16 CHAPTER 05. INCORPORATION.

17 ARTICLE 1. REQUIREMENTS.

18 Sec. 29.05.010. INCORPORATION OF A CITY. (a) A community which
19 meets the following standards may incorporate as a first class city:

- 20 (1) the community has 400 or more permanent residents;
- 21 (2) the boundaries of the proposed city include all areas
22 necessary to provide municipal services on an efficient scale;
- 23 (3) the economy of the community includes the human and
24 financial resources necessary to provide municipal services; in con-
25 sidering the economy of the community, the Local Boundary Commission
26 shall consider property valuations, economic base, personal income,
27 resource and commercial development, anticipated functions, and the
28 expenses and income of the proposed city, including the ability of the
29 community to generate local revenue;

1 (4) the population of the community is stable enough to
2 support city government;

3 (5) there is a demonstrated need for city government.

4 (b) A community which meets all the standards established in (a)
5 of this section except (a)(1) may incorporate as a second class city.

6 Sec. 29.05.020. LIMITATIONS ON INCORPORATION OF A CITY. (a) A
7 community within the unorganized borough may not incorporate as a city
8 if the services can be provided by annexation to an existing city.

9 (b) A community within a home rule or general law borough may not
10 incorporate as a city if the services can be provided on an areawide or
11 nonareawide basis by the home rule or general law borough in which it
12 is located, or by annexation to an existing city.

13 Sec. 29.05.030. INCORPORATION OF A BOROUGH. An area may incor-
14 porate as a borough if it conforms to the following standards:

15 (1) the population of the area is interrelated and integrated
16 as to its social, cultural, and economic activities, and is large and
17 stable enough to support borough government;

18 (2) the boundaries of the proposed borough conform generally
19 to natural geography and include all areas necessary for full develop-
20 ment of municipal services;

21 (3) the economy of the area includes the human and financial
22 resources capable of providing municipal services; evaluation of an
23 area's economy includes land use, property valuations, total economic
24 base, total personal income, resource and commercial development,
25 anticipated functions, expenses, and income of the proposed borough;

26 (4) land, water, and air transportation facilities allow the
27 communication and exchange necessary for the development of integrated
28 borough government.

29 ARTICLE 2. PROCEDURE.

1 Sec. 29.05.060. PETITION. Municipal incorporation is proposed by
2 filing a petition with the department. The petition shall include the
3 following information about the proposed city or borough:

4 (1) class;

5 (2) name;

6 (3) boundaries;

7 (4) maps, documents, and other information required by the
8 department;

9 (5) composition and apportionment of the governing body;

10 (6) a proposed operating budget for the city or borough
11 projecting sources of income and items of expenditure through the first
12 full fiscal year of operation;

13 (7) for a borough, the signature and resident address of 15
14 percent of the voters in each home rule or first class cit. and 15
15 percent of permanent resident voters in the area of the proposed borough
16 outside home rule or first class cities based on the number who voted
17 in the respective areas in the last general election;

18 (8) for a first class borough, a designation of areawide
19 powers to be exercised;

20 (9) for a second class borough, a designation of areawide
21 and nonareawide powers to be exercised;

22 (10) for a city, a designation of the powers proposed by the
23 petitioners to be exercised;

24 (11) for a first class city, the signatures and resident
25 address of 50 permanent resident voters or of 15 percent of the per-
26 manent resident voters within the proposed city, whichever is greater,
27 based on the number who voted in the area in the last general election;

28 (12) for a second class city, the signature and resident
29 address of 25 permanent resident voters or of 15 percent of the per-

1 manent resident voters within the proposed city, whichever is greater,
2 based on the number who voted in the area in the last general election.

3 Sec. 29.05.070. REVIEW. The department shall review petitions
4 for content and signatures and shall return deficient petitions for
5 correction and completion.

6 Sec. 29.05.080. INVESTIGATION. (a) If the petition contains the
7 required information and signatures, the department shall investigate
8 the proposal and shall hold at least one ^{Department's hearing} public hearing in the area
9 proposed for incorporation.

10 (b) The department may combine petitions for incorporation from
11 the same general area.

12 Sec. 29.05.090. REPORT AND HEARING. (a) The department shall
13 report its findings to the Local Boundary Commission with its recommen-
14 dations regarding the incorporation.

15 (b) The Local Boundary Commission shall hold at least one public
16 hearing in the area proposed to be incorporated for the purpose of
17 receiving testimony and evidence on the proposal.

18 Sec. 29.05.100. DECISION. (a) If the Local Boundary Commission
19 determines that a proposed city or borough fails to meet the standards
20 for incorporation, it shall reject the petition. If the commission
21 determines that the proposed city or borough meets the standards, it
22 shall accept the petition. If the commission determines that the
23 proposed boundaries can be altered to meet the standards, it may alter
24 the boundaries and accept the petition.

25 (b) A Local Boundary Commission decision under this section may
26 be appealed under the Administrative Procedure Act (AS 44.62).

27 Sec. 29.05.110. INCORPORATION ELECTION. (a) The Local Boundary
28 Commission shall immediately notify the lieutenant governor of its
29 acceptance of an incorporation petition. Within 30 days after notifi-

1 cation, the lieutenant governor shall order an election in the proposed
2 city or borough to determine whether the voters desire incorporation
3 and, if so, to elect the initial municipal officials. If incorporation
4 is rejected, no officials are elected. The election must be held not
5 less than 30 nor more than 90 days after the date of the election
6 order. The election order must specify the dates during which nomina-
7 tion petitions for election of initial officials may be filed.

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

11 (c) Areawide borough powers included in the incorporation petition
12 are considered to be part of the incorporation question. In an election
13 for the incorporation of a second class borough, each nonareawide power
14 to be exercised is placed separately on the ballot. Adoption of a
15 nonareawide power requires a majority of the votes cast on the question,
16 and the vote is limited to the voters residing within the proposed
17 borough but outside a city.

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

21 Sec. 29.05.120. ELECTION OF INITIAL OFFICIALS. (a) Nominations
22 for initial municipal officials are made by petition. The petition
23 shall be in the form prescribed by the lieutenant governor and includes
24 the name and address of the nominee and a statement of the nominee that
25 he is qualified under the provisions of this title for the office that
26 he seeks. A person may file for and occupy more than one office, but
27 he may not serve simultaneously as borough mayor and as a member of the
28 assembly or as city mayor and as a member of the council of a home
29 rule or first class city.

1 (b) Except for a proposed second class city, petitions to nominate
2 initial officials must include the signature and resident address of 50
3 voters in the area of the proposed city or borough, or that area of the
4 proposed city or borough from which the officials are to be elected
5 under the composition and apportionment set out in the accepted incor-
6 poration petition.

7 (c) Petitions to nominate initial officials of a second class
8 city must include the signature and resident address of 10 voters in
9 the area of the proposed city.

10 (d) The lieutenant governor shall supervise the election in the
11 general manner prescribed by the Alaska Election Code (AS 15). The
12 state shall pay all election costs.

13 (e) The initial elected officials take office on the first Monday
14 following certification of their election.

15 (f) The initial elected members of the governing body shall
16 determine by lot the length of their terms of office so that a pro-
17 portionate number of terms expire each year, resulting in staggered
18 terms of office for members subsequently elected.

19 Sec. 29.05.130. INTEGRATION OF SPECIAL DISTRICTS AND SERVICE
20 AREAS. Service areas in a newly incorporated city or borough shall be
21 integrated into the city or borough within two years after the date of
22 incorporation. On integration the city or borough succeeds to all the
23 rights, powers, duties, assets and liabilities of the service areas.
24 After integration, the governing body may exercise within a former
25 service area all of the rights and powers exercised by the service area
26 at the time of integration, and may levy and collect special charges,
27 taxes, or assessments to amortize bonded indebtedness incurred by the
28 service area or by a city or borough as successor to the service area.
29 Upon integration no less than all property in the service area at the

1 time of integration remains subject to taxation to pay the principal of
2 bonds and interest on them.

3 Sec. 29.05.140. TRANSITION. (a. The powers and duties exercised
4 by home rule or general law cities and service areas which are succeeded
5 to by a newly incorporated city or borough continue to be exercised by
6 the cities and service areas until the new city or borough assumes the
7 powers and functions, which may not exceed two years after the date of
8 incorporation. Ordinances, rules, resolutions, procedures, and orders
9 in effect before the transfer remain in effect until superseded by the
10 action of the new city or borough.

11 (b) The new city or borough shall give written notice of its
12 assumption of the powers, duties and other items enumerated in this
13 section and AS 29.05.150 to the home rule or general law city or service
14 area concerned before the assumption. Municipal officials shall consult
15 with the officials of the home rule or general law city or service area
16 concerned, and arrange an orderly transfer.

17 (c) After the incorporation of a new city or borough, no service
18 area within it may assume new bonded indebtedness, make any contract,
19 or transfer any assets without the consent of the governing body.

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

22 Sec. 29.05.150. CHALLENGE OF LEGALITY. A person may not challenge
23 the formation of a city or borough except within six months of the date
24 of its incorporation.

25 ARTICLE 3. TRANSITIONAL ASSISTANCE.

26 Sec. 29.05.180. ORGANIZATION GRANTS TO A CITY. (a) To defray
27 the cost of transition to city government and to provide for development
28 and interim government operations, each city incorporated after July 1,
29 1981, or, in the case of a second class city, incorporated or reclassi-

1 filed after July 1, 1981, is entitled to a first year organization grant
2 of \$50,000. The department shall disburse the first year organization
3 grant within 30 days after certification of the incorporation election
4 favoring incorporation of a city or as soon thereafter as money is
5 appropriated for the purpose.

6 (b) A city eligible for a first year organization grant is en-
7 titled to a second year organization grant of \$25,000. The department
8 shall disburse the second year organization grant within 30 days after
9 the beginning of the city's second fiscal year, or as soon thereafter
10 as money is appropriated for the purpose.

11 Sec. 29.05.190. ORGANIZATION GRANTS TO A BOROUGH. (a) To defray
12 the cost of transition to borough government and to provide for develop-
13 ment and interim government operations, each borough incorporated after
14 July 1, 1981, except a borough incorporated by consolidation or a
15 unified municipality, is entitled to organization grants for the first
16 three fiscal years after incorporation as follows:

- 17 (1) \$300,000 for the first full or partial year;
18 (2) \$200,000 for the second year; and
19 (3) \$100,000 for the third year.

20 (b) The department shall disburse the first year organization
21 grant within 30 days after certification of the incorporation election
22 favoring incorporation of a borough, or as soon thereafter as money is
23 appropriated for the purpose. The second organization grant shall be
24 disbursed within 30 days after the beginning of the borough's second
25 fiscal year and the third organization grant shall be disbursed within
26 30 days after the beginning of the borough's third fiscal year, or as
27 soon thereafter as money is appropriated for the purpose.

28 Sec. 29.05.200. ORGANIZATION GRANT FUND. (a) The organization
29 grant fund is established in the department. An appropriation made to

1 the fund for organization grants to a city or borough may be used
2 during each fiscal year during which the city or borough qualifies to
3 receive a grant under AS 29.05.180 - 29.05.190, and the unexpended
4 balance of the appropriation lapses into the general fund when the city
5 or borough ceases to qualify for an organization grant.

6 (b) Before August 31 of each fiscal year the department shall
7 submit a report to the Department of Administration indicating

8 (1) each city or borough which is qualified to receive an
9 organization grant during the fiscal year;

10 (2) the amount of money needed to cover all grants which
11 each city or borough is qualified to receive;

12 (3) the amount of an appropriation made to finance the
13 organization grants each city or borough is qualified to receive; and

14 (4) the amount of the unexpended balance of an appropriation
15 to the organization grant fund which is projected to be used for grants
16 and the amount which is projected to lapse into the general fund.

17 Sec. 29.05.210. TRANSITIONAL ASSISTANCE TO BOROUGHES. (a) Within
18 30 days after the date of incorporation of a borough after July 1,
19 1981, the department shall determine the population of the borough.

20 (b) The department shall provide assistance to each borough
21 incorporated after July 1, 1981, in

22 (1) establishing the initial assessment and collection
23 department for a borough that has adopted a sales or use tax;

24 (2) determining the initial assessment roll for a borough
25 that has adopted a property tax, including contracting for appraisals
26 of property needed to complete the initial assessment.

27 (c) This section does not apply to a borough incorporated by
28 consolidation or to a unified municipality.

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

1 CHAPTER 06. ALTERATION OF MUNICIPALITIES.

2 ARTICLE 1. CHANGE OF NAME.

3 Sec. 29.06.010. CHANGE OF MUNICIPAL NAME. (a) The governing body
4 of a municipality may change the official municipal name by adopting an
5 ordinance for the purpose and filing the ordinance with the office of
6 the lieutenant governor. Upon receipt of a legally adopted ordinance
7 ratified by the voters after an election, the lieutenant governor shall
8 issue an appropriate order to the municipality changing its existing
9 name. The name change shall become effective on a date fixed in the
10 order and occurring within 45 days of receipt of the ordinance. A copy
11 of the order shall be transmitted to the department.

12 (b) If an ordinance adopted under (a) of this section which
13 results in an order changing the municipal name is subsequently re-
14 pealed, the lieutenant governor shall issue a further order reinstating
15 the former name within 45 days of the date of the order, unless a
16 different name is adopted by ordinance transmitted to the lieutenant
17 governor for implementation as provided in (a) of this section.

18 (c) When a municipal name change takes effect by means of an
19 order issued under (a) or (b) of this section, a civil or criminal
20 suit, application, petition, hearing or other proceeding to which the
21 municipality is a party and pending at or brought after the date the
22 name change takes effect shall proceed in the municipal name as changed
23 by the order.

24 (d) This section applies to home rule and general law municipali-
25 ties.

26 ARTICLE 2. ANNEXATION AND EXCLUSION.

27 Sec. 29.06.040. LOCAL BOUNDARY COMMISSION. (a) The Local Bound-
28 ary Commission may consider any proposed municipal boundary change. It
29 may present proposed changes to the legislature during the first 10

1 days of any regular session. The change becomes effective 45 days
2 after presentation or at the end of the session, whichever is earlier,
3 unless disapproved by a resolution concurred in by a majority of the
4 members of each house.

5 (b) In addition to the regulations governing annexation by local
6 action adopted under AS 44.19.260, ^{with} the Local Boundary Commission shall
7 establish procedures for annexation and exclusion of territory by
8 municipalities by local action. The procedures established under this
9 subsection include

10 (1) a provision requiring that a proposed annexation and
11 exclusion must be approved by a majority of the voters voting on the
12 question residing within the area proposed to be annexed or excluded;

13 (2) provisions that municipally owned property adjoining the
14 municipality may be annexed by ordinance without voter approval; and

15 (3) provisions that an area adjoining the municipality may
16 be annexed by ordinance without an election if all property owners and
17 voters within the area petition the governing body.

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

21 Sec. 29.06.050. ANNEXATION OF MILITARY RESERVATIONS. A military
22 reservation may be annexed to a municipality in the same manner as pre-
23 scribed for any other territory under AS 29.06.040. If a home rule or
24 general law city within a home rule or general law borough annexes a
25 military reservation under this section, the territory encompassing the
26 military reservation automatically is annexed to the borough of which
27 the city is a part.

28 Sec. 29.06.060. APPLICATION. AS 29.06.040 - 29.06.060 apply to
29 home rule and general law municipalities.

1 ARTICLE 3. MERGER AND CONSOLIDATION.

2 Sec. 29.06.090. METHODS OF MERGER AND CONSOLIDATION. Two methods
3 may be used to initiate merger or consolidation of municipalities:

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

6 (2) the local option method specified in AS 29.06.100 -
7 29.06.160.

8 Sec. 29.06.100. PETITION. (a) Residents of two or more munici-
9 palities may file a merger or consolidation petition with the depart-
10 ment. The petition must be signed by a number of voters of each exist-
11 ing municipality equal to at least 25 percent of the number of votes
12 cast in each municipality's last regular election.

13 (b) The petition includes

14 (1) the name and class of each existing municipality;

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

16 (3) the proposed composition and apportionment of the govern-
17 ing body;

18 (4) maps, documents, and other information which show that
19 the proposed municipality meets the standards for municipal incor-
20 poration.

21 Sec. 29.06.110. REVIEW. (a) The department shall review a
22 petition for content and signatures and shall return a deficient peti-
23 tion for correction or completion.

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

26 Sec. 29.06.120. REPORT AND HEARING. (a) The department shall
27 report its findings to the Local Boundary Commission with its recommen-
28 dations regarding the merger or consolidation.

29 (b) The Local Boundary Commission shall hold at least one public

1 hearing in each of the municipalities included in the merger or con-
2 solidation petition, unless officials of the municipalities agree to a
3 single hearing.

4 Sec. 29.06.130. DECISION. (a) If the Local Boundary Commission
5 determines that the proposed municipality fails to meet the standards
6 for incorporation, it shall reject the petition. If the commission
7 determines that the proposed municipality meets these standards, it
8 shall accept the petition. If the commission determines that the
9 proposed boundaries or the composition and apportionment of the govern-
10 ing body can be altered to meet the standards, it may change the propo-
11 sal and accept the petition.

12 (b) A Local Boundary Commission decision under this section may
13 be appealed under the Administrative Procedure Act (AS 44.62).

14 Sec. 29.06.140. ELECTION. (a) The Local Boundary Commission
15 shall immediately notify the lieutenant governor of its acceptance of a
16 merger or consolidation petition. Within 30 days after notification,
17 the lieutenant governor shall order an election within the area to be
18 included in the new municipality to determine whether the voters desire
19 merger or consolidation. The election must be held not less than 30
20 nor more than 90 days after the election order. A voter who is a
21 resident of the area to be included within the proposed municipality
22 may vote.

23 (b) The lieutenant governor shall supervise the election in the
24 general manner prescribed by the Alaska Election Code (AS 15). The
25 state shall pay all election costs.

26 (c) The lieutenant governor shall certify the election results.
27 If merger or consolidation is approved, he shall, within 10 days, set a
28 date for election of officials of the new municipality. The election
29 date must be not less than 60 nor more than 90 days after the election

1 order. This date is the effective date for the merger or consolidation.

2 Sec. 29.06.150. ASSETS AND LIABILITIES. (a) When two or more
3 municipalities merge, one succeeds to the rights, powers, duties,
4 assets, and liabilities of the others.

5 (b) When two or more municipalities consolidate, the newly incor-
6 porated municipality succeeds to the rights, powers, duties, assets,
7 and liabilities of the consolidated municipalities.

8 Sec. 29.06.160. ORDINANCES. The ordinances, resolutions, rules,
9 regulations, procedures, and orders of the former municipalities remain
10 in force within their respective territories until superseded by the
11 action of the new municipality.

12 Sec. 29.06.170. APPLICATION. AS 29.06.090 - 29.06.170 apply to
13 home rule and general law municipalities.

14 ARTICLE 4. UNIFICATION OF MUNICIPALITIES.

15 Sec. 29.06.190. UNIFICATION OF MUNICIPALITIES AUTHORIZED. A home
16 rule or general law borough and all home rule or general law cities
17 within the borough may unite to form a single unit of home rule govern-
18 ment by complying with this chapter.

19 Sec. 29.06.200. UNIFICATION PROPOSED. (a) Formation of a charter
20 commission to propose a unification charter shall be proposed by resolu-
21 tion of the assembly or by petition. An assembly resolution for the
22 purpose may be adopted not more often than once every 12 months.

23 (b) An assembly, a council, or a person living within the area of
24 proposed unification may initiate a unification petition.

25 Sec. 29.06.210. PETITION REQUIREMENTS. (a) A unification peti-
26 tion shall read:

27 PETITION FOR ELECTION OF CHARTER COMMISSION TO PROPOSE UNIFICATION
28 CHARTER. We, the undersigned, qualified voters of the borough do
29 hereby petition that the following proposition be placed before the

1 voters as provided by law: 'Shall a charter commission be formed (and
2 charter commission members be elected as elsewhere provided on this
3 ballot) to prepare, adopt and submit to the voters for their approval
4 or rejection a proposed charter uniting the borough and all home rule
5 or general law cities within it as a single unit of home rule government
6 having the powers, duties and functions of a unified municipality as
7 authorized by law? Yes [] No []'

8		Inside First Class	Outside First
9		Class or	or
10	Signature	Home Rule City	Home Rule City"

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

12 (1) the number of voters of the home rule or general law
13 borough living outside all home rule and first class cities in the
14 borough equal to 25 percent of the votes cast in that area in the last
15 regular borough election; and

16 (2) the number of voters residing in each home rule and
17 first class city located in the home rule or general law borough equal
18 to 25 percent of the votes cast in each city in the last regular borough
19 election.

20 Sec. 29.06.220. REVIEW OF PETITION. The assembly shall review a
21 unification petition within 15 days to determine whether it complies
22 with this chapter. If the petition does not meet the designated re-
23 quirements, it shall be immediately returned to the person who initiated
24 the petition with a statement indicating which requirements have not
25 been satisfied.

26 Sec. 29.06.230 CHARTER COMMISSION NOMINATIONS. (a) If the
27 assembly determines that a unification petition meets the requirements
28 of this chapter, or the assembly by its resolution proposes an election
29 on formation of a charter commission to propose a unification charter.

1 the assembly shall issue a call for the nomination of charter commission
2 candidates, specifying the filing deadline and the procedure for making
3 nominations.

4 (b) Charter commission candidates shall be nominated by petition
5 signed by at least 50 voters of the area from which the candidate seeks
6 election, or by a number of voters from that area equal to at least 10
7 percent of the number of votes cast from that area in the last regular
8 borough election, whichever is less.

9 (c) Nomination petitions shall be filed with the borough clerk on
10 or before the date fixed by the assembly, which may not be less than 30
11 days after notice of the call for nominations has been given.

12 Sec. 29.06.240. QUALIFICATIONS OF CANDIDATES. A person is eli-
13 gible to be nominated as a candidate for the charter commission if he
14 has been a voter of the area from which he seeks election for at least
15 one year immediately preceding the date his nomination petition is
16 filed with the borough clerk.

17 Sec. 29.06.250. COMPOSITION OF CHARTER COMMISSION. (a) The
18 charter commission shall consist of 11 voters, three of whom are resi-
19 dents elected at large from the area of the home rule or general la-
20 borough and eight of whom, proportionate to the population as deter-
21 mined by the department are

22 (1) residents of and elected from the area outside a home
23 rule and first class city in the borough; or,

24 (2) residents of and elected from a home rule or first class
25 city in the borough.

26 (b) If at least one nomination of a qualified charter commission
27 candidate for each available seat is not filed in accordance with
28 AS 29.06.230, the resolution or petition for unification is void and no
29 election on the question shall be held.

1 Sec. 29.06.260. ELECTION. (a) After receipt of a valid petition
2 or adoption of an assembly resolution for the purpose, the assembly
3 shall submit to the voters the question of whether the home rule or
4 general law borough and all cities within it shall unite to form a
5 single unit of home rule government. The vote shall be held at the
6 next regular borough election scheduled at least 90 days after receipt
7 of the valid petition or adoption of the resolution. The ballot on the
8 question of unification shall be worded exactly as in AS 29.06.210(a).

9 (b) The election of charter commission members shall take place
10 at the same time as the election on the question of unification.

11 (c) All costs incurred in conducting an election under AS 29.06.-
12 190 - 29.06.390 shall be paid by the home rule or general law borough.

13 Sec. 29.06.270. REQUIREMENTS FOR APPROVAL OF UNIFICATION AND
14 ELECTION OF CHARTER COMMISSION. (a) The votes on unification shall be
15 tabulated in two separate classifications. One classification consists
16 of all votes cast in the first class and home rule cities of the home
17 rule or general law borough. The other classification consists of all
18 votes cast in the remaining areas of the borough. In order for unifi-
19 cation to be approved, it is necessary that a majority of the votes in
20 each classification favor unification.

21 (b) If unification is approved, charter commission candidates who
22 received the highest number of votes from their respective areas shall
23 serve as members of the commission.

24 Sec. 29.06.280. CHARTER COMMISSION ORGANIZATION AND PROCEDURE.

25 (a) The charter commission shall hold its first meeting within 30 days
26 after certification of its election. The commission shall elect from
27 among its members a chairman and a deputy chairman.

28 (b) A majority of the total membership of the charter commission
29 constitutes a quorum. A decision of the commission is not valid or

1 binding unless approved by the number of members necessary to consti-
2 tute a quorum.

3 (c) The charter commission may elect other officials from among
4 its membership, adopt rules governing its procedures, and hire and
5 discharge commission employees. Rules adopted must conform to the
6 provisions of this chapter.

7 (d) Meetings of the charter commission shall be open to the
8 public at all times. A journal of commission proceedings shall be kept
9 and be available for public inspection at the home rule or general law
10 borough office.

11 (e) Except as provided in AS 29.06.330(e), vacancies on the
12 charter commission shall be filled by a majority vote of the commission.
13 The person appointed to fill a vacancy must be a voter of the same area
14 as the person whom he succeeds and must have been a voter of that area
15 for at least one year immediately preceding the date of his appoint-
16 ment.

17 (f) The assembly may grant a per diem allowance to the commission
18 meml. s and may reimburse the members for travel expenses incurred in
19 carrying out the duties prescribed by AS 29.06.190 - 29.06.390. Costs,
20 fees, and ot r expenses incurred by the charter commission are a debt
21 of the borough and shall be paid upon proper verification.

22 Sec. 29.06.290. CHARTER PREPARATION. A charter commission estab-
23 lished under AS 29.06.190 - 29.06.390 shall prepare, adopt, and submit
24 a proposed home rule charter for the area to be unified to the voters
25 for approval or rejection. The charter shall include

26 (1) provisions for adjustment of existing bonded indebted-
27 ness and other obligations in a manner which will reserve a fair and
28 equitable burden of taxation for debt service, subject to AS 29.06.350;

29 (2) provisions for

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(A) the establishment of service areas; and

(B) if election of members of the governing body is not areawide, the establishment of districts or sections for the election of members of the governing body of the unified municipality, and procedures by which to reapportion the election districts or sections;

(C) reapportionment of districts or sections if they are established;

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

(4) the transfer or other disposition of property and other rights, claims, assets, and franchises of the municipalities to be unified under the charter;

(5) provision for exercise of the rights of initiative and referendum;

(6) a method of amending the charter;

(7) the date on which the charter, if approved at the charter election, is effective;

(8) designation of the new unified municipality's official name;

(9) other charter provisions which may be included in a home rule charter.

Sec. 29.06.300. PUBLIC HEARINGS. Both before and after drafting the proposed charter, the charter commission shall hold a public hearing in each area represented on the assembly. Other public hearings may be held by the charter commission as it considers necessary.

Sec. 29.06.310. FILING OF PROPOSED CHARTER. Upon the adoption of a proposed home rule charter by the charter commission, the charter