

ALASKA LEGISLATURE COMMITTEE FILES 1981-1982 86/2

1229

HCRA

HB 170

1229

1 person shall present himself for examination by the assessor.

2 Sec. 29.45.140. STATEMENT. A person who knowingly fails to file
3 a statement required by ordinance or who knowingly makes a false affi-
4 davit to a statement required by a tax ordinance relative to the amount,
5 location, kind or value of property subject to taxation with intent to
6 evade the taxation, is guilty of a class B misdemeanor.

7 Sec. 29.45.150. REEVALUATION. A systematic reevaluation of
8 taxable real and personal property undertaken by the assessor, whether
9 of specific areas in which real property is located or of specific
10 classes of real or personal property to be assessed, shall be made only
11 in accordance with a resolution or other act of the governing body
12 directing a systematic reevaluation of all taxable property within the
13 municipality over the shortest period of time practicable, as determined
14 by the governing body and fixed in the resolution or act.

15 Sec. 29.45.160. ASSESSMENT ROLL. (a) The assessor shall prepare
16 an annual assessment roll. The roll shall contain

- 17 (1) a description of all taxable property;
18 (2) the assessed value of all taxable property;
19 (3) the names and addresses of persons with property subject
20 to assessment and taxation.

21 (b) The assessor may list real property by any description that
22 may be made certain. Real property is assessed to the record owner who
23 shall at least monthly provide the assessor a copy of each recorded
24 change of ownership showing the name and mailing address of the owner
25 and the name and mailing address of the party recording the change of
26 ownership. Other persons having an interest in the property may be
27 listed on the assessment records with the owner. The person in whose
28 name property is listed as owner is conclusively presumed to be the
29 legal record owner. If the property owner is unknown, the property may

1 be assessed to "unknown owner." An assessment is not invalidated by a
2 mistake, omission, or error in the name of the owner, if the property
3 is correctly described.

4 Sec. 29.45.170. ASSESSMENT NOTICE. (a) The assessor shall give
5 each person named in the assessment roll a notice of assessment, showing
6 the assessed value of his property. On each notice is printed a brief
7 summary of the dates when taxes are payable, delinquent, and subject to
8 penalty and interest, and the dates when the board of equalization will
9 sit.

10 (b) Sufficient assessment notice is given if mailed by first
11 class mail 30 days before the equalization hearings. If the address is
12 not known to the assessor, the notice may be addressed to the person at
13 the post office nearest the property. Notice is effective on the date
14 of mailing.

15 Sec. 29.45.180. CORRECTIONS. (a) A person receiving an assess-
16 ment notice shall advise the assessor of errors or omissions in the
17 assessment of his property. The assessor may correct errors or ommis-
18 sions in the roll before the board of equalization hearing.

19 (b) If errors found in the preparation of the assessment roll are
20 adjusted, the assessor shall mail a corrected notice allowing 30 days
21 for appeal to the board of equalization.

22 Sec. 29.45.190. APPEAL. (a) A person whose name appears on the
23 assessment roll or his agent or assigns may appeal to the board of
24 equalization for relief from an alleged error in valuation not adjusted
25 by the assessor to the taxpayer's satisfaction.

26 (b) The appellant shall, within 30 days from the date of mailing
27 of notice of assessment, submit to the assessor a written appeal speci-
28 fying grounds in the form which the board of equalization may require.
29 Otherwise, the right of appeal ceases unless the board of equalization

1 finds that the taxpayer was unable to comply.

2 (c) The assessor shall notify an appellant by mail of the time
3 and place of his hearing.

4 (d) The assessor shall prepare for use by the board of equaliza-
5 tion a summary of assessment data relating to each assessment which is
6 appealed.

7 (e) A home rule or general law city within a home rule or general
8 law borough may appeal an assessment to the borough board of equaliza-
9 tion in the same manner as a taxpayer. Within five days after receipt
10 of the appeal, the assessor shall notify the person whose property
11 assessment is being appealed by the city.

12 Sec. 29.45.200. BOARD OF EQUALIZATION. (a) The governing body
13 sits as a board of equalization for the purpose of hearing an appeal
14 from a determination of the assessor, or it may delegate this authority
15 to one or more boards appointed by it. An appointed board may be
16 composed of not less than three persons, who may be members of the
17 governing body, municipal residents, or a combination of members of the
18 governing body and residents. The governing body shall by ordinance
19 establish the qualifications for membership.

20 (b) The board of equalization is governed in its proceedings by
21 rules adopted by ordinance which are consistent with general rules of
22 administrative procedure. The board may alter an assessment of a lot or
23 parcel only pursuant to an appeal filed as to the particular lot or
24 parcel.

25 (c) Notwithstanding other provisions in this section, a deter-
26 mination of the assessor as to whether property is taxable under law
27 may be appealed directly to the superior court.

28 Sec. 29.45.210. HEARING. (a) If an appellant fails to appear,
29 the board of equalization may proceed with the hearing in his absence.

1 (b) The appellant bears the burden of proof. The only grounds
2 for adjustment of assessment and (amount of taxes) are proof of unequal,
3 excessive, improper, or under valuation based on facts which are stated
4 in a valid written appeal or proven at the appeal hearing. If a valua-
5 tion is found to be too low, the board of equalization may raise the
6 assessment.

7 (c) The board of equalization shall certify its actions to the
8 assessor within seven days. Except as to supplementary assessments,
9 the assessor shall enter the changes and certify the final assessment
10 roll by June 1.

11 (d) An appellant or the assessor may appeal a determination of
12 the board of equalization to the superior court as provided by rules of
13 court applicable to appeals from the decisions of administrative
14 agencies. Appeals are heard on the record established at the hearing
15 before the board of equalization.

16 Sec. 29.45.220. SUPPLEMENTARY ASSESSMENT ROLLS. The assessor
17 shall include property omitted from the assessment roll on a supplemen-
18 tary roll, using the procedures set out in this chapter for the original
19 roll.

20 Sec. 29.45.230. TAX ADJUSTMENTS ON PROPERTY AFFECTED BY A NATURAL
21 DISASTER. (a) The governing body may provide for reassessment and
22 reduction of taxes for property destroyed, damaged, or otherwise reduced
23 in value as a result of a natural disaster.

24 (b) A reassessment may be made by the assessor only upon the
25 receipt of a sworn statement of the taxpayer that his losses exceed
26 \$1,000. A reduction of taxes may be made only on losses in excess of
27 \$1,000 for the remainder of the year following the disaster. Upon
28 reassessment, the municipality shall recompute this tax and refund
29 taxes which have already been paid.

1 (c) The municipality shall give notice of assessment or reassess-
2 ment and shall hold an equalization hearing as provided in this chapter,
3 except that a notice of appeal must be filed with the board of equaliza-
4 tion within 10 days after notice of assessment is given to the person
5 appealing. Otherwise, the right of appeal ceases unless the board
6 finds that the taxpayer is unable to comply.

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

11 (e) In this section "disaster" means a major disaster declared by
12 the President of the United States under the provisions of the Federal
13 Disaster Act of 1950, Title 42, United States Code, sec. 1855-1855g, or
14 other federal law, or a disaster declared by the governor under AS 26.-
15 23.010 - 26.23.110.

16 Sec. 29.45.240. TAX LEVY AND RATE. (a) The power granted to the
17 governing body to assess, levy, and collect a property tax shall be
18 exercised by means of an ordinance. The rate of levy, the date of
19 equalization, and the date when taxes become delinquent shall be fixed
20 by resolution.

21 (b) The governing body shall annually determine the rate of levy
22 before June 15. By July 1 the tax collector shall mail tax statements
23 setting out the levy, dates when taxes are payable and delinquent, and
24 penalties and interest.

25 Sec. 29.45.250. RATES OF PENALTY AND INTEREST. (a) A penalty
26 not to exceed 20 percent of the tax due may be added to all delinquent
27 taxes, and interest at the rate of 15 percent a year shall accrue upon
28 all unpaid taxes, not including penalty, from the due date until paid
29 in full. The governing body may impose a penalty not to exceed 20

1 percent of the tax due upon the late return of personal property assess-
2 ment forms.

3 (b) If a taxpayer is given the right to pay the tax in two in-
4 stallments, penalty and interest on an unpaid installment accrues from
5 the date the installment becomes due.

6 ARTICLE 2. ENFORCEMENT OF TAX LIENS.

7 Sec. 29.45.290. VALIDITY. Certified assessment and tax rolls are
8 valid and binding on all persons, notwithstanding a defect, error,
9 omission, or invalidity in the assessment rolls or proceedings pertain-
10 ing to the assessment roll.

11 Sec. 29.45.300. TAX LIABILITY. (a) The owner of assessed per-
12 sonal property is personally liable for the amount of taxes assessed
13 against his property. The tax together with penalty and interest, may
14 be collected in a personal action brought in the name of the municipal-
15 ity.

16 (b) Property taxes, together with penalty and interest, are a
17 lien upon the property assessed, and the lien is prior and paramount to
18 all other liens or encumbrances against the property.

19 Sec. 29.45.310. ENFORCEMENT OF PERSONAL PROPERTY TAX LIENS BY
20 DISTRAINT AND SALE. (a) The lien of personal property taxes may be
21 enforced by distraint and sale of the property. The governing body
22 shall provide the procedure for distraint and sale by ordinance. A
23 seizure, levy, or distraint is not legal unless demand is first made of
24 the person assessed for the amount of the tax, penalty, and interest,
25 and a sale is not valid unless made at public auction no sooner than 15
26 days after notice is published. The seizure is made by virtue of a
27 warrant issued by the municipal clerk to a peace officer.

28 (b) If the personal property sold is not sufficient to satisfy
29 the tax, penalty, and interest, and costs of sale, the warrant may

1 authorize the seizure of other personal property sufficient to satisfy
2 the tax, penalty, interest, and costs of sale. If the property is sold
3 for more money than is needed to satisfy the tax, the municipality
4 shall remit the excess to the former record owner upon presentation of
5 a proper claim. A claim for the excess filed after six months of the
6 date of sale is forever barred.

7 Sec. 29.45.320. REAL PROPERTY TAX COLLECTION. (a) The municipal-
8 ity shall enforce delinquent real property tax liens by annual fore-
9 closure, unless otherwise provided by ordinance.)

10 (b) If the tax on property described in AS 29.45.070 or on a
11 taxable interest in tax-exempt property is not paid when due, a municipi-
12 pality may enforce the tax by a personal action against the delinquent
13 taxpayer brought in the district or superior court, in addition to
14 other remedies available to enforce the lien.

15 Sec. 29.45.330. FORECLOSURE LIST. (a) A municipality shall

16 (1) ^{change} annually present a petition for judgment and a certified
17 copy of the foreclosure list for the previous year's delinquent taxes
18 in the superior court for judgment;

19 (2) publish the foreclosure list for four consecutive weeks
20 in a newspaper of general circulation distributed within the municipal-
21 ity or, if there is no newspaper of general circulation distributed
22 within the borough, post the list at three public places for at least
23 30 days;

24 (3) within 10 days after the first publication or posting,
25 mail to the last known owner of each property as his name and address
26 appear on the list a notice advising of the foreclosure proceeding in
27 which a petition for judgment of foreclosure has been filed and describ-
28 ing the property and the amount due as stated on the list.

29 (b) The list shall be arranged in alphabetical order as to the

1 last name and shall include

2 (1) the last known owner;

3 (2) the property description as stated on the assessment
4 roll;

5 (3) years and amounts of delinquency;

6 (4) penalty and interest due;

7 (5) a statement that the list is available for public inspec-
8 tion at the clerk's office;

9 (6) a statement that the list has been presented to the
10 superior court with a petition for judgment and decree.

11 (c) Completion of the requirements of (a) of this section consti-
12 tutes and has the same force and effect as the filing of an individual
13 and separate complaint and service of summons to foreclose a lien
14 against each property described on the foreclosure list.

15 Sec. 29.45.340. CLEARING DELINQUENCIES. During the publication
16 or posting of the foreclosure list and up to the time of transfer to
17 the municipality a person may pay the taxes, together with the penalty,
18 interest, and costs. The collector shall note payment on the foreclo-
19 sure list.

20 Sec. 29.45.350. LIST TO LIENHOLDER. A holder of a mortgage or
21 other lien on real property may request the clerk to send by certified
22 mail notice of a foreclosure list which includes the real property.

23 Sec. 29.45.360. GENERAL FORECLOSURE. A municipality shall bring
24 one general foreclosure proceeding in rem against the properties in-
25 cluded in the foreclosure list. If the owner is unknown, the property
26 is proceeded against as belonging to "unknown owner." Tax foreclosure
27 proceedings have priority over all other civil proceedings except
28 appeals from a hearing officer, board of adjustment, or other body as
29 provided in AS 29.40.060(b).

1 Sec. 29.45.370. ANSWER AND OBJECTION. A person having an interest
2 in a parcel on the foreclosure list may file an answer within 30 days
3 of the date of last publication, specifying his objection. The court
4 shall make its decision in summary proceedings. The foreclosure list
5 is prima facie evidence that the assessment and levy of the tax is
6 valid and that the tax is unpaid.

7 Sec. 29.45.380. JUDGMENT. The court shall in a proper case give
8 judgment and decree that the tax liens be foreclosed. It is a several
9 judgment against each parcel and a lien on each parcel.

10 Sec. 29.45.390. TRANSFER AND APPEAL. (a) Foreclosed properties
11 are transferred to the municipality for the lien amount. When answers
12 are filed the court may enter judgment against and order the transfer
13 to the municipality of all other properties on the list pending deter-
14 mination of the matters in controversy. The court shall hear and
15 determine the issues raised by the complaint and answers in the same
16 manner and under the same rules as it hears and determines other
17 actions.

18 (b) The court clerk shall deliver a certified copy of the judgment
19 and decree to the municipal clerk. The certified judgment and decree
20 constitutes a transfer to the municipality.

21 (c) The judgment and decree stops objections to it which could
22 have been presented before judgment and decree. Appeal from a judgment
23 and decree of foreclosure, or from a final order in the proceeding, may
24 be taken in the manner provided for appeals in civil actions.

25 Sec. 29.45.400. REDEMPTION PERIOD. Properties transferred to the
26 municipality are held by the municipality for at least one year.
27 During the redemption period a party having an interest in the property
28 may redeem it by paying the lien amount plus penalties, interest, and
29 costs, including all costs incurred under AS 29.45.440(a). Property

1 redeemed is subject to all taxes, assessments, liens, and claims as
2 though it had continued in private ownership. Only the amount appli-
3 cable under the judgment and decree must be paid in order to redeem the
4 property.

5 Sec. 29.45.410. EFFECT. Receipt of redemption money by the
6 municipality releases the judgment obtained under AS 29.45.380. The
7 clerk or his designee shall record the redemption and issue a certifi-
8 cate containing a property description, the redemption amount, and the
9 dates of judgment and decree of foreclosure. The clerk or his designee
10 shall collect the recording fee at the time of redemption and shall
11 file the certificate with the record as part of the judgment roll.

12 Sec. 29.45.420. ADDITIONAL LIENS. If a property included in a
13 foreclosure list is removed after payment of delinquencies or redemption
14 by another lienholder, the payment represented by receipt for payment
15 constitutes an additional lien on the property, collectible by the
16 lienholder in the same manner as the original lien.

17 Sec. 29.45.430. POSSESSION DURING REDEMPTION PERIOD. Foreclosure
18 does not affect the former owner's right to possession during the
19 redemption period. In the event that waste is committed by the former
20 owner, or by anyone acting under his permission or control, the munici-
21 pality may declare an immediate forfeiture of the right to possession.

22 Sec. 29.45.440. EXPIRATION. (a) At least 30 days before the
23 expiration of the redemption period the clerk or his designee shall
24 publish a redemption period expiration notice. The notice shall contain
25 the date of judgment, the date of expiration of the period of redemp-
26 tion, and a warning to the effect that all properties ordered sold
27 under the judgment, unless redeemed, shall be deeded to the municipality
28 immediately on expiration of the period of redemption and that every
29 right or interest of any person in the properties will be forfeited

1 forever to the municipality. The notice appears once a week for four
2 consecutive weeks in a newspaper of general circulation distributed
3 within the municipality. If there is no newspaper of general circula-
4 tion distributed within the municipality, the notice is posted in three
5 public places for at least four consecutive weeks. The clerk shall
6 send a copy of the notice by certified mail to each record owner of
7 property against which a judgment of foreclosure has been taken and, if
8 the assessed value of the property is more than \$100,000, to all holders
9 of mortgages or other liens of record on the property. The notice
10 shall be mailed within five days of the first publication. The mailing
11 shall be sufficient if mailed to the property owner and to the holder
12 of a mortgage or recorded lien at the last address of record.

13 (b) The right of redemption expires 30 days after the date of the
14 first notice publication.

15 (c) Costs incurred in the determination of holders of mortgages
16 and other liens of record and costs of notice publication incurred by a
17 municipality under (a) of this section are a lien on the property and
18 may be recovered by the municipality.

19 Sec. 29.45.450. DEED TO BOROUGH OR CITY. (a) Unredeemed property
20 in the area of the home rule or general law borough outside cities is
21 deeded to the borough by the clerk of the court. Unredeemed property
22 within a home rule or general law city is deeded to the city subject to
23 the payment by the city of unpaid borough taxes and costs of foreclosure
24 levied against the property before foreclosure. The deed shall be
25 recorded in the recording district in which the property is located.

26 (b) Conveyance gives the borough or the city clear title, except
27 for prior recorded tax liens of the United States and the s. .

28 (c) If unredeemed property lies within a city and if the city has
29 no immediate public use for the property but the borough does have an

1 immediate public use, the city shall deed the property to the borough.
2 If unredeemed property lies within the borough outside a city and if
3 the borough does not have an immediate public use for the property but
4 the city does have an immediate public use, the borough shall deed the
5 property to the city.

6 (d) No deed is invalid for irregularities, omissions, or defects
7 in the proceedings under this chapter unless the former owner has been
8 misled to his injury. After two years from the date of the deed, its
9 validity is conclusively presumed and any claim of the former owner or
10 other person having an interest in the property is forever barred.

11 Sec. 29.45.460. DISPOSITION AND SALE OF FORECLOSED PROPERTY. (a)
12 The governing body shall determine by ordinance whether foreclosed
13 property deeded to the municipality shall be retained for a public
14 purpose. The ordinance shall contain the legal description of the
15 property, the address or a general description of the property suffi-
16 cient to provide the public with notice of its location, and the name
17 of the last record owner of the property as his name appears on the
18 assessment rolls.

19 (b) Tax-foreclosed property conveyed to a municipality by tax
20 foreclosure and not required for a public purpose may be sold. Before
21 the sale of tax-foreclosed property held for a public purpose, the
22 governing body, by ordinance, shall determine that a public need does
23 not exist. The ordinance shall contain the information required in (a)
24 of this section.

25 (c) The clerk or his designee shall send a copy of the published
26 notice of hearing of an ordinance to consider a determination required
27 by (a) or (b) of this section by certified mail to the former record
28 owner of the parcel of property which is the subject of the ordinance.
29 The notice shall be mailed within five days of its first publication

1 and shall be sufficient if mailed to the last record owner of the
2 property as his name appears on the assessment rolls of the municipal-
3 ity.

4 (d) The provisions of (c) of this section do not apply with
5 respect to property which has been held by the municipality for a
6 period of more than 10 years after the close of the redemption period.

7 Sec. 29.45.470. REPURCHASE BY RECORD OWNER. (a) The record
8 owner at the time of tax foreclosure of property acquired by a munici-
9 pality, or his assigns, may, at any time ^{within 10 years and} before the sale or contract of
10 sale of the tax-foreclosed property by the municipality, repurchase the
11 property. The municipality shall sell the property for the full amount
12 applicable to the property under the judgment and decree, with interest
13 at the rate ^{not to exceed 15%} of ~~eight percent~~ a year from the date of entry of the
14 judgment of foreclosure to the date of repurchase, delinquent taxes
15 assessed and levied as though it had continued in private ownership,
16 and costs of foreclosure and sale.

17 (b) After adoption of an ordinance providing for the retention of
18 a parcel of tax-foreclosed property by the municipality for a public
19 purpose, the right of the former record owner to repurchase the property
20 ceases. *Replow 480 (typing error)*

21 → Sec. 29.45.490. PAYMENT OF TAXES UPON PUBLIC UTILIZATION. If a
22 municipality takes title to tax-foreclosed property for a public pur-
23 pose, the municipality shall satisfy unpaid taxes and assessments
24 against the property held by other municipalities, with accrued interest
25 but without penalty. If the amount required to satisfy the unpaid
26 taxes and assessments exceeds the assessed valuation of the property,
27 the municipality shall pay the other municipalities, the assessed
28 valuation, which shall be divided between the other municipalities in
29 proportion to their respective taxes and assessments against the prop-

1 erty at the time of foreclosure.

2 Sec. 29.45.500. REFUND OF TAXES. (a) If a taxpayer pays taxes
3 under protest, he may bring suit in the superior court against the
4 municipality for recovery of the taxes. If judgment for recovery is
5 given against the municipality, or, if in the absence of suit, it
6 becomes obvious to the governing body that judgment for recovery of the
7 taxes would be obtained if legal proceedings were brought, the munici-
8 pality shall refund the amount of the taxes to the taxpayer with inter-
9 est at eight percent from the date of payment plus costs.

10 (b) If, in payment of taxes legally imposed, a remittance by a
11 taxpayer through error or otherwise exceeds the amount due, and the
12 municipality, on audit of the account in question, is satisfied that
13 this is the case, the municipality shall refund the excess to the
14 taxpayer wit. interest at eight percent from the date of payment. A
15 claim for refund filed after one year of the due date of the tax is
16 forever barred.

17 (c) The governing body may correct manifest clerical errors at
18 anytime.

19 ARTICLE 3. CITY PROPERTY TAX.

20 Sec. 29.45.550. CITIES OUTSIDE BOROUGHES. Home rule and first
21 class cities outside home rule and general law boroughs may assess,
22 levy, and collect a property tax. A property tax if levied must be
23 assessed, levied, and collected as provided by AS 29.45.010 - 29.45.500.

24 Sec. 29.45.560. CITIES INSIDE BOROUGHES. Home rule and first
25 class cities inside home rule and general law boroughs may levy a
26 property tax. A property tax, if levied, is subject to AS 29.45.010 -
27 29.45.050, 29.45.090 - 29.45.100, 29.45.250, 29.45.400 - 29.45.440 and
28 29.45.460 - 29.45.500. The council shall by June 15 of each year
29 present to the assembly a statement of the city's rate of levy, unless

1 a different date is agreed upon by the borough and city.

2 Sec. 29.45.570. APPLICATION. AS 29.45.010 - 29.45.570 apply to
3 home rule and general law municipalities.

4 Sec. 29.45.580. DIFFERENTIAL TAX ZONES. A home rule and general
5 law city may by ordinance establish, alter, and abolish differential
6 tax zones to provide and levy property taxes for services not provided
7 generally in the city or a different level of service than that provided
8 generally in the city.

9 Sec. 29.45.590. LIMITED PROPERTY TAXING POWER FOR SECOND CLASS
10 CITIES. A second class city may by referendum levy real and personal
11 property taxes as provided for first class cities. However, levy by a
12 second class city may not exceed one-half of one percent of the assessed
13 valuation of the property taxed, except that the limit does not apply
14 to a levy necessary to avoid a default upon payment of principal and
15 interest of bonded or other indebtedness which is secured by a pledge
16 to levy ad valorem or other taxes without limit to meet debt payments.

17 Sec. 29.45.600. COMBINING PROPERTY TAX WITH INCORPORATION OF A
18 SECOND CLASS CITY. A petition for second class city incorporation may
19 request that a property tax proposal be placed on the same ballot. The
20 petition must state the proposed tax rate. The petition may request
21 that incorporation be dependent on the passage of the property tax
22 proposition. If so, the incorporation proposition fails if the property
23 tax fails.

24 ARTICLE 4. BOROUGH SALES AND USE TAX.

25 Sec. 29.45.650. SALES AND USE TAX. (n) A ^{State} home rule or general
26 law borough may levy and collect a sales tax not exceeding six percent
27 on sales, rents, and on services made in the borough. The sales tax
28 may apply to any or all of these sources. Exemptions may be granted by
29 ordinance.

1 (b) A borough levying a sales tax may also by ordinance levy a
2 use tax on the storage, use, or consumption of tangible personal prop-
3 erty in the borough. The use tax rate must equal the sales tax rate
4 and the use tax shall be levied only on buyers.

5 (c) A person who furnishes proof, in the form required by the
6 borough tax collector, that he has paid a sales tax on the source on
7 which a use tax is levied by the borough is required to pay the use tax
8 only to the extent of the difference between the amount of the sales
9 tax paid and the amount of the use tax levied by the borough. This
10 subsection applies to a sales tax levied in any taxing jurisdiction
11 whether inside or outside the state.

12 (d) If the assembly charges interest on sales taxes not paid when
13 due, the rate of interest may not exceed 15 percent a year on the
14 delinquent taxes and shall be charged from the due date until paid in
15 full. This subsection applies to home rule and general law municipali-
16 ties.

17 (e) A borough may provide for the creation, recording, and notice
18 of a lien on real or personal property to secure the payment of a sales
19 and use tax, and the interest, penalties, and administration costs in
20 the event of delinquency. *True addition* [A lien established under this section has
21 the force, priority, and duration of a judgment lien.] *Division* *4/20/10* *10/10/10* *11/10/10* *12/10/10* *1/11/11* *2/11/11* *3/11/11* *4/11/11* *5/11/11* *6/11/11* *7/11/11* *8/11/11* *9/11/11* *10/11/11* *11/11/11* *12/11/11* *1/12/12* *2/12/12* *3/12/12* *4/12/12* *5/12/12* *6/12/12* *7/12/12* *8/12/12* *9/12/12* *10/12/12* *11/12/12* *12/12/12* *1/13/13* *2/13/13* *3/13/13* *4/13/13* *5/13/13* *6/13/13* *7/13/13* *8/13/13* *9/13/13* *10/13/13* *11/13/13* *12/13/13* *1/14/14* *2/14/14* *3/14/14* *4/14/14* *5/14/14* *6/14/14* *7/14/14* *8/14/14* *9/14/14* *10/14/14* *11/14/14* *12/14/14* *1/15/15* *2/15/15* *3/15/15* *4/15/15* *5/15/15* *6/15/15* *7/15/15* *8/15/15* *9/15/15* *10/15/15* *11/15/15* *12/15/15* *1/16/16* *2/16/16* *3/16/16* *4/16/16* *5/16/16* *6/16/16* *7/16/16* *8/16/16* *9/16/16* *10/16/16* *11/16/16* *12/16/16* *1/17/17* *2/17/17* *3/17/17* *4/17/17* *5/17/17* *6/17/17* *7/17/17* *8/17/17* *9/17/17* *10/17/17* *11/17/17* *12/17/17* *1/18/18* *2/18/18* *3/18/18* *4/18/18* *5/18/18* *6/18/18* *7/18/18* *8/18/18* *9/18/18* *10/18/18* *11/18/18* *12/18/18* *1/19/19* *2/19/19* *3/19/19* *4/19/19* *5/19/19* *6/19/19* *7/19/19* *8/19/19* *9/19/19* *10/19/19* *11/19/19* *12/19/19* *1/20/20* *2/20/20* *3/20/20* *4/20/20* *5/20/20* *6/20/20* *7/20/20* *8/20/20* *9/20/20* *10/20/20* *11/20/20* *12/20/20* *1/21/21* *2/21/21* *3/21/21* *4/21/21* *5/21/21* *6/21/21* *7/21/21* *8/21/21* *9/21/21* *10/21/21* *11/21/21* *12/21/21* *1/22/22* *2/22/22* *3/22/22* *4/22/22* *5/22/22* *6/22/22* *7/22/22* *8/22/22* *9/22/22* *10/22/22* *11/22/22* *12/22/22* *1/23/23* *2/23/23* *3/23/23* *4/23/23* *5/23/23* *6/23/23* *7/23/23* *8/23/23* *9/23/23* *10/23/23* *11/23/23* *12/23/23* *1/24/24* *2/24/24* *3/24/24* *4/24/24* *5/24/24* *6/24/24* *7/24/24* *8/24/24* *9/24/24* *10/24/24* *11/24/24* *12/24/24* *1/25/25* *2/25/25* *3/25/25* *4/25/25* *5/25/25* *6/25/25* *7/25/25* *8/25/25* *9/25/25* *10/25/25* *11/25/25* *12/25/25* *1/26/26* *2/26/26* *3/26/26* *4/26/26* *5/26/26* *6/26/26* *7/26/26* *8/26/26* *9/26/26* *10/26/26* *11/26/26* *12/26/26* *1/27/27* *2/27/27* *3/27/27* *4/27/27* *5/27/27* *6/27/27* *7/27/27* *8/27/27* *9/27/27* *10/27/27* *11/27/27* *12/27/27* *1/28/28* *2/28/28* *3/28/28* *4/28/28* *5/28/28* *6/28/28* *7/28/28* *8/28/28* *9/28/28* *10/28/28* *11/28/28* *12/28/28* *1/29/29* *2/29/29* *3/29/29* *4/29/29* *5/29/29* *6/29/29* *7/29/29* *8/29/29* *9/29/29* *10/29/29* *11/29/29* *12/29/29* *1/30/30* *2/30/30* *3/30/30* *4/30/30* *5/30/30* *6/30/30* *7/30/30* *8/30/30* *9/30/30* *10/30/30* *11/30/30* *12/30/30* *1/31/31* *2/31/31* *3/31/31* *4/31/31* *5/31/31* *6/31/31* *7/31/31* *8/31/31* *9/31/31* *10/31/31* *11/31/31* *12/31/31* *1/32/32* *2/32/32* *3/32/32* *4/32/32* *5/32/32* *6/32/32* *7/32/32* *8/32/32* *9/32/32* *10/32/32* *11/32/32* *12/32/32* *1/33/33* *2/33/33* *3/33/33* *4/33/33* *5/33/33* *6/33/33* *7/33/33* *8/33/33* *9/33/33* *10/33/33* *11/33/33* *12/33/33* *1/34/34* *2/34/34* *3/34/34* *4/34/34* *5/34/34* *6/34/34* *7/34/34* *8/34/34* *9/34/34* *10/34/34* *11/34/34* *12/34/34* *1/35/35* *2/35/35* *3/35/35* *4/35/35* *5/35/35* *6/35/35* *7/35/35* *8/35/35* *9/35/35* *10/35/35* *11/35/35* *12/35/35* *1/36/36* *2/36/36* *3/36/36* *4/36/36* *5/36/36* *6/36/36* *7/36/36* *8/36/36* *9/36/36* *10/36/36* *11/36/36* *12/36/36* *1/37/37* *2/37/37* *3/37/37* *4/37/37* *5/37/37* *6/37/37* *7/37/37* *8/37/37* *9/37/37* *10/37/37* *11/37/37* *12/37/37* *1/38/38* *2/38/38* *3/38/38* *4/38/38* *5/38/38* *6/38/38* *7/38/38* *8/38/38* *9/38/38* *10/38/38* *11/38/38* *12/38/38* *1/39/39* *2/39/39* *3/39/39* *4/39/39* *5/39/39* *6/39/39* *7/39/39* *8/39/39* *9/39/39* *10/39/39* *11/39/39* *12/39/39* *1/40/40* *2/40/40* *3/40/40* *4/40/40* *5/40/40* *6/40/40* *7/40/40* *8/40/40* *9/40/40* *10/40/40* *11/40/40* *12/40/40* *1/41/41* *2/41/41* *3/41/41* *4/41/41* *5/41/41* *6/41/41* *7/41/41* *8/41/41* *9/41/41* *10/41/41* *11/41/41* *12/41/41* *1/42/42* *2/42/42* *3/42/42* *4/42/42* *5/42/42* *6/42/42* *7/42/42* *8/42/42* *9/42/42* *10/42/42* *11/42/42* *12/42/42* *1/43/43* *2/43/43* *3/43/43* *4/43/43* *5/43/43* *6/43/43* *7/43/43* *8/43/43* *9/43/43* *10/43/43* *11/43/43* *12/43/43* *1/44/44* *2/44/44* *3/44/44* *4/44/44* *5/44/44* *6/44/44* *7/44/44* *8/44/44* *9/44/44* *10/44/44* *11/44/44* *12/44/44* *1/45/45* *2/45/45* *3/45/45* *4/45/45* *5/45/45* *6/45/45* *7/45/45* *8/45/45* *9/45/45* *10/45/45* *11/45/45* *12/45/45* *1/46/46* *2/46/46* *3/46/46* *4/46/46* *5/46/46* *6/46/46* *7/46/46* *8/46/46* *9/46/46* *10/46/46* *11/46/46* *12/46/46* *1/47/47* *2/47/47* *3/47/47* *4/47/47* *5/47/47* *6/47/47* *7/47/47* *8/47/47* *9/47/47* *10/47/47* *11/47/47* *12/47/47* *1/48/48* *2/48/48* *3/48/48* *4/48/48* *5/48/48* *6/48/48* *7/48/48* *8/48/48* *9/48/48* *10/48/48* *11/48/48* *12/48/48* *1/49/49* *2/49/49* *3/49/49* *4/49/49* *5/49/49* *6/49/49* *7/49/49* *8/49/49* *9/49/49* *10/49/49* *11/49/49* *12/49/49* *1/50/50* *2/50/50* *3/50/50* *4/50/50* *5/50/50* *6/50/50* *7/50/50* *8/50/50* *9/50/50* *10/50/50* *11/50/50* *12/50/50* *1/51/51* *2/51/51* *3/51/51* *4/51/51* *5/51/51* *6/51/51* *7/51/51* *8/51/51* *9/51/51* *10/51/51* *11/51/51* *12/51/51* *1/52/52* *2/52/52* *3/52/52* *4/52/52* *5/52/52* *6/52/52* *7/52/52* *8/52/52* *9/52/52* *10/52/52* *11/52/52* *12/52/52* *1/53/53* *2/53/53* *3/53/53* *4/53/53* *5/53/53* *6/53/53* *7/53/53* *8/53/53* *9/53/53* *10/53/53* *11/53/53* *12/53/53* *1/54/54* *2/54/54* *3/54/54* *4/54/54* *5/54/54* *6/54/54* *7/54/54* *8/54/54* *9/54/54* *10/54/54* *11/54/54* *12/54/54* *1/55/55* *2/55/55* *3/55/55* *4/55/55* *5/55/55* *6/55/55* *7/55/55* *8/55/55* *9/55/55* *10/55/55* *11/55/55* *12/55/55* *1/56/56* *2/56/56* *3/56/56* *4/56/56* *5/56/56* *6/56/56* *7/56/56* *8/56/56* *9/56/56* *10/56/56* *11/56/56* *12/56/56* *1/57/57* *2/57/57* *3/57/57* *4/57/57* *5/57/57* *6/57/57* *7/57/57* *8/57/57* *9/57/57* *10/57/57* *11/57/57* *12/57/57* *1/58/58* *2/58/58* *3/58/58* *4/58/58* *5/58/58* *6/58/58* *7/58/58* *8/58/58* *9/58/58* *10/58/58* *11/58/58* *12/58/58* *1/59/59* *2/59/59* *3/59/59* *4/59/59* *5/59/59* *6/59/59* *7/59/59* *8/59/59* *9/59/59* *10/59/59* *11/59/59* *12/59/59* *1/60/60* *2/60/60* *3/60/60* *4/60/60* *5/60/60* *6/60/60* *7/60/60* *8/60/60* *9/60/60* *10/60/60* *11/60/60* *12/60/60* *1/61/61* *2/61/61* *3/61/61* *4/61/61* *5/61/61* *6/61/61* *7/61/61* *8/61/61* *9/61/61* *10/61/61* *11/61/61* *12/61/61* *1/62/62* *2/62/62* *3/62/62* *4/62/62* *5/62/62* *6/62/62* *7/62/62* *8/62/62* *9/62/62* *10/62/62* *11/62/62* *12/62/62* *1/63/63* *2/63/63* *3/63/63* *4/63/63* *5/63/63* *6/63/63* *7/63/63* *8/63/63* *9/63/63* *10/63/63* *11/63/63* *12/63/63* *1/64/64* *2/64/64* *3/64/64* *4/64/64* *5/64/64* *6/64/64* *7/64/64* *8/64/64* *9/64/64* *10/64/64* *11/64/64* *12/64/64* *1/65/65* *2/65/65* *3/65/65* *4/65/65* *5/65/65* *6/65/65* *7/65/65* *8/65/65* *9/65/65* *10/65/65* *11/65/65* *12/65/65* *1/66/66* *2/66/66* *3/66/66* *4/66/66* *5/66/66* *6/66/66* *7/66/66* *8/66/66* *9/66/66* *10/66/66* *11/66/66* *12/66/66* *1/67/67* *2/67/67* *3/67/67* *4/67/67* *5/67/67* *6/67/67* *7/67/67* *8/67/67* *9/67/67* *10/67/67* *11/67/67* *12/67/67* *1/68/68* *2/68/68* *3/68/68* *4/68/68* *5/68/68* *6/68/68* *7/68/68* *8/68/68* *9/68/68* *10/68/68* *11/68/68* *12/68/68* *1/69/69* *2/69/69* *3/69/69* *4/69/69* *5/69/69* *6/69/69* *7/69/69* *8/69/69* *9/69/69* *10/69/69* *11/69/69* *12/69/69* *1/70/70* *2/70/70* *3/70/70* *4/70/70* *5/70/70* *6/70/70* *7/70/70* *8/70/70* *9/70/70* *10/70/70* *11/70/70* *12/70/70* *1/71/71* *2/71/71* *3/71/71* *4/71/71* *5/71/71* *6/71/71* *7/71/71* *8/71/71* *9/71/71* *10/71/71* *11/71/71* *12/71/71* *1/72/72* *2/72/72* *3/72/72* *4/72/72* *5/72/72* *6/72/72* *7/72/72* *8/72/72* *9/72/72* *10/72/72* *11/72/72* *12/72/72* *1/73/73* *2/73/73* *3/73/73* *4/73/73* *5/73/73* *6/73/73* *7/73/73* *8/73/73* *9/73/73* *10/73/73* *11/73/73* *12/73/73* *1/74/74* *2/74/74* *3/74/74* *4/74/74* *5/74/74* *6/74/74* *7/74/74* *8/74/74* *9/74/74* *10/74/74* *11/74/74* *12/74/74* *1/75/75* *2/75/75* *3/75/75* *4/75/75* *5/75/75* *6/75/75* *7/75/75* *8/75/75* *9/75/75* *10/75/75* *11/75/75* *12/75/75* *1/76/76* *2/76/76* *3/76/76* *4/76/76* *5/76/76* *6/76/76* *7/76/76* *8/76/76* *9/76/76* *10/76/76* *11/76/76* *12/76/76* *1/77/77* *2/77/77* *3/77/77* *4/77/77* *5/77/77* *6/77/77* *7/77/77* *8/77/77* *9/77/77* *10/77/77* *11/77/77* *12/77/77* *1/78/78* *2/78/78* *3/78/78* *4/78/78* *5/78/78* *6/78/78* *7/78/78* *8/78/78* *9/78/78* *10/78/78* *11/78/78* *12/78/78* *1/79/79* *2/79/79* *3/79/79* *4/79/79* *5/79/79* *6/79/79* *7/79/79* *8/79/79* *9/79/79* *10/79/79* *11/79/79* *12/79/79* *1/80/80* *2/80/80* *3/80/80* *4/80/80* *5/80/80* *6/80/80* *7/80/80* *8/80/80* *9/80/80* *10/80/80* *11/80/80* *12/80/80* *1/81/81* *2/81/81* *3/81/81* *4/81/81* *5/81/81* *6/81/81* *7/81/81* *8/81/81* *9/81/81* *10/81/81* *11/81/81* *12/81/81* *1/82/82* *2/82/82* *3/82/82* *4/82/82* *5/82/82* *6/82/82* *7/82/82* *8/82/82* *9/82/82* *10/82/82* *11/82/82* *12/82/82* *1/83/83* *2/83/83* *3/83/83* *4/83/83* *5/83/83* *6/83/83* *7/83/83* *8/83/83* *9/83/83* *10/83/83* *11/83/83* *12/83/83* *1/84/84* *2/84/84* *3/84/84* *4/84/84* *5/84/84* *6/84/84* *7/84/84* *8/84/84* *9/84/84* *10/84/84* *11/84/84* *12/84/84* *1/85/85* *2/85/85* *3/85/85* *4/85/85* *5/85/85*

1 within the borough a copy of the notice once each week for a period of
2 three successive weeks, with publication to occur not later than 45
3 days after the final adoption of the borough's budget; or

4 (2) if there is no newspaper of general circulation in the
5 borough, by posting a copy of the notice for at least 20 days in at
6 least two public places in the borough, with posting to occur not later
7 than 45 days after the final adoption of the borough's budget.

8 (b) Compliance with the provisions of this section is a prerequi-
9 site to receipt of municipal tax resource equalization assistance under
10 AS 29.60.010 - 29.60.080 and state aid for miscellaneous municipal
11 services under AS 29.60.100 - 29.60.180. The department shall withhold
12 annual allocations under those sections until municipal officials
13 demonstrate that the requirements of this section have been met.

14 Sec. 29.45.670. REFERENDUM, ADOPTION, AND MODIFICATION. (a) A
15 new sales and use tax or an increase in the rate of levy of a sales tax
16 approved by the assembly by ordinance does not take effect until rati-
17 fied by a majority of the voters at an election.

18 (b) If a sales tax proposition receives a majority of the votes
19 cast, the assembly may ^{delete or} enact the sales tax or increase the rate of the
20 sales tax as a levy upon buyers, sellers, or both. The sales tax is
21 collected at the time of sale or at the time of payment in credit
22 transactions and transmitted to the borough.

23 ARTICLE 5. CITY SALES AND USE TAXES.

24 Sec. 29.45.700. POWER OF LEVY. (a) A ~~home rule~~ ^{general law} or general law
25 city in a home rule or general law borough which levies and collects
26 areawide sales and use taxes may levy sales and use taxes on all sources
27 taxed by the borough in the manner provided for boroughs, except that
28 the assembly may by ordinance authorize a city to levy and collect
29 sales or use taxes on other sources.

1 (b) A city in a borough which does not levy and collect sales and
2 use taxes for areawide borough functions may levy and collect sales and
3 use taxes in the manner provided for boroughs.

4 (c) A city outside a borough may levy and collect sales and use
5 taxes in the manner provided for boroughs.

6 Sec. 29.45.710. COMBINING SALES TAX WITH INCORPORATION OF A
7 SECOND CLASS CITY. A petition for incorporation of a second class city
8 may request that a sales tax proposal be placed on the same ballot.
9 The petition must state the proposed tax rate. The petition may request
10 that incorporation be dependent on the passage of the sales tax proposi-
11 tion. If so, the incorporation proposition fails if the sales tax
12 fails.

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

14 CHAPTER 46. SPECIAL ASSESSMENTS.

15 Sec. 29.46.010. ASSESSMENT AND PROPOSAL. The governing body may
16 assess against the property of a state or federal governmental unit and
17 private real property to be benefited by an improvement all or a portion
18 of the cost of acquiring, installing, or constructing capital improve-
19 ments. The state shall pay an assessment levied, except as otherwise
20 provided by law and subject to its right of protest under AS 29.46.020-
21 (a)(8). If a governmental unit other than the state benefited by an
22 improvement refuses to pay the assessment, it shall be denied the
23 benefit of the improvement. An improvement proposal may be initiated
24 by

25 (1) petition to the governing body of the owners of one-half
26 in value of the property to be benefited; or

27 (2) the governing body.

28 Sec. 29.46.020. PROCEDURE. (a) The governing body may prescribe
29 by ordinance the procedures relating to creating special assessment

1 districts, making local improvements, levying and collecting assess-
2 ments, and financing improvements, including the following:

3 (1) a procedure for filing petitions;

4 (2) a survey and report by the mayor concerning the need
5 for, desirable extent of, and estimated cost of each proposed local
6 improvement;

7 (3) a public hearing on the necessity for the local improve-
8 ment;

9 (4) a resolution or ordinance of the governing body deter-
10 mining to proceed or not to proceed with the proposed local improve-
11 ment;

12 (5) a public hearing by the governing body on the special
13 assessment roll for the local improvement;

14 (6) published notice of each public hearing required by this
15 section and mailing notice to each record owner of real property within
16 the special assessment district;

17 (7) a resolution or ordinance confirming the special assess-
18 ment roll for the local improvement;

19 (8) if protests as to the necessity of a local improvement
20 are made by owners of property which will bear 50 percent or more of
21 the estimated cost of the improvement, the governing body may not
22 proceed with the improvement until the objections have been reduced to
23 less than 50 percent, except upon approval of not fewer than three-
24 fourths of the governing body.

25 (b) To the extent that the governing body does not prescribe a
26 procedure for special assessments as permitted by this section, the
27 governing body shall comply with the special assessment procedures set
28 out in AS 29.46.030 - 29.46.100.

29 Sec. 29.46.030. CREATION OF DISTRICT. (a) When an improvement

1 proposal is filed with the municipal clerk and presented to the govern-
2 ing body, the governing body shall find by resolution or ordinance
3 whether (1) the improvement requested is necessary and should be made,
4 and (2) if by petition, the request has sufficient and proper peti-
5 tioners. The findings of the governing body are conclusive.

6 (b) If the governing body approves an improvement proposal, it
7 shall develop a proposed improvement plan including the total cost
8 estimate and the percentage of the cost to be assessed against the
9 benefited property. The improvement plan shall be filed with the
10 municipal clerk.

11 (c) The governing body shall set a time for public hearing on the
12 improvement plan and the period for filing objections to the plan. The
13 governing body shall publish a notice of the hearing and of the period
14 during which objections may be filed at least once a week for four
15 consecutive weeks in a newspaper of general circulation if distributed
16 within the city or borough and shall send notice by mail to every
17 record owner of property in the special assessment district.

18 Sec. 29.46.040. RECORD OWNER. The person in whose name property
19 is listed on the municipal property tax roll as owner is conclusively
20 presumed to be the legal owner of record. If the owner is unknown, the
21 assessment roll may designate "unknown owner."

22 Sec. 29.46.050. OBJECTIONS AND REVISION. (a) Objections to an
23 improvement plan may be filed during a period of 60 days after publica-
24 tion of notice. The governing body may by resolution or ordinance
25 approve the plan and order the improvement subject to the limitation of
26 (b) of this section.

27 (b) If objections are made in writing during the period set for
28 objections by the owners of property bearing 50 percent or more of the
29 estimated total cost of the improvement, the governing body may not

1 proceed with the improvement unless it revises the plan to meet the
2 objections and the objections are reduced to less than 50 percent. A
3 revised plan shall be approved and adopted as an original plan in
4 accordance with AS 29.46.030.

5 Sec. 29.46.060. ASSESSMENT ROLL. (a) At any time after approval
6 of an improvement plan, the governing bod, shall assess the authorized
7 percentage of the cost against property in the district included in the
8 plan in proportion to the benefit received.

9 (b) The special assessment roll shall contain property descrip-
10 tions, names of record owners, and assessment amounts.

11 (c) The governing body shall fix a time to hear objections to the
12 roll. The municipal clerk shall send an assessment and hearing notice
13 by mail to each record owner of an assessed property not less than 15
14 days before the hearing.

15 Sec. 29.46.070. HEARING AND SETTLEMENT. After the public hearing,
16 the governing body shall correct errors and inequalities in the roll.
17 If an assessment is increased, a new hearing shall be set and notice
18 published, except that a new hearing and notice is not required if all
19 record owners of property subject to the increased assessment consent
20 in writing to the increase. Objections to the increased assessment
21 shall be limited to record owners of property on which the assessment
22 was increased. When the roll is corrected, it shall be confirmed by
23 resolution or ordinance of the governing body.

24 Sec. 29.46.080. PAYMENT. (a) The governing body shall fix times
25 of payment, penalties on delinquent payments, and the rate of interest
26 on the unpaid balance of the assessment. Payment may be in one sum or
27 by installments. If payment is to be in one sum, payment may not be
28 required sooner than 60 days after mailing of the assessment statement.
29 The entire assessment may be prepaid without interest or penalty within

1 30 days after mailing of the assessment statement, and thereafter the
2 assessment may be prepaid in whole or in part with interest to the
3 payment date.

4 (b) Within 30 days after fixing the time of payment, the municipal
5 clerk shall mail a statement to the record owner of each property
6 assessed. The statement designates the property, the assessment amount,
7 method of payment, rate of interest on the unpaid balance of the assess-
8 ment, the time of delinquency, and penalties on delinquent payments.
9 Within five days after the statements are mailed, the clerk shall have
10 notice published that statements have been mailed.

11 (c) Assessments are liens on the property assessed and are prior
12 and paramount to all liens except municipal tax liens. They may be
13 enforced as provided in AS 29.45.320 - 29.45.470 for enforcement of
14 property tax liens.

15 Sec. 29.46.090. EXEMPTION. (a) The real property owned and
16 occupied by a resident 65 years of age or over, or the spouse, widow,
17 widower, or minor heir of the original applicant, on which is located
18 only his permanent abode which is a single-family residence, is exempt
19 from (1) special sewer assessments levied by a municipality after
20 September 2, 1975, and (2) special water assessments levied by a munici-
21 pality after September 2, 1975. Only one exemption may be granted with
22 respect to the same property, and, if two or more persons are eligible
23 for an exemption with respect to the same property, the parties shall
24 decide between or among themselves which shall receive the benefit of
25 the exemption. Real property may not be exempted under this subsection
26 which the municipality determines, after notice and hearing to the
27 parties concerned, has been conveyed to the applicant primarily for the
28 purpose of obtaining the exemption. The determination of the munici-
29 pality is appealable under AS 44.62.560 - 44.62.570.

1 (b) An exemption may not be granted under this section except
2 upon written application for the exemption on a form prescribed by the
3 state assessor for use by local assessors and in accordance with the
4 following requirements:

5 (1) The claimant must file the initial application during
6 the period of time between the date the assessment roll is confirmed
7 and the time of payment fixed by the governing body. Within one year
8 of the date the assessment roll is confirmed the governing body for
9 good cause shown may waive the claimant's failure to make timely initial
10 application for the exemption and authorize the assessor to accept the
11 application as if timely filed.

12 (2) A claimant receiving the exemption must file with the
13 assessor by March 15 of each subsequent year a separate application
14 proving eligibility as of January 1 in order to retain the exemption.
15 Within the same year the assessor for good cause shown may waive the
16 claimant's failure to make timely application and approve the applica-
17 tion as if timely filed.

18 (3) If an application is filed within the required time
19 under this subsection and is approved by the governing body, the exemp-
20 tion shall be allowed in accordance with the provisions of this section.
21 If a waiver under this subsection is granted and the application for
22 exemption approved, the amount of any assessment, penalty, or interest
23 which the claimant may have already paid on the assessment shall be
24 refunded to him. The municipality may at any time require proof in the
25 form considered necessary of the right and amount of an exemption
26 claimed under this section.

27 (c) The state shall reimburse a municipality for the sewer and
28 water assessment revenues which it would receive but for the operation
29 of this section. Reimbursement under this subsection is a lien in

1 favor of the state against the property exempted to the extent of the
2 assessment against the property exempted. Upon recordation in the
3 recording office of the district in which the property exempted is
4 located the lien is prior and superior to other liens against the
5 property except for property taxes or other special assessments and may
6 be enforced by lien foreclosure as provided in AS 34.10.070 - 34.10.220.
7 The lien becomes immediately due and payable

8 (1) upon sale or other transfer of the property except to a
9 spouse, widow, widower, or minor heir; however, if the property is
10 transferred to a minor heir the lien becomes due and payable on the
11 date the minor heir reaches the age of 25 years;

12 (2) when property exempted under (a)(1) or (2) of this
13 section receives more than one sewer connection or more than one water
14 connection; or

15 (3) when the claimant fails to prove eligibility under
16 (b)(2) of this section.

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

19 (e) In this section

20 (1) "minor heir" means a person who, at the time of transfer
21 of the property, has not attained the age of 19 years or who, if he has
22 not attained the age of 22 years, is a full-time student at an educa-
23 tional institution or a member of the armed forces of the United States;

24 (2) "real property" includes, but is not limited to, mobile
25 homes, whether classified as real or personal property for municipal
26 tax purposes;

27 (3) "resident" means a person who for 12 consecutive months
28 has maintained his permanent place of abode in the state.

29 Sec. 29.46.100. REASSESSMENT. (a) The governing body shall

1 within one year correct any deficiency in a special assessment found by
2 a court. Notice and hearing must conform to the initial assessment
3 procedures.

4 (b) Payments on the initial assessment are credited to the prop-
5 erty upon reassessment. The reassessment becomes a charge upon the
6 property notwithstanding failure to comply with any provision of the
7 assessment procedure.

8 Sec. 29.46.110. ALLOWABLE COSTS. (a) When a special assessment
9 district is created, there may be included in the assessments

10 (1) all of the cost of acquiring, installing, making, or
11 constructing the local improvement;

12 (2) the costs of all engineering and surveying to be done in
13 connection with creating the district or improvement;

14 (3) the cost of mailing and publishing notices;

15 (4) interest on interim financing;

16 (5) the cost of legal services and other expenses incurred
17 in the formation of the special assessment district;

18 (6) the cost of completing the improvement and financing the
19 improvement, including the issuance of bonds.

20 (b) The total amount of the assessment roll may not exceed actual
21 costs, but actual costs may include reasonable estimates of the costs
22 to be incurred in connection with issuance of bonds.

23 Sec. 29.46.120. OBJECTION AND APPEAL. (a) The validity of an
24 assessment may not be contested by a person who did not file with the
25 municipal clerk a written objection to the assessment roll before its
26 confirmation.

27 (b) The decision of the governing body on an objection may be
28 appealed to the superior court within 30 days of the date of confirma-
29 tion of the assessment roll. If no objection is filed or appeal taken

1 within the time provided in this section, the assessment procedure is
2 considered valid in all respects.

3 Sec. 29.46.130. INTERIM FINANCING. (a) The governing body may
4 provide by resolution or ordinance for the issuance of notes in payment
5 of the costs of a local improvement project, payable out of special
6 assessments for the improvement. The notes shall bear interest at a
7 rate or rates authorized by the resolution or ordinance, and shall be
8 redeemed either in cash or bonds for the improvement project.

9 (b) Notes issued against assessments shall be claims against the
10 assessments which are prior and superior to a right, lien or claim of a
11 surety on the bond given to the city or borough to secure the perfor-
12 mance of its contract for a local improvement project, or to secure the
13 payment of persons who have performed work or furnished materials under
14 the contract.

15 (c) The municipal treasurer may accept notes against special
16 assessments upon conditions prescribed by the governing body in payment
17 of

18 (1) assessments against which the notes were issued in order
19 of priority;

20 (2) judgments rendered against property owners who have
21 become delinquent in the payment of assessments; and

22 (3) certificates of purchase when property has been sold
23 under execution or at tax sale for failure to pay the assessments.

24 Sec. 29.46.140. SPECIAL ASSESSMENT BONDS. (a) The governing
25 body may by ordinance authorize the issuance and sale of special assess-
26 ment bonds to pay all or part of the cost of an improvement in a special
27 assessment district. The principal and interest of bonds issued shall
28 be payable solely from the levy of special assessments against the
29 property to be benefited. The assessments shall constitute a sinking

1 fund for the payment of principal and interest on the bonds. The
2 benefited property may be pledged by the governing body to secure a
3 payment.

4 (b) Upon default in a payment due on a special assessment bond, a
5 bondholder may enforce payment of principal, interest, and costs of
6 collection in a civil action in the same manner and with the same
7 effect as actions for the foreclosure of mortgages on real property.
8 Foreclosure shall be against all property on which assessments are in
9 default. The period for redemption is the same as for a mortgage
10 foreclosure on real property.

11 (c) Before the governing body may issue special assessment bonds,
12 it shall establish a guarantee fund and appropriate to the fund annually
13 a sum adequate to cover a deficiency in meeting payments of principal
14 and interest on bonds if the reason for the deficiency is nonpayment of
15 assessments when due. Money received from actions taken against prop-
16 erty for nonpayment of assessments shall be credited to the guarantee
17 fund.

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

19 CHAPTER 47. MUNICIPAL DEBT.

20 ARTICLE 1. REVENUE ANTICIPATION NOTES.

21 Sec. 29.47.010. BORROWING IN ANTICIPATION OF REVENUE. A city or
22 borough which is authorized to incur indebtedness may borrow money to
23 meet appropriations for any fiscal year in anticipation of the collec-
24 tion of the revenues for that year, but all debt so contracted shall be
25 paid before the end of the next fiscal year. Revenue anticipation
26 notes may be issued as evidence of the borrowing.

27 Sec. 29.47.020. ISSUANCE OF NOTES. The governing body of a city
28 or borough may, by ordinance or resolution, authorize the issuance of
29 revenue anticipation notes and prescribe the form, details, and the

1 manner of their execution. The governing body may delegate to its
2 chief fiscal officer the power to issue the notes from time to time
3 under the terms and conditions of the ordinance or resolution which
4 provides for the manner of their sale.

5 Sec. 29.47.030. ISSUANCE OF NOTES IN ANTICIPATION OF STATE,
6 FEDERAL GRANTS. (a) The governing body of a city or borough, upon
7 adoption of a long-range capital improvement budget by ordinance or
8 resolution, may by resolution provide for revenue anticipation notes in
9 an amount not to exceed the total amount of any state or federal grants
10 finally committed for these projects. The notes mature no later than
11 the end of the next fiscal year. The notes may be for single or mul-
12 tiple projects outlined in the adopted capital improvement budget.

13 (b) If the state or federal grants for capital improvement pro-
14 jects have not been paid to the city or borough before maturity of the
15 notes issued in anticipation of the receipt of the revenue, the govern-
16 ing body may issue new notes in order to meet payment of the notes then
17 maturing or may renew the outstanding revenue anticipation notes. New
18 notes issued or renewals of outstanding revenue anticipation notes
19 mature not later than the end of the next fiscal year.

20 Sec. 29.47.040. PRIORITY OF REPAYMENT. The payment of the princi-
21 pal and interest on revenue anticipation notes is payable from revenues,
22 and their payment additionally shall be secured by a pledge of the full
23 faith, credit, and unlimited taxing power of the city or borough issuing
24 them.

25 ARTICLE 2. BOND ANTICIPATION NOTES.

26 Sec. 29.47.080. BOND ANTICIPATION BORROWING. A city or borough
27 may borrow money in anticipation of the sale of general obligation and
28 revenue bonds if

29 (1) the general obligation bonds to be sold have been autho-

1 rized by the governing body and ratified by a majority vote at an
2 election;

3 (2) the revenue bonds to be sold have been authorized by
4 ordinance.

5 Sec. 29.47.090. ISSUANCE OF NOTES. The governing body shall
6 issue negotiable or nonnegotiable notes for the amounts borrowed with a
7 maturity date not to exceed one year from the date of issue. All notes
8 and the interest on them are payable at fixed places on or before a
9 fixed time from the proceeds of the sale of bonds in anticipation of
10 which the original note or notes were issued, unless the bonds have not
11 been sold by the maturity date of the notes.

12 Sec. 29.47.100. ISSUANCE OF NEW NOTES. If the sale of the bonds
13 has not occurred before the maturity of the notes issued in anticipation
14 of the sale, the governing body shall issue new notes in order to meet
15 payment of the notes then maturing, or shall renew the outstanding bond
16 anticipation notes. New notes issued or renewals of outstanding bond
17 anticipation notes bear a maturity date not to exceed one year from the
18 date of issue. Notes, new notes, and renewals of notes may not be
19 outstanding for a total elapsed time of more than three years.

20 Sec. 29.47.110. REPAYMENT OF NOTES. Every note is payable from
21 the proceeds of the sale of bonds which the notes anticipated or from
22 the proceeds of the sale of new bond anticipation notes.

23 Sec. 29.47.120. SECURITY. (a) Notwithstanding other provisions
24 of this chapter as to payment of notes, notes issued in anticipation of
25 the sale of general obligation bonds and the interest on them are
26 secured by the full faith, credit, taxing power, and resources of the
27 city or borough. The city or borough may levy ad valorem taxes for
28 payment without limitation of rate or amount.

29 (b) Notes issued in anticipation of the sale of revenue bonds and

1 the interest on them are secured in the same manner as are the revenue
2 bonds in anticipation of which the notes are issued.

3 Sec. 29.47.130. LIMITATION. The total amount of notes issued and
4 outstanding may at no time exceed the total amount of bonds authorized
5 to be issued.

6 Sec. 29.47.140. USE OF PROCEEDS. The proceeds from the sale of
7 notes shall be used only for the purposes for which the proceeds from
8 the sale of bonds may be used, or to meet payment of outstanding bond
9 anticipation notes.

10 ARTICLE 3. GENERAL OBLIGATION BONDS.

11 Sec. 29.47.180. GENERAL OBLIGATION BONDS. A city or borough may
12 acquire, construct, improve, and equip capital improvements and issue
13 negotiable or nonnegotiable general obligation bonds for these purposes.

14 Sec. 29.47.190. VOTE AND NOTICE OF EXISTING INDEBTEDNESS REQUIRED.

15 (a) A city or borough may incur general obligation bond debt only
16 after a bond authorization ordinance is approved by a majority vote at
17 an election. Any municipal voter may vote in the bond election, except
18 as otherwise provided by law.

19 (b) Before a general obligation bond issue election, the governing
20 body shall have published a notice of the total existing bond indebted-
21 ness at least once a week for three consecutive weeks. The first
22 notice shall be published at least 20 days before the date of the
23 election. A notice shall include

- 24 (1) the current total general obligation bonded indebtedness,
25 including authorized but unsold bonds of the city or borough;
26 (2) the cost of the debt service on the current indebtedness;
27 (3) the total assessed valuation in the city or borough.

28 Sec. 29.47.200. PAYMENT. (a) The full faith and credit of a
29 city or borough are pledged for the payment of principal and interest

1 on general obligation bonds. The city or borough may levy ad valorem
2 taxes for payment without limitation of rate or amount to pay or secure
3 the payment of the principal and interest on bonds, regardless of
4 whether the bonds are in default or in danger of default.

5 (b) General obligation bonds issued for acquiring, constructing,
6 improving and equipping a municipally owned utility or other revenue-
7 generating enterprise may be additionally secured by a pledge of the
8 revenue derived from operation. Bonds so secured are not subject to a
9 debt limitation imposed by a borough or city home rule charter. This
10 subsection applies to home rule and general law municipalities.

11 ARTICLE 4. REVENUE BONDS.

12 Sec. 29.47.240. REVENUE BONDS. (a) A city or borough may issue
13 revenue bonds for a public enterprise or public corporation of the city
14 or borough where the only security is the revenue of the public enter-
15 prise or corporation.

16 (b) A city or borough may issue its revenue bonds to finance the
17 purchase of residential mortgage loans. The revenue bonds issued under
18 this subsection are payable solely from the principal and interest of
19 the mortgage loans and from other amounts pledged by the city or
20 borough, except the pledge of revenues derived from taxes. Revenue
21 bonds issued under this subsection do not constitute a general obliga-
22 tion of the city or borough.

23 Sec. 29.47.250. NO ELECTION REQUIRED. An election is not required
24 to authorize the issuance and sale of revenue bonds, unless otherwise
25 provided by ordinance.

26 Sec. 29.47.260. CONSTRUCTION. The prohibitions of AS 37.10.085
27 do not apply to the issuance of revenue bonds or the use of proceeds
28 from revenue bonds by a home rule or general law municipality.

29 ARTICLE 5. REFUNDING BONDS.

1 Sec. 29.47.300. AUTHORIZATION. If a city or borough has outstand-
2 ing general obligation or revenue bonds and the governing body deter-
3 mines that it would be financially advantageous to refund the bonds,
4 the governing body may provide by ordinance for the issuance of general
5 obligation or revenue refunding bonds.

6 Sec. 29.47.310. EFFECT OF BONDS. The refunding bonds may take up
7 and refund all or part of outstanding bonds at or before their maturity
8 or redemption date. The governing body may include various series and
9 issues of bonds in a single issue of refunding bonds.

10 Sec. 29.47.320. NO ELECTION REQUIRED. An election is not required
11 to authorize the issuance and sale of refunding bonds. Their issuance
12 may be authorized and all proceedings with reference to them prescribed
13 by ordinance of the governing body. However, when it is desirable to
14 use general obligation bonds to refund a revenue bond issue, the govern-
15 ing body shall call an election on the question.

16 Sec. 29.47.330. PAYMENT OF REFUNDING BONDS. General obligation
17 refunding bonds and revenue refunding bonds are payable according to
18 AS 29.47.210.

19 Sec. 29.47.340. SALE OF REFUNDING BONDS. General obligation or
20 revenue refunding bonds may, at the discretion of the governing body,
21 be exchanged for the bonds being refunded, or may be sold at public or
22 private sale. They may be issued and delivered at any time before the
23 date of maturity or redemption of the refunded bonds.

24 Sec. 29.47.350. OTHER MUNICIPAL FINANCING. (a) A city or borough
25 may authorize by ordinance or resolution the issuance of revenue bonds
26 to finance any project which serves a public purpose, and the bonds
27 shall be secured and payable solely from the revenue and property of
28 the project.

29 (b) Bonds issued under this section are not a debt or liability

1 of the city or borough and do not create or constitute an indebtedness,
2 liability, or obligation of the city or borough, nor do they constitute
3 a pledge of faith, credit, or taxing power of the city or borough.
4 Each bond must contain on its face a statement that the principal and
5 interest on the bond are payable solely from the revenues and property
6 of the project being financed, that the city or borough is not obligated
7 to pay the principal or the interest on the bonds except from those
8 sources, and that neither the faith and credit nor the taxing power of
9 the city or borough is pledged to the payment of principal or interest
10 on the bond.

11 (c) A city or borough may

12 (1) loan the proceeds of the bonds issued under this section;

13 (2) pledge, mortgage or assign money, leases, agreements,
14 property, or other assets of the project being financed;

15 (3) enter into covenants and agreements concerning bonds
16 issued under this section which the city or borough determines to be
17 desirable;

18 (4) provide for any matter which affects the security of the
19 bonds.

20 (d) In this section

21 (1) "bonds" means bonds, notes, or other evidence of indebt-
22 edness;

23 (2) "project" includes but is not limited to commercial,
24 manufacturing, agricultural, industrial, residential housing, recrea-
25 tion, tourism, and medical projects and programs.

26 ARTICLE 6. MISCELLANEOUS PROVISIONS.

27 Sec. 29.47.400. SALE. Bonds and notes issued under this chapter
28 may be sold at either public or private sale by the city or borough in
29 the manner and at the price it determines.

1 Sec. 29.47.410. FORMS AND TERMS. The governing body may by
2 ordinance or resolution fix the date, denominations, maturities, rate
3 or rates of interest, redemption terms, registration privileges, manner
4 of execution, signatures required, purchase price, manner of sale, and
5 other requirements for issuing bonds or notes under this chapter. If
6 an official whose signature appears on the bonds or coupons ceases to
7 be an official before delivery of the bonds, his signature is valid as
8 if he had remained in office until delivery.

9 Sec. 29.47.420. INTEREST RATE. The interest rate payable on a
10 bond or note issued under this chapter shall be determined by the
11 governing body and is not subject to the usury rate limitations of
12 AS 45.45.010.

13 Sec. 29.47.430. REDEMPTION BEFORE MATURITY. A bond or note
14 issued under this chapter may be made subject to redemption before
15 maturity as stated in the authorization or in the bond or note.

16 Sec. 29.47.440. BOROUGH INDEBTEDNESS. (a) A borough may incur
17 indebtedness

18 (1) on an areawide basis for areawide functions; or

19 (2) on a nonareawide basis for functions performed in the
20 area outside a home rule or first class city only; or

21 (3) on a service area basis for functions performed in a
22 service area only.

23 (b) Payment of debt principal and interest as well as other costs
24 shall be derived from the area incurring the debt under (a)(2) or
25 (a)(3) of this section, except that the full faith and credit of the
26 entire borough may be pledged to guarantee payment of principal and
27 interest.

28 (c) If the bonded debt to be incurred by a borough is an areawide
29 debt, the vote is areawide. If the full faith and credit of the entire

1 borough is pledged for the payment of the debt of the area outside
2 cities or of a service area, an areawide election is held and the
3 proposition must pass both areawide and in the area which will benefit
4 from the improvement. If the bonded indebtedness to be incurred is
5 limited to areas outside a city, the vote is limited to voters outside
6 a city. If the indebtedness to be incurred is limited to a service
7 area, the vote is limited to voters in the service area. Only the full
8 faith and credit of the area voting on the indebtedness is pledged for
9 the payment of the debt.

10 (d) The indebtedness of a city or borough reclassified under
11 AS 29.04.040 is not affected by reclassification. Not less than all
12 property in a city or borough which is reclassified remains subject to
13 taxation to amortize bonded or other indebtedness affecting the city or
14 borough and authorized on the effective date of reclassification.

15 Sec. 29.47.450. SERVICE AREA DEBT. The indebtedness of a service
16 area acquired under AS 29.47.440 remains the indebtedness of the area
17 which incurred the debt, notwithstanding a subsequent court determina-
18 tion that the service area was not validly formed under law or by
19 virtue of a defect in the proceedings creating the service area. All
20 the property within the service area remains subject to taxation to pay
21 the bonded indebtedness.

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

23 CHAPTER 55. MUNICIPAL PROGRAMS.

24 Sec. 29.55.010. CREATION OF LOCAL HISTORICAL DISTRICT COMMISSIONS.
25 The governing body of a municipality may establish a local historical
26 district commission or designate the planning commission or itself to
27 serve as the historical district commission.

28 Sec. 29.55.020. ESTABLISHMENT OF HISTORICAL DISTRICTS. (a) In
29 addition to existing municipal authority providing for the preservation,

1 protection, and maintenance of historic sites, the local historical
2 district commission, in consultation with the Historic Sites Advisory
3 committee within the Department of Natural Resources, may establish a
4 historical district within the boundaries of the municipality.

5 (b) A historical district shall be a reasonably compact area of
6 historical significance in which two or more structures important in
7 state or national history, and related by physical proximity or histori-
8 cal association, are located. For purposes of this section, "structures
9 important in state or national history" means properties recommended by
10 historical district commissions, which are listed in the National
11 Register of Historic Places or are characteristic of the Russian-
12 American period before October 18, 1867, the early territorial period
13 before 1930, or early Native heritage, reflecting the indigenous charac-
14 teristics of Native culture in Alaska. Upon recommendation of the
15 governing body of a municipality and the Historic Sites Advisory Commit-
16 tee, the Department of Natural Resources may by regulation formulate
17 additional criteria for the establishment of historical districts not
18 inconsistent with this subsection.

19 (c) The establishment of a historical district under this section
20 shall be consistent with any applicable comprehensive plan for the
21 municipality.

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

23 CHAPTER 60. STATE PROGRAMS.

24 ARTICLE 1. MUNICIPAL TAX RESOURCE EQUALIZATION.

25 Sec. 29.60.010. STATE EQUALIZATION OF TAX RESOURCES FOR MUNICIPAL
26 SERVICES. (a) During each fiscal year the department shall compute an
27 equalization entitlement for municipal services provided by a taxing
28 unit.

29 (b) The equalization entitlement computed for a taxing unit is

1 based on the population, relative ability to generate revenue, and
2 local tax burden of the taxing unit and is determined by the application
3 of the formula

4 Entitlement = P x R

5 where P = population, and

6 R = millage rate equivalent, determined by dividing the sum
7 of the locally generated revenue of the taxing unit by one-tenth of one
8 percent (0.1) of the full and true value of assessed property of the
9 taxing unit determined under AS 29.60.030(d); however, the property
10 value used under this subsection may not be less than 15 percent of the
11 statewide average per capita full and true assessed property value.

12 (c) For purposes of this section, locally generated revenue

13 (1) includes

14 (A) the actual revenue derived from the levy and collec-
15 tion of local taxes in the taxing unit for municipal services
16 during the preceding fiscal year of the taxing unit;

17 (B) motor vehicle payments received by the municipality
18 during the preceding fiscal year under AS 28.10.431;

19 (C) revenue from fees, rentals, leases, penalties,
20 licenses or permits received during the preceding fiscal year by
21 the municipality for a function or service over which it has con-
22 trol, including revenues derived from parks and recreation ser-
23 vices, mass transit, offstreet parking, and garbage and solid
24 waste disposal services;

25 (D) special assessments received during the preceding
26 fiscal year; and

27 (E) payments received by a municipality from a utility
28 which are in place of taxes levied and collected by the municipal-
29 ity;

1 (2) excludes

2 (A) revenue derived from the levy and collection of
3 municipal taxes and appropriated for the operating expenses and
4 debt service of utilities;

5 (B) revenue from interest earned on investments and
6 from the sale and lease of land or equipment; and

7 (C) all other revenue from whatever service derived.

8 Sec. 29.60.020. DETERMINATION OF POPULATION. (a) For purposes
9 of AS 29.60.010 - 29.60. 80, the population of a taxing unit shall be
10 determined annually by the latest figures of the United States Bureau
11 of the Census or other population data which, in the judgment of the
12 department, is reliable.

13 (b) The population of the taxing unit includes the population of
14 any military reservation which is a part of the taxing unit.

15 Sec. 29.60.030. DETERMINATION OF MILLAGE RATE EQUIVALENT. (a)
16 The department may require a municipality to return a certification,
17 signed by the municipal treasurer or manager and the mayor, which
18 provides an estimate of the locally generated revenue received by the
19 municipality during the preceding fiscal year.

20 (b) By October 15 of each year, the department shall make an
21 initial determination of the millage rate equivalent of each taxing
22 unit to be used for computing and distributing equalization entitlements
23 for the current fiscal year under AS 29.60.010 - 29.60.080. The depart-
24 ment shall base the initial determination on the estimates in the
25 certification returned by a municipality under (a) of this section.

26 (c) As early as possible, but not later than December 15 of each
27 year, the department shall make a final determination of the millage
28 rate equivalent of each taxing unit to use to compute and distribute
29 equalization entitlements under AS 29.60.010 - 29.60.080. The depart-

1 ment shall base the determination on audits, financial statements and
2 other financial reports prepared and submitted by a municipality. The
3 department shall adjust the locally generated revenue reported by a
4 municipality to exclude the municipal revenue claimed which does not
5 qualify for inclusion in or recognition as locally generated revenue
6 for municipal purposes under AS 29.60.010(c)(1). The adjustment shall
7 be made by deducting from total revenue claimed by the municipality the
8 amount of the department's estimate of revenue which is not recognized
9 for municipal purposes.

10 (d) The full and true assessed property value shall be determined
11 by the department in the manner provided for the computation of state
12 aid to education under AS 14.17.140. When the determination of locally
13 generated revenue includes revenue of a utility received under AS 29.-
14 60.010(c)(1)(E), the full and true assessed property value shall include
15 the computed assessed value of the utility, determined by dividing the
16 amount of the payment in place of taxes made by the utility by the
17 millage rate which would apply to the utility if the utility were
18 subject to levy and collection of taxes under AS 29.45.

19 (e) In addition to the computation for municipalities which levy
20 and collect a property tax, the department shall determine an estimated
21 full and true assessed property value under (d) of this section for

22 (1) each municipality which is a school district and which
23 does not levy and collect a property tax;

24 (2) each second class city with a population of 750 or more
25 persons; however, a computation is not required under this paragraph
26 more often than once during a period of three successive calendar
27 years; and

28 (3) all other second class cities, by determining the average
29 per capita full and true assessed property value of all cities having a

1 population of less than 750 persons in which an assessment has been
2 completed by a municipality or for which a determination is not made
3 under (1) or (2) of this subsection.

4 (f) The department shall annually compute a statewide average per
5 capita full and true assessed property value.

6 Sec. 29.60.040. REPORTS. A payment of an equalization entitlement
7 may not be made to a municipality under AS 29.60.010 - 29.60.080 until
8 the municipality has submitted its certificate of estimated revenue and
9 its financial report to the department for the fiscal year preceding
10 the year for which the equalization entitlement is sought, together
11 with a budget for the municipality's current fiscal year. The financial
12 report shall include a listing of general revenue collected from taxes
13 levied and assessed and any other revenue which, in the opinion of the
14 municipal officials, is eligible for inclusion in computations of the
15 locally generated revenue of the taxing unit.

16 Sec. 29.60.050. LIMITATION ON COMPUTATION AND USE OF PAYMENTS.

17 (a) An equalization entitlement generated by the tax levy of a taxing
18 unit may be used only for authorized expenditures of that taxing unit,
19 but up to 15 percent of the payment of an equalization entitlement
20 generated by areawide revenue of a municipality may be used by the
21 municipality for areawide or nonareawide purposes at the discretion of
22 its governing body.

23 (b) An equalization entitlement determined with reference to
24 revenue other than revenue obtained from the levy and collection of
25 taxes may be used for areawide or nonareawide purposes, at the discre-
26 tion of the governing body.

27 Sec. 29.60.060. TAX EQUALIZATION ACCOUNT. The tax equalization
28 account is established. Money to carry out the provisions of AS 29.60.-
29 010 - 29.60.080 shall be allocated by the department to the account.

1 The amount allocated to the account shall be fully distributed by the
2 department as payments to municipalities to fulfill each share autho-
3 rized under AS 29.60.010. The amount allocated to the account shall be
4 distributed by the department pro rata among eligible municipalities.

5 Sec. 29.60.070. ADMINISTRATION. (a) The department may adopt
6 regulations necessary to implement AS 29.60.010 - 29.60.030. The
7 regulations shall include, among other provisions,

8 (1) procedures and filing dates for submitting certification
9 and financial reports;

10 (2) procedures for obtaining information required to compute
11 and determine the municipality's millage rate equivalent; and

12 (3) procedures by which the department shall notify a munici-
13 pality in writing of the reasons for a proposed disallowance or adjust-
14 ment of any factor bearing upon the determination of the municipality's
15 entitlement and by which the municipality will be provided reasonable
16 time in which to respond or to challenge the department's determination.

17 (b) The department shall make reasonable efforts to advise and
18 assist municipalities in collecting information and completing reports
19 necessary for the determination of entitlements under AS 29.60.010 -
20 29.60.080.

21 (c) The department shall, by regulation, classify for inclusion
22 or exclusion as a component of a municipality's millage rate equivalent
23 under AS 29.60.010 any tax revenue appropriated for a utility not
24 included in the definition set out in AS 29.60.080(4).

25 Sec. 29.60.080. DEFINITIONS. In AS 29.60.010 - 29.60.080

26 (1) "taxing unit" means a municipality and

27 (A) in a home rule or general law borough or unified
28 municipality, a service area or the entire area outside cities;

29 (B) in a home rule or general law city, a differential

1 tax zone;

2 (2) "utility" means electric, water, sewer, gas heat, tele-
3 phone, or refuse and garbage collection service.

4 ARTICLE 2. STATE AID FOR MISCELLANEOUS PURPOSES.

5 Sec. 29.60.100. REVENUE SHARING PAYABLE. In addition to the
6 equalization entitlements paid under AS 29.60.010 - 29.60.080, during
7 each fiscal year the department shall pay aid

8 (1) to a municipality or other eligible recipient which has
9 the power to provide the services described in AS 29.60.030 - 29.60.070
10 and exercises the power in the manner required by AS 29.60.100 - 29.60.-
11 190;

12 (2) to a Native village government under AS 29.60.140.

13 Sec. 29.60.110. STATE AID TO MUNICIPALITIES FOR ROADS. (a) The
14 department shall pay to a municipality which has power to provide for
15 road maintenance and exercises that power, \$2,500 a mile for each mile
16 of road, street or highway maintained by the municipality, excluding
17 (1) the official state highway system, (2) roads, streets or highways
18 not dedicated to public use, (3) roads, streets or highways maintained
19 under the local service road program (AS 19.30.111 - 19.30.251), and
20 (4) alleyways, in accordance with regulations adopted by the Department
21 of Transportation and Public Facilities. A payment may not be made
22 under this subsection for maintenance of a road which is not used by
23 automotive equipment.

24 (b) A frozen waterway and a connection from an inhabited area to
25 a waterway which may be safely used for public transportation by auto-
26 motive equipment and is so used during a portion of a year is eligible
27 for a payment of \$1,500 per mile if the waterway and connection are
28 maintained during the period of use by a municipality or combination of
29 municipalities. The Department, after consultation with the Department

*May 1964
"State of Alaska"*

1 of Transportation and Public Facilities, shall determine which waterways
2 and connections qualify and, where the waterways or connections lie
3 outside the corporate limits of a municipality, which municipalities
4 shall receive the payments under this subsection, unless the municipali-
5 ties involved have agreed in writing to a particular distribution.

6 Sec. 29.60.120. STATE AID TO MUNICIPALITIES AND OTHER ELIGIBLE
7 RECIPIENTS FOR HEALTH FACILITIES AND HOSPITALS. (a) The department
8 shall pay

9 (1) to a municipality which has the power to provide hospital
10 facilities and services and which exercises that power, \$1,000 per bed
11 for each bed actually used for patient care, limited to the number of
12 beds provided for in the construction design of the hospital, or \$75,000
13 a hospital for those hospitals with 10 or more beds, or \$25,000 a
14 hospital for those hospitals with less than 10 beds, as the municipality
15 may elect; money received under this paragraph may be used only for
16 hospitals and shall be apportioned among qualifying hospitals as the
17 municipality determines;

18 (2) on the basis set out in (1) of this subsection to a
19 municipality for a nonprofit hospital not operated by a municipality if
20 the municipality first certifies to the department that the nonprofit
21 hospital is in compliance with all standards for hospitals which have
22 been adopted by the municipality; money may not be paid on behalf of a
23 nonprofit hospital without this certification; payments to the municipi-
24 pality shall be transferred to the nonprofit hospital in accordance
25 with the basis by which the payment was generated by the hospital, and
26 shall be applied to the annual cost of operation and maintenance of the
27 hospital or for the provision of health care service at the hospital as
28 the directors of the hospital determine;

29 (3) to a municipality in which a health facility is operated,

1 \$1,000 per bed for each bed actually used for patient care, limited to
2 the number of beds provided for in the construction design of the
3 health facility, or \$4,000 per health facility as the municipality
4 determines.

5 (b) A hospital may not receive payment under both (a)(1) and
6 (a)(2) of this section.

7 (c) Money received by a municipality under (a)(3) of this section
8 shall be used for expenses of health services or operation and main-
9 tenance of health facilities as the municipality determines.

10 (d) Before money may be distributed under this section, the
11 commissioner of health and social services shall certify to the commis-
12 sioner of community and regional affairs that any accumulation of
13 assets by nonprofit corporations or other recipients under this section
14 is dedicated irrevocably to a public purpose.

15 Sec. 29.60.130. STATE AID TO VOLUNTEER FIRE DEPARTMENTS NOT IN
16 ORGANIZED MUNICIPALITY. (a) The department shall pay to a volunteer
17 fire department registered with the state fire marshal and serving an
18 area not in an organized municipality a sum for protection purposes
19 equal to \$10 per capita for the population served by the department, as
20 determined by the state fire marshal.

21 (b) A grant shall be made under (a) of this section to facilitate
22 the organization of a volunteer fire department in an area not in an
23 organized municipality, upon application of the proposed fire protec-
24 tion group to the state fire marshal and upon approval of applications
25 according to standards of organization and service prescribed by regula-
26 tions adopted by the state fire marshal.

27 Sec. 29.60.140. STATE AID TO NATIVE VILLAGE GOVERNMENTS. The
28 state shall pay \$25,000 to a Native village government for a village
29 is not incorporated as a city under this title. In this section,
New Language needed

1 "Native village government" means

2 (1) a local governing body organized by authority of the Act
3 of Congress of June 18, 1934 (25 U.S.C. sec. 476); or

4 (2) a traditional village council or, if there is no tradi-
5 tional village council, the paramount chief or other local governing
6 body of a Native village which meets the requirements of the Alaska
7 Native Claims Settlement Act (43 U.S.C. sec 1601 - 1628).

8 Sec. 29.60.150. POPULATION DETERMINATION. For purposes of AS 29.-
9 60.100 - 29.60.190, population shall be determined by the latest figures
10 of the United States Bureau of the Census or other reliable population
11 data, including but not limited to public school enrollment figures,
12 public utility connection, registered voters, or certified employment
13 payrolls.

14 Sec. 29.60.160. AREA COST-OF-LIVING DIFFERENTIAL. (a) Payments
15 to a municipality or other eligible recipient under AS 29.60.110 -
16 29.60.120 shall reflect area cost-of-living differentials. Payments
17 shall be based on the sum of per capita, per mile and per bed or facil-
18 ity grants due each municipality or other recipient multiplied by the
19 appropriate area cost-of-living differential. The area cost-of-living
20 differential for each recipient shall be determined annually by election
21 district under the provisions of AS 39.27.030. Application of the area
22 cost-of-living differential may not result in distribution of an amount
23 less than the amount of the payment determined without reference to
24 application of this section.

25 (b) The election districts used to establish area cost-of-living
26 differentials under (a) of this section are those designated by the
27 proclamation of reapportionment and redistricting of December 7, 1961,
28 and retained for the house of representatives by proclamation of the
29 governor September 3, 1965.

1 Sec. 29.60.170. MISCELLANEOUS SERVICES ACCOUNT. The miscel-
2 laneous services account is established. Money to carry out the provi-
3 sions of AS 29.60.100 - 29.60.190 shall be allocated by the department
4 to the account in accordance with AS 29.60.280. If amounts in the
5 account are insufficient to pay each municipality's or other recip-
6 ient's share authorized under AS 29.60.100 - 29.60.190, the amounts
7 which are available shall be distributed pro rata among eligible munici-
8 palities and other recipients.

9 Sec. 29.60.180. REGULATIONS. The department shall adopt regula-
10 tions necessary to carry out the purposes of AS 29.60.100 - 29.60.190.
11 The regulations shall include minimum standards required to qualify a
12 municipality or other recipient for payments for each service. The
13 department may require a municipality or other recipient to submit a
14 performance report adequate to demonstrate to the department that a
15 service for which payment is requested under AS 29.60.100 - 29.60.190
16 was performed by the municipality or other recipient and meets minimum
17 standards of service prescribed by regulation.

18 Sec. 29.60.190. DEFINITIONS. In AS 29.60.100 - 29.60.190

19 (1) "health facility"

20 (A) means a facility which is licensed, when required,
21 by the state under AS 18.20.010 - 18.20.130 and which is owned or
22 operated or both by a municipality or by a nonprofit corporation
23 or other nonprofit sponsor;

24 (B) includes a public health center, maternity home,
25 community mental health center, facility for the mentally or
26 physically handicapped, nursing home or convalescent center;

27 (C) excludes a facility operated or wholly supported by
28 the state or the federal government;

29 (2) "hospital" means a licensed hospital determined by the

1 Department of Health and Social Services to be a general hospital; the
2 term excludes a facility operated or wholly supported by the state or
3 the federal government.

4 ARTICLE 3. STATE AID FOR HOSPITAL CONSTRUCTION.

5 Sec. 29.60.230. STATE AID FOR HOSPITAL CONSTRUCTION. If construc-
6 tion of a hospital began after January 1, 1968, and state matching aid
7 for construction approved for payment to a municipality or other hospi-
8 tal sponsor constitutes less than 25 percent of the total project cost,
9 the department shall pay to the municipality or other hospital sponsor
10 each fiscal year \$2,500 a bed for the maximum number of beds provided
11 for in the construction design of the facility or five percent of the
12 total project cost, whichever is greater. State aid provided for in
13 this section shall continue until the municipality or other hospital
14 sponsor has received an amount which, combined with state matching
15 money for construction of the hospital, equals 25 percent of the total
16 project cost. Money received for construction may not be used for any
17 other purpose.

18 Sec. 29.60.240. HOSPITAL CONSTRUCTION ASSISTANCE ACCOUNT. The
19 hospital construction assistance account is established. Money to
20 carry out the provisions of AS 29.60.230 - 29.60.250 shall be allocated
21 by the department to the account in accordance with AS 29.60.280. If
22 amounts in the account are insufficient to pay each recipient's share
23 authorized under AS 29.60.230 - 29.60.250, the amounts which are avail-
24 able shall be distributed pro rata among eligible recipients.

25 Sec. 29.60.250. DEFINITIONS. In AS 29.60.230. - 29.60.250

26 (1) "hospital" means a licensed hospital determined by the
27 Department of Health and Social Services to be a general hospital; the
28 term excludes a facility operated or wholly supported by the state or
29 the federal government;

1 (2) "total project cost" means

2 (A) costs directly related to the project; and

3 (B) the total of all costs of financing and carrying
4 out the project, including but not limited to,

5 (i) the costs of all necessary studies, surveys,
6 plans and specifications, architectural, engineering or other
7 special services, acquisition of real property, site pre-
8 paration and development, purchase, construction, reconstruc-
9 tion and improvement of real property, and the acquisition of
10 machinery and equipment as may be necessary in connection
11 with the project;

12 (ii) an allocable portion of the administrative and
13 operating expenses of the municipality or other hospital
14 sponsor;

15 (iii) the cost of financing the project, including
16 interest on bonds issued to finance the project; and

17 (iv) the cost of other items, including any in-
18 demity and surety bonds and premiums on insurance, legal
19 fees, fees and expenses of trustees, depositaries, financial
20 advisors, and paying agents for the bonds issued as the
21 issuer considers necessary.

22 Sec. 29.60.260. APPLICATION. AS 29.60.010 - 29.60.250 apply to
23 home rule and general law municipalities.

24 ARTICLE 4. ADMINISTRATION OF MUNICIPAL FINANCIAL PROGRAMS.

25 Sec. 29.60.260. ALLOCATION AND DISTRIBUTION. (a) Each year, the
26 department shall allocate money appropriated to the accounts established
27 in AS 29.60.060, 29.60.170, and 29.60.240 in the amounts determined by
28 the legislature.

29 (b) Money in the miscellaneous services account established in

1 AS 29.60.170 which exceeds the amount required to fully fund distribu-
2 tions authorized by AS 29.60.100 - 29.60.190 shall be reallocated to
3 the tax equalization account established in AS 29.60.060 and distri-
4 buted according to the provisions of AS 29.60.010 - 29.60.080.

5 (c) Money in the hospital construction assistance account estab-
6 lished in AS 29.60.240 which exceeds the amount required to fully fund
7 distributions authorized by AS 29.60.230 - 29.60.250 shall be reallo-
8 cated to the tax equalization account established in AS 29.60.060 and
9 distributed according to the provisions of AS 29.60.010 - 29.60.080.

10 Sec. 29.60.290. QUALIFICATION FOR MINIMUM PAYMENT. (a) A municipi-
11 pality qualifying for an entitlement under AS 29.60.010 - 29.60.080 or
12 29.60.100 - 29.60.190 shall receive a minimum payment of \$25,000 plus
13 an area cost-of-living differential for each fiscal year if

14 (1) the municipality has conducted a regular election during
15 the fiscal year preceding the year for which payment of an entitlement
16 is authorized by AS 29.60.010 - 29.60.080 or 29.60.100 - 29.60.190 and
17 has reported the results of the election to the commissioner;

18 (2) regular meetings of the governing body are held in the
19 municipality during the fiscal year preceding the year for which payment
20 of an entitlement is authorized by AS 29.60.010 - 29.60.080 or 29.60.-
21 100 - 29.60.190 and a record of the proceedings is maintained;

22 (3) a municipal budget has been adopted for the fiscal year
23 during which payment of an entitlement is authorized by AS 29.60.010 -
24 29.60.080 or 29.60.100 - 29.60.190 and an audit or financial statement
25 for the preceding fiscal year has been prepared and furnished to the
26 department in accordance with AS 29.20.640(a); and

27 (4) local ordinances adopted by the governing body have been
28 codified in accordance with AS 29.25.050.

29 (b) The area cost-of-living differential payable to each municipi-

1 pality under this section shall be determined annually by election
2 district under the provisions of AS 39.27.030. Except as provided in
3 AS 29.60.300, application of the area cost-of-living differential may
4 not result in a payment which is less than the minimum payment deter-
5 mined under (a) of this section. For purposes of this subsection, the
6 election districts used are those designated by the proclamation of
7 reapportionment and redistricting of December 7, 1961, and retained for
8 the house of representatives by proclamation of the governor
9 September 3, 1965.

10 (c) The department shall pay to each municipality eligible to
11 receive a minimum payment under this section an amount equal to the
12 difference between the minimum payment determined under (a) and (b) of
13 this section and the sum of the amounts payable for the same fiscal
14 year under AS 29.60.010 - 29.60.080 and 29.60.100 - 29.60.190.

15 (d) A payment under this section may be prorated and reduced
16 under AS 29.60.300.

17 (e) Payments under this section shall be made from the money
18 allocated to the tax equalization account established in AS 29.60.060.

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

21 Sec. 29.60.300. PRORATION OF PAYMENTS. (a) Payments under
22 AS 29.60.290 and 29.60.010 - 29.60.190 shall equal the amount allocated
23 to the tax equalization account (AS 29.60.060), adjusted in accordance
24 with AS 29.60.280.

25 (b) Adjustments of payments shall be determined by prorating
26 amounts payable under AS 29.60.290 and amounts payable under AS 29.-
27 60.010 - 29.60.190 by a factor which, when applied, reduces all payments
28 in equal proportion so that payment under AS 29.60.290 and payments
29 under AS 29.60.010 - 29.60.190 equal the amount allocated to the tax

1 equalization account established in AS 29.60.060.

2 * Sec. 17 AS 29 is amended by adding a new chapter to read:

3 CHAPTER 65. GENERAL GRANT LAND.

4 Sec. 29.65.010. DETERMINATION OF ENTITLEMENT OF HOME RULE AND
5 GENERAL LAW BOROUGHs AND UNIFIED MUNICIPALITIES. The general grant
6 land entitlement of each of the municipalities in this section is the
7 amount set out opposite each:

- 8 (1) Municipality of Anchorage - 44,893 acres;
- 9 (2) City and Borough of Juneau - 19,584 acres;
- 10 (3) City and Borough of Sitka - 10,500 acres;
- 11 (4) Bristol Bay Borough - 2,898 acres;
- 12 (5) Fairbanks North Star Borough - 112,000 acres;
- 13 (6) Haines Borough - 2,800 acres;
- 14 (7) Kenai Peninsula Borough - 155,780 acres;
- 15 (8) Ketchikan Gateway Borough - 11,593 acres;
- 16 (9) Kodiak Island Borough - 56,500 acres;
- 17 (10) Matanuska-Susitna Borough - 355,210 acres;
- 18 (11) North Slope Borough - 89,850 acres.

19 Sec. 29.65.020. DETERMINATION OF ENTITLEMENT FOR NEWLY INCOR-
20 PORATED MUNICIPALITIES. (a) The general grant land entitlement of a
21 municipality incorporated after July 1, 1978, is 10 percent of the
22 total acreage of vacant, unappropriated, unreserved land within the
23 boundaries of the municipality on the date of its incorporation.

24 (b) Within six months of the date of incorporation of a municipal-
25 ity which is incorporated after July 1, 1978, the director shall deter-
26 mine the entitlement of each municipality eligible to receive general
27 grant land under (a) of this section and certify the entitlement to the
28 municipality.

29 Sec. 29.65.030. STATUS OF ENTITLEMENTS. (a) After July 1, 1978,

1 general grant land entitlements provided in AS 29.65.010 are vested
2 property rights which must be fulfilled as provided in AS 29.65.040 or
3 29.65.070.

4 (b) General grant land entitlements provided by AS 29.65.020 are
5 property rights which vest on the date of incorporation of the munici-
6 pality. The entitlement must be fulfilled as provided in AS 29.65.040.

7 (c) Land may be selected by a municipality to satisfy a general
8 grant land entitlement under AS 29.65.010 at any time before October 1,
9 1980.

10 (d) Land may be selected by a municipality to satisfy a general
11 grant land entitlement under AS 29.65.020 at any time within one year
12 after the director certifies the entitlement to the municipality.

13 (e) The time limitations imposed by (c) and (d) of this section
14 for exercising a vested general grant land entitlement do not apply to

15 (1) the portion of an entitlement which cannot be satisfied
16 by that date because of a shortage of land suitable for residential,
17 commercial and industrial purposes which is vacant, unappropriated,
18 unreserved land;

19 (2) payments for land deficiency under AS 29.65.070;

20 (3) the portion of an entitlement which cannot be satisfied
21 because the land selected by a municipality has been selected by a
22 party entitled to select land owned by the United States or the state;
23 or

24 (4) the portion of an entitlement which cannot be satisfied
25 because the land nominated for selection by the municipality is not
26 tentatively approved for patent to the state.

27 Sec. 29.65.040. FULFILLMENT OF LAND ENTITLEMENTS. (a) The
28 acreage of each municipality's land selections for which patent has
29 been issued before July 1, 1978, shall be credited toward fulfillment

1 of the entitlement of that municipality.

2 (b) All approved selections under former AS 29.18.190 and 29.-
3 18.200 for which patent has not been issued to a municipality on July 1,
4 1978, shall be reviewed by the director within nine months of July 1,
5 1978. Any approved selection of land which was vacant, unappropriated,
6 or unreserved on the date of selection is valid as of the date of the
7 approval under former AS 29.18.190 and 29.18.200, and a patent shall be
8 issued to the municipality within three months after approval by the
9 director of a plat of survey. The acreage shall be credited toward
10 fulfillment of the municipality's entitlement. A municipality is not
11 entitled to receive patent under this chapter to more than its entitle-
12 ment determined under AS 29.65.010 and 29.65.020. Any prior approval
13 by the director of municipal selections for land which was not vacant,
14 unappropriated, or unreserved on the date of selection shall be re-
15 scinded, and patent may not be issued except when disposal to a third
16 party by sale or lease has occurred. Transfers of land to municipali-
17 ties under this chapter are subject to AS 38.05.321. Classification
18 actions as reflected on the land status records of the Department of
19 Natural Resources are determinative of land classification status for
20 purposes of this chapter.

21 (c) The director shall approve each selection for patent within
22 nine months of its selection by a municipality, and a patent shall be
23 issued to the municipality for land selected in satisfaction of a
24 general grant land entitlement vested under AS 29.65.010 and 29.65.020
25 within three months after approval by the director of a plat of survey.

26 Sec. 29.65.050. SCHOOL, UNIVERSITY, AND MENTAL HEALTH LAND. (a)
27 If an entitlement determined in AS 29.65.010 results in a per capita
28 entitlement for the municipality of less than one and one-half acre,
29 the municipality may select vacant school, university, or mental health

1 land within the municipality in partial fulfillment of its land entitle-
2 ment under this chapter. School, university, or mental health land may
3 be selected notwithstanding the fact that these lands are not unappro-
4 priated and unreserved within the meaning of this chapter and under
5 former AS 29.18.190 and 29.18.200, but each selection of school, univer-
6 sity, or mental health land by a municipality must be vacant, unappro-
7 priated, or unreserved land as defined in this chapter, except that it
8 need not be general grant land.

9 (b) The acreage of school, university, or mental health land, if
10 any, within a municipality may not be included in the determination of
11 entitlement under AS 29.65.010.

12 (c) Land conveyed under this section will be credited against a
13 municipality's remaining land entitlement under this chapter.

14 (d) Within six months after approval of a municipal selection of
15 school, university, or mental health land, the director shall identify
16 state general grant land of approximately equal value to the land
17 requested by the municipality and shall propose the replacement land
18 for the concurrence of the appropriate board. If a proposal by the
19 director is rejected by the board, the director shall meet with the
20 board as often as necessary to determine the type and amount of equal
21 value replacement land that would be required to obtain the board's
22 concurrence, and shall propose the replacement land for consideration
23 by the board. The replacement land shall thereafter be managed for the
24 purposes for which the land selected by the municipality was acquired
25 by the Territory and State of Alaska.

26 (e) The notice and review provisions of AS 38.05.305 and 38.05.345
27 apply to the designation of other general grant land as school, univer-
28 sity, or mental health land in replacement of land selected under this
29 section. The provisions of AS 38.50 and AS 38.05.032 do not apply to

1 such designations under this section. The provisions of AS 38.05.-
2 030(a), 38.05.030(e), and 38.05.035(a)(13) which require the approval
3 of the respective trust board before disposal of land by the director
4 do not apply to selections of school, university, or mental health land
5 by a local government under this section.

6 (f) For purposes of determining the per capita entitlement under
7 (a) of this section, the population of a municipality shall be the
8 population determined by the commissioner under AS 43.18.010 for the
9 program year beginning July 1, 1978, for a municipality whose entitle-
10 ment is determined under AS 29.65.010.

11 Sec. 29.65.060. SELECTION AND CONVEYANCE PROCEDURE. (a) If land
12 selected by a municipality is unsurveyed at the time of approval, the
13 director shall survey, or may approve the municipality's survey of, the
14 exterior boundaries of an approved selection without interior sub-
15 division, and shall issue patent in terms of the exterior boundary
16 survey. The cost of the survey shall be borne by the municipality. If
17 land selected by a municipality has been surveyed at the time of its
18 selection, the boundaries shall conform to the public land subdivisions
19 established by the approved survey.

20 (b) The director may approve municipal selections of land which
21 have been tentatively approved or patented to the state by the federal
22 government, but he may not issue patent to a municipality until the
23 land has first been patented to the state. After approval of a selec-
24 tion by the director, but before patent to a municipality, the munici-
25 pality may execute conditional leases and make conditional sales only
26 with the consent of the director. Conditional sales and conditional
27 leases made before July 1, 1978, do not require the consent of the
28 director.

29 (c) Nothing in this chapter affects a valid existing claim,

1 location, or entry under the laws of the state or the United States
2 whether for homestead, mineral, right-of-way, or other purposes.
3 Nothing in this chapter affects the rights of an owner, claimant,
4 locater, or entryman to the full use and enjoyment of the land so
5 occupied.

6 Sec. 29.65.077. PAYMENT FOR LAND DEFICIENCY. (a) The Alaska
7 municipal land account is established in the general fund for the
8 following purposes:

9 (1) providing payment to the home rule and general law
10 boroughs and unified municipalities designated in AS 29.65.010 for a
11 deficiency of land physically suitable for residential, commercial, or
12 industrial purposes; or

13 (2) providing payment to the boroughs and unified municipali-
14 ties designated in AS 29.65.010 for certain general grant lands selected
15 by the state and conveyed to a Native corporation under the provisions
16 of the Alaska Native Claims Settlement Act.

17 (b) A municipality shall receive payment for its land deficiency
18 from the municipal land account. A municipality is eligible to receive
19 payment for land deficiency if, after July 1, 1980, the amount of land
20 selected by a municipality which is physically suitable for residential,
21 commercial, or industrial purposes amounts to less than one-third acre
22 per capita. Any entitlement under AS 29.65.010 which is less than
23 one-third acre per capita will, for the purposes of this subsection, be
24 considered a land deficiency. An unselected remaining entitlement
25 will, for the purpose of deficiency payment under this subsection, be
26 considered as land physically suitable for residential, commercial, or
27 industrial purposes. A municipality eligible under this subsection is
28 entitled to receive a payment for land deficiency equal to \$1,000 per
29 acre for a number of acres equal to the difference between one-third of

1 the population of the municipality less the number of acres physically
2 suitable for residential, commercial or industrial purposes which has
3 been selected by the municipality. For the purpose of this subsection,
4 the population of the municipality shall be the population determined
5 in accordance with AS 29.65.050(f). No payment may be made to a munic-
6 pality under this subsection in excess of \$9,000,000.

7 (c) If a municipality selected vacant, unappropriated, unreserved
8 land on or before December 18, 1971, to which the state had received
9 tentative approval or patent, and that land was also selected by a
10 Native corporation organized under the Alaska Native Claims Settlement
11 Act (P.L. 92-203), and title to that land is ultimately vested in that
12 Native corporation, the municipality may, at its option, request payment
13 for land deficiency from the municipal land account. The acceptance of
14 payment under this subsection by a municipality constitutes a relin-
15 quishment of any other right, title, or claim to the land by that
16 municipality. The total payment to a municipality under this subsection
17 may not exceed \$1,000 per acre to a maximum of 8,000 acres.

18 (d) The governor shall annually submit to the legislature a
19 request for an appropriation to the municipal land account for the
20 municipalities which have elected to receive payments under (b) or (c)
21 of this section. The request for appropriation shall distinguish
22 between amounts necessary to make payments for land deficiency und
23 (b) of this section and those required to make payments for land defi-
24 ciency under (c) of this section.

25 (e) For purposes of fulfilling entitlements under this section,
26 the legislature is authorized to appropriate

27 (1) not more than \$4,000,000 per fiscal year, and not more
28 than \$12,000,000 in total, for the purpose of paying entitlements under
29 (b) of this section;

1 (2) not more than \$1,000,000 per fiscal year, and not more
2 than \$8,000,000 in total, for the purpose of paying entitlements under
3 (c) of this section.

4 (f) If an annual appropriation is not sufficient to meet the
5 amount due to all municipalities which have elected to accept payment
6 for land deficiency under (b) or (c) of this section, the governor
7 shall apportion the appropriation among the municipalities in propor-
8 tion to the payment calculated for each municipality for that year.
9 When a distribution of payments is made under (c) of this section, the
10 remaining entitlement of a municipality to which payment is made shall
11 be reduced in an amount equal to the number of acres for which payment
12 was received. An appropriation made under this section is in addition
13 to other grants and entitlements authorized to eligible municipalities.

14 (g) Payments authorized by this section may not be made to a
15 municipality eligible for an entitlement under AS 29.65.010 or 29.65.-
16 020.

17 (h) Payments made under this section shall be used by those
18 municipalities which levy property taxes to reduce those levies in
19 proportion to the amount of state payment received by a municipality
20 for a given fiscal year. The governing body of each municipality shall
21 furnish a notice with the tax statement describing the effect on prop-
22 erty tax levies of payments received under this section.

23 Sec. 29.65.080. AUTHORIZATION FOR LAND EXCHANGES. The director,
24 with the concurrence of the commissioner, and a municipality are autho-
25 rized to exchange land or interests in land when it is in the public
26 interest. Land or interests in land exchanged under this section must
27 be of approximately equal value, including the nonmonetary value of
28 public benefits. Exchange procedures shall comply with applicable law
29 and municipal ordinances. The notice and review provisions of AS 38.-

1 05.305 and 38.05.345 apply to exchanges of land under this section.
2 The provisions of AS 38.50 do not apply to exchanges of land under this
3 section.

4 Sec. 29.65.090. PUBLIC PURPOSE AND EXPANSION NEEDS. (a) Consis-
5 tent with the best interests of the state, if a municipality does not
6 contain and cannot reasonably acquire sufficient nonfederal land within
7 its boundaries to meet its legitimate needs for public or private
8 settlement or development, it shall be the policy of the state to
9 select federal land reasonably necessary to meet the needs of the
10 municipality and to make the land selected available to the municipality
11 under AS 38.05.315 or (b) of this section.

12 (b) Where state land is the most logical location for demonstrated
13 municipal expansion for nonpublic settlement and development purposes,
14 and when an exchange of land under AS 29.65.080 is not possible or is
15 not in the public interest, it is the policy of the state to sell or
16 lease the land at public auction. The state may contract with a muni-
17 cipality to act as its agent in an auction of state land under appli-
18 cable statutes. When a municipality acts as the agent of the state in
19 an auction, the municipality may retain from the proceeds of the auction
20 the expenses which the director determines to be necessary and reason-
21 able.

22 (c) Nothing in this chapter limits or impairs the authority of
23 the director to transfer land to municipalities, without limit or
24 consideration, for public purposes in accordance with AS 38.05.315. If
25 there is a remaining entitlement of the municipality, land transferred
26 under AS 38.05.315 shall be credited toward fulfillment of the entitle-
27 ment.

28 Sec. 29.65.100. ELECTION OF BENEFITS. (a) A municipality which
29 on July 1, 1978, is engaged in litigation, or which becomes engaged in

1 litigation, regarding a claim to state land under former AS 29.18.190
2 and 29.18.200 shall elect either to obtain the benefits provided in
3 this chapter or to pursue the litigation and thereby waive any claim to
4 entitlement under this chapter. An election shall be made by filing a
5 motion for dismissal with prejudice in the court in which the litigation
6 is pending. If the claim involves a municipality identified in AS 29.-
7 65.010, the municipality shall file its motion for dismissal within 60
8 days of July 1, 1978. Failure of the municipality to file a motion for
9 dismissal during the time period provided in this subsection is con-
10 sidered a waiver of entitlement under this chapter.

11 (b) A municipality which was eligible to file land selections
12 under former AS 29.18.190 and 29.18.200 and which does not enter into
13 litigation over a claim to rights under those sections before the
14 expiration of the time period within which it could make an election
15 under (a) of this section is considered to have elected to receive
16 benefits under this chapter and to have waived any claim which might
17 have been raised under former AS 29.18.190 and 29.18.200.

18 (c) The provisions of this chapter do not affect the rights, if
19 any, of any party to litigation regarding the former AS 29.18.190,
20 29.18.200 or 29.18.420, which litigation is maintained by a municipality
21 that has elected not to obtain the benefits provided by this chapter.

22 Sec. 29.65.110. ADMINISTRATION. The commissioner may adopt
23 regulations in accordance with the Administrative Procedure Act
24 (AS 44.62) necessary to carry out the purposes of this chapter.

25 Sec. 29.65.120. DEFINITIONS. In this chapter, unless the context
26 otherwise requires,

27 (1) "approved selection" means a municipal land selection
28 which has been approved in writing by the director for transfer by
29 patent to a municipality;

1 (2) "director" means the director of the division of lands,
2 Department of Natural Resources, or his designee;

3 (3) "general grant land" means land patented or tentatively
4 approved to the state from the United States under sec. 6(a) or (b) of
5 the Alaska Statehood Act;

6 (4) "mental health land" means land granted under Title II,
7 sec. 202 of P.L. 84-830, as amended before or after July 1, 1978;

8 (5) "municipal land selection" means a request by a munici-
9 pality, filed in writing with the director under authority of former
10 AS 29.18.190 and 29.18.200 for vacant, unappropriated, unreserved
11 general grant land within its municipal boundaries in partial fulfill-
12 ment of its municipal entitlement;

13 (6) "patent" means a document, issued by the director to a
14 local government for a previously approved selection, which conveys and
15 quitclaims all the right, title, and interest of the state without
16 reservation or condition except as may be required by law;

17 (7) "remaining entitlement" means the general grant land
18 entitlement determined in accordance with AS 29.65.010 and 29.65.020,
19 reduced by the total acreage of approved selections, including both
20 patented and unpatented parcels;

21 (8) "school land" means those rectangular sections 16 and 36
22 within each township surveyed on or before January 3, 1959, and con-
23 firmed and transferred to the State of Alaska upon its admission under
24 sec. 6(k), Alaska Statehood Act, 72 Stat. 339, and any other land
25 designated solely for school revenues;

26 (9) "university land" means all sections 33 reserved to the
27 university under 38 Stat. 1214, as amended (48 U.S.C. 353) and all land
28 granted to or reserved for the benefit of the university;

29 (10) "vacant, unappropriated, unreserved land" means general

1 grant land as defined in (4) of this section, excluding minerals as
2 required by sec. 6(1) of the Alaska Statehood Act, which

3 (A) has not been set aside by statute for one or more
4 particular uses or purposes;

5 (B) has not been approved for patent to a municipality
6 under this chapter or former AS 29.18.190 and 29.18.200; or

7 (C) is unclassified or, if classified under AS 38.05.-
8 300, is classified for agricultural, grazing, commercial, indus-
9 trial, private recreational, residential, utility, or open-to-entry
10 purposes,

11 Sec. 29.65.130. APPLICATION. This chapter applies to home rule
12 and general law municipalities.

13 * Sec. 18. AS 29 is amended by adding a new chapter to read:

14 CHAPTER 71. GENERAL PROVISIONS.

15 Sec. 29.71.010. ADVERSE POSSESSION. (a) A municipality may not
16 be divested of title to real property by adverse possession.

17 (b) This section applies to home rule and general law municipali-
18 ties.

19 Sec. 29.71.020. DEDICATION OF MUNICIPAL PROPERTY. (a) Dedicatio
20 of streets, rights-of-way, easements or other areas for public use may
21 not be construed to require the municipality to maintain, improve or
22 provide for municipal services in the area dedicated and the dedication
23 does not impose any liability on the municipality for the condition of
24 the area dedicated.

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

27 Sec. 29.71.030. TAXATION OF MUNICIPALITIES. (a) No state law or
28 regulation may assess or tax, or be construed to assess or tax, munici-
29 palities unless the law or regulation expressly provides that the

1 municipalities are to be assessed or taxed by the particular law or
2 regulation.

3 (b) This section applies to home rule and general law municipali-
4 ties.

5 Sec. 29.71.040. DEFINITIONS. In this title, unless otherwise
6 provided or the context otherwise requires,

7 (1) "areawide" means throughout a home rule or general law
8 borough, and includes home rule or general law cities in the borough;

9 (2) "borough" means a general law first or second class
10 organized borough;

11 (3) "city" means a general law first or second class city;

12 (4) "commissioner" means the commissioner of community and
13 regional affairs;

14 (5) "conditional use" means exception, special exception,
15 special use, or special permit designated in the zoning ordinance;

16 (6) "consolidation" means dissolution of two or more muni-
17 cipalities and their incorporation as a new municipality;

18 (7) "department" means the Department of Community and
19 Regional Affairs;

20 (8) "election" means a regular or special municipal election
21 and does not include a state election;

22 (9) "governing body" means the assembly of a home rule or
23 general law borough or the council of a home rule or general law city;

24 (10) "majority" means a simple majority;

25 (11) "merger" means dissolution of a municipality and its
26 absorption by another municipality;

27 (12) "municipality" means a home rule or general law political
28 subdivision, which is a first or second class borough, a first or
29 second class city, or a unified municipality, incorporated under the

1 laws of the state;

2 (13) "nonareawide" means throughout the area of a home rule
3 or general law borough outside home rule or general law cities in the
4 borough;

5 (14) "owner" or "record owner" means owner of record or
6 purchaser of record as show in the records of the district recorder;

7 (15) "personal property" means tangible property other than
8 real property, such as merchandise, stock in trade, machinery, equip-
9 ment, furniture, fixtures, vehicles, boats, and aircraft;

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

11 (17) "published" means appearing at least once in a newspaper
12 of general circulation distributed within the municipality or, if there
13 is no newspaper of general circulation distributed within the municipal-
14 ity, posting in three public places for at least five days;

15 (18) "real property" means land and improvements, all posses-
16 sory rights and privileges appurtenant to the property, and includes
17 personal property affixed to the land or improvements;

18 (19) "regular election" means the municipal election held on
19 the first Tuesday of October annually, or on a different date or inter-
20 val of years provided by ordinance or charter;

21 (20) "special election" means a municipal election and does
22 not include a regular election or a state election;

23 (21) "street" includes streets, avenues, boulevards, roads,
24 lanes, alleys, and other ways;

25 (22) "subdivision" means the division of a tract or parcel of
26 land into two or more parcels, sites, or other divisions for the purpose
27 of sale or building development, includes resubdivision, and relates to
28 the process of subdividing or to the land or area subdivided;

29 (23) "unified municipality" means a municipality unified in

1 accordance with AS 29.06.190 - 29.06.390;

2 (24) "voter" means a United States citizen who is qualified
3 to vote in state elections, has been a resident of the municipality for
4 30 days immediately preceding the election, is registered to vote in
5 state elections, and is not disqualified under art. V of the state con-
6 stitution.

7 * Sec. 19. AS 04.11.400(c) is amended to read:

8 (c) In this section "unified municipality" means a unified muni-
9 cipality established under AS 29.06.190 [AS 29.68].

10 * Sec. 20. AS 04.21.060(b)(11) is amended to read:

11 (11) "municipality" means an incorporated city, an organized
12 borough, or a unified municipality established under AS 29.06.190
13 [AS 29.68].

14 * Sec. 21. AS 09.55.275 is amended to read:

15 Sec. 09.55.275. REPLAT APPROVAL. No agency of the state or
16 municipality may acquire property located within a municipality exercis-
17 ing the powers conferred by AS 29.40.070 - 29.40.150 [AS 29.33.150 -
18 29.33.245] which results in a boundary change unless the agency or
19 municipality first obtains from the municipal platting authority pre-
20 liminary approval of a replat showing clearly the location of the
21 proposed public streets, easements, rights-of-way, and other taking of
22 private property. Final approval of replat shall be similarly obtained.
23 However, if a state agency clearly demonstrates an overriding state
24 interest, a waiver to the approval requirements of this section may be
25 granted by the governor. The platting authority shall treat applica-
26 tions for replat made by state or local governmental agencies in the
27 same manner as replat petitions originated by private landowners.

28 * Sec. 22. AS 09.65.070(e)(1) is amended to read:

29 (1) "municipality" means a home rule borough or city, a

1 general law borough or city of any class, or a unified municipality
2 established under AS 29.06.190 [AS 29.68.240 - 29.68.440, OR A MUNICI-
3 PALITY ESTABLISHED BY MERGER OR CONSOLIDATION UNDER AS 29.68.030 -
4 29.68.110]; the term includes a public corporation established by a
5 municipality;

6 * Sec. 23. AS 14.08.071(b) is amended to read:

7 (b) Except for the first election of regional school members
8 under (a) of this section, elections [ELECTION] shall be held annually
9 on the first Tuesday in October. Elections shall be supervised by the
10 director of elections in the office of the lieutenant governor, but
11 shall be administered within second class cities as part of the regular
12 municipal election. The lieutenant governor shall adopt [PROMULGATE]
13 regulations for the conduct of the election of regional school board
14 members comparable, as far as practicable, to those prescribed for
15 election of school board members under AS 14.12 and AS 29.20.300
16 [AS 29.28] except that the majority election requirements of AS 29.-
17 26.060 [AS 29.28.040] do not apply to, nor may the regulations require
18 runoff elections for, the first election of regional school board
19 members under (a) of this section or, if a school board by resolution
20 so requests, to subsequent elections in the regional educational atten-
21 dance area served by that school board.

22 * Sec. 24. AS 14.08.081 is amended to read:

23 Sec. 14.08.081. RECALL. The members of a regional school board
24 are subject to recall in accordance with AS 29.26.240 - 29.26.350
25 [AS 29.28.130 - 29.28.750], except that the director of the division of
26 elections shall perform the functions of a municipal clerk, and the
27 lieutenant governor shall perform the functions of the assembly or
28 council under those sections.

29 * Sec. 25. AS 14.12.030(c) is amended to read:

1 (c) Notwithstanding the provisions of (a) and (b) of this section,
2 where the borough assembly serves as the school board of the borough
3 school district under AS 14.12.110 [AS 29.41.020] the number of members
4 of the assembly-school board shall be determined in the manner pre-
5 scribed by AS 29.20.060 and 29.20.080 [AS 29.23.020].

6 * Sec. 26. AS 14.12.110 is amended to read:

7 Sec. 14.12.110. SINGLE BODY AS ASSEMBLY AND SCHOOL BOARD. (a)
8 Notwithstanding the provisions of this chapter or other law, a single
9 body may serve as both the borough assembly and borough school board [IN
10 THE MANNER PROVIDED FOR THIRD CLASS BOROUGHES UNDER AS 07.17.030], if a
11 borough ordinance for that purpose is approved by the assembly and
12 ratified by a referendum of a majority of the qualified borough voters
13 voting on the question at a regular or special election, and if the
14 public school population within the borough is 500 pupils or less.

15 (b) When the assembly serves as the borough school board, the
16 borough mayor is the president of the school board but he may not veto
17 an action of the school board.

18 * Sec. 27. AS 14.14.020 is amended to read:

19 Sec. 14.14.020. BOND REQUIRED. Before the officer responsible
20 for custody [OF] investment, or management of school district money,
21 enters upon the duties of office, the district, or the municipality if
22 the treasury is centralized, shall obtain a bond with sufficient sure-
23 ties in an amount equal to the money that may come into the officer's
24 official custody, but not to exceed \$50,000. The bond shall be condi-
25 tioned on the officer's honest and faithful disbursement and accounting
26 of all money that may come into his official custody. The bond shall
27 be filed with the clerk of the school board. This section does not
28 apply to an officer who has been bonded under AS 29.20.610 [AS 29.23.-
29 520].

1 * Sec. 28. AS 14.14.050(d) is amended to read:

2 (d) The school board shall not make the audit if an audit which
3 satisfies the requirements of this section and which is filed and posted
4 as required by this section, is made according to AS 29.35.110 [AS 29.-
5 48.220].

6 * Sec. 29. AS 14.17.140(a) is amended to read:

7 (a) To determine the equalized percentage to be applied to basic
8 need under AS 14.17.021, and the matching ratio for required local
9 effort under AS 14.17.071, the Department of Community and Regional
10 Affairs, in consultation with the assessor for each district, shall
11 determine the full value of the taxable real and personal property in
12 each district. Exemptions granted under ch. 129, SLA 1957, known as
13 the Alaska Industrial Incentive Act (AS 43.25), shall be honored. If
14 there is no local assessor or current local assessment for a district,
15 when the Department of Community and Regional Affairs shall make the
16 determination of full value from information available. In making the
17 determination, the Department of Community and Regional Affairs shall
18 be guided by AS 29.45.110 [AS 29.53.060]. The determination of full
19 value shall be made before October 1 and sent by certified mail, return
20 receipt requested, before that date to the president of the school
21 board in each district. Duplicate copies shall be sent to the commis-
22 sioner. The governing body of the borough or city which is the district
23 may obtain judicial review of the determination by filing a motion in
24 the superior court of the judicial district in which the district is
25 located within 30 days after receipt of the determination. The superior
26 court may modify the determination of the Department of Community and
27 Regional Affairs only upon a finding of abuse of discretion or upon a
28 finding that there is no substantial evidence to support the determina-
29 tion.

1 * Sec. 30. AS 14.56.180(3) is amended to read:

2 (3) "municipal" and "municipality" includes cities and
3 organized boroughs of every class, including municipalities unified
4 under AS 29.06.190 [AS 29.68.240 - 29.68.440];

5 * Sec. 31. AS 15.13.010(a) is amended to read:

6 (a) This chapter applies in every election for governor, lieu-
7 tenant governor, a member of the state legislature, a delegate to a
8 constitutional convention, or judge seeking electoral confirmation. It
9 also applies to every candidate for election to a municipal office in a
10 city or borough with a population of more than 1,000 inhabitants accord-
11 ing to the latest United States census figures or estimates of popula-
12 tion certified as correct for administrative purposes by the Department
13 of Community and Regional Affairs. A municipality may exempt its
14 elected municipal officers from the requirements of this chapter if a
15 majority of the voters voting on the question at a [ANY] regular elec-
16 tion, as defined by AS 29.71.040(19) [AS 29.78.010(14)], or a special
17 municipality-wide election called for that purpose, vote to exempt its
18 elected municipal officers from the requirements of this chapter. The
19 question of exemption from the requirements of this chapter may be
20 submitted by the city council or borough assembly by ordinance or by
21 initiative election [ORDINANCE]. Nothing in this chapter prohibits a
22 municipality from regulating by ordinance campaign contributions and
23 expenditures.

24 * Sec. 32. AS 15.13.130(6) is amended to read:

25 (6) "municipality" means a home rule or general law borough
26 or city including [BUT NOT LIMITED TO] a unified municipality organized
27 under AS 29.06.190 [AS 29.68];

28 * Sec. 33. AS 15.56.110(b)(2) is amended to read:

29 (2) a borough assemblyman under AS 29.20.170(7) [AS 29.2].-

1 060(c)];

2 * Sec. 34. AS 15.56.110(b)(3) is amended to read:

3 (3) a borough mayor under AS 29.20.280(7) [AS 29.23.130(f)];

4 * Sec. 35. AS 15.56.110(b)(4) is amended to read:

5 (4) a city councilman under AS 29.20.170(7) [AS 29.23.-
6 210(b)];

7 * Sec. 36. AS 15.56.110(b)(5) is amended to read:

8 (5) a city mayor under AS 29.20.280(7) [AS 29.23.255];

9 * Sec. 37. AS 16.20.036(g) is amended to read:

10 (g) The establishment of a refuge under this section does not
11 impair or alter existing rights of a borough or city to select state
12 land under AS 29.65.010 - 29.65.130 [AS 29.18.190 - 29.18.200].

13 * Sec. 38. AS 16.20.038(g) is amended to read:

14 (g) The establishment of a refuge under this section does not
15 impair or alter existing rights of a borough or city to select state
16 land under AS 29.65.010 - 29.65.130 [AS 29.18.190 - 29.18.200].

17 * Sec. 39. AS 18.80.290(d) is amended to read:

18 (d) The legislative body of a general law or home rule municipal-
19 ity has the authority under AS 29.20.320 [AS 29.48.035] to grant to
20 local commissions powers and duties similar to those exercised by the
21 Alaska Human Rights Commission under the provisions of this Act.

22 * Sec. 40. AS 19.10.280(f) is amended to read:

23 (f) In this section "municipality" means a general law or home
24 rule city or organized borough, including [BUT NOT LIMITED TO] a unified
25 municipality organized under AS 29.06.190 [AS 29.68.240 - 29.68.440].

26 * Sec. 41. AS 19.30.241(2) is amended to read:

27 (2) "home rule city" means a city as defined in AS 29.04.010
28 [AS 29.08.010];

29 * Sec. 42. AS 24.55.330(3) is amended to read:

1 (3) "municipality" means a home rule or general law borough
2 or city including [BUT NOT LIMITED TO] a unified municipality organized
3 under AS 29.06.190 [AS 29.68].

4 * Sec. 43. AS 26.23.230(5) is amended to read:

5 (5) "political subdivision" means a home rule or general law
6 borough or city [, WHETHER HOME RULE OR OTHERWISE,] including a municipi-
7 pality [MUNICIPALITIES] unified under AS 29.06.190 [AS. 29.68.240 -
8 29.68.440], an unincorporated village, or other unit of local govern-
9 ment;

10 * Sec. 44. AS 28.15.051(d) is amended to read:

11 (d) The department may issue a special driver's permit to a
12 person who is at least 14 years of age with the consent of his parents
13 or guardians for the purpose of driving a motor-driven cycle. This
14 permit may be issued upon application and successful completion of all
15 prescribed tests and fees, and is valid for the same period of time as
16 a driver's license. The permit is not valid in a municipality which by
17 ordinance prohibits the driving of a motor-driven cycle by a person
18 under the age of 16 years; a borough may adopt the ordinance on a
19 nonareawide basis only, unless the power to adopt it on an areawide
20 basis is acquired under AS 29.35.300 - 29.35.330 [AS 29.33.250 - 29.33.-
21 290].

22 * Sec. 45. AS 28.35.260(a)(10) is amended to read:

23 (10) "municipality" means a home rule or general law borough
24 or city including [, BUT NOT LIMITED TO,] a unified municipality or-
25 ganized under AS 29.06.190 [AS 29.68];

26 * Sec. 46. AS 30.15.070(3) is amended to read:

27 (3) "municipality" means a home rule or general law borough
28 or city including [BUT NOT LIMITED TO] a unified municipality organized
29 under AS 29.06.190 [AS 29.68];

1 * Sec. 47. AS 30.30.170(2) is amended to read:

2 (2) "municipality" means a home rule or general law borough
3 or city including [BUT NOT LIMITED TO] a unified municipality organized
4 under AS 29.06.190 [AS 29.68];

5 * Sec. 48. AS 35.15.120(3) is amended to read:

6 (3) "municipality" means a general law or home rule city or
7 organized borough, including [BUT NOT LIMITED TO] a unified municipality
8 organized under AS 29.06.190 [AS 29.68.240 - 29.68.440].

9 * Sec. 49. AS 38.04.020(b)(2) is amended to read:

10 (2) nominated for selection or selected by a municipality to
11 satisfy a general grant land entitlement under AS 29.65.010 - 29.65.030
12 [AS 29.18.201 - 29.18.203].

13 * Sec. 50. AS 38.04.900(b) is amended to read:

14 (b) A municipality has standing to petition the commissioner for
15 the adoption of a regulation, or for the amendment or repeal of an
16 existing regulation, or to appeal a decision of the commissioner with
17 respect to classification, management, or disposal of land made under
18 authority of a regulation adopted under (a) of this section with respect
19 to state land outside the corporate boundaries of the municipality to
20 protect any interest which the municipality is authorized to regulate
21 outside its boundaries under AS 29.35.020 [AS 29.48.037].

22 * Sec. 51. AS 38.05.047(b) is amended to read:

23 (b) Notwithstanding the provisions of AS 38.04, state land in a
24 municipality which has not been classified for one or more of the
25 purposes specified in (a)(1) - (5) of this section before September 1,
26 1980, or which has not been nominated for selection or selected by a
27 municipality to satisfy a general grant land entitlement under AS 29.-
28 65.010 - 29.65.030 [AS 29.18.201 - 29.18.203] before September 1, 1980,
29 is available for disposal under (f) of this section.

1 * Sec. 52. AS 38.05.047(c) is amended to read:

2 (c) Before September 1, 1979, the commiss. ner shall identify
3 state land in a municipality which may be suitable for classification
4 for the purposes set out in (a)(1) - (5) of this section. State land
5 in a municipality which is not identified for a purpose listed in
6 (a)(1) - (5) of this section or which has not been nominated for selec-
7 tion or selected by a municipality to satisfy a general grant land
8 entitlement under AS 29.65.010 - 29.65.030 [AS 29.18.201 - 29.18.203]
9 before September 1, 1979, is available for sale to individuals as
10 provided in (f) of this section. After September 1, 1979, the commis-
11 sioner shall divide all state land in a municipality that is not identi-
12 fied for a purpose set out in (a)(1) - (5) of this section into survey
13 districts and shall make the land available for disposal to individuals
14 as required by (f) of this section.

15 * Sec. 53. AS 38.05.290(b) is amended to read:

16 (b) Consistent with the best interests of the state, in the
17 selection of general grant land it is the policy of the state to make
18 available the maximum land area from which municipalities may fulfill
19 land entitlements under AS 29.65.010 - 29.65.130 [AS 29.18.201 -
20 29.18.213].

21 * Sec. 54. AS 38.05.321(b) is amended to read:

22 (b) State land classified as agricultural land which has been
23 selected by a municipality [UNDER AS 29.18.190 - 29.18.200 or 29.18.-
24 205(e)] may be approved by the director for patent under AS 29.65.040(c)
25 [AS 29.18.205(f)]; however, only rights in the land for agricultural
26 purposes may be transferred and all other interests in the land will
27 remain with the state. Agricultural land approved for patent to a
28 municipality [UNDER AS 29.18.205(f)] shall be credited, acre for acre,
29 toward fulfillment of that municipality's entitlement under AS 29.65.-

1 010 - 29.65.030 [AS 29.13.201 - 29.18.203]. If the director later
2 determines it to be in the best interests of the state to transfer some
3 or all of the additional rights in that approved or patented agricul-
4 tural land, those rights shall pass without consideration to the muni-
5 cipality in which the land is located. The notice and review provisions
6 of AS 38.05.305 and 38.05.345 are applicable to conveyance of rights
7 under this section.

8 * Sec. 55. AS 38.05.321(c) is amended to read:

9 (c) The provisions of this section do not apply to state land
10 classified as agricultural land which has been selected by a municipali-
11 ty [UNDER THE PROVISIONS OF AS 29.18.190 - 29.18.200] if the selection
12 is an approved selection before April 1, 1978 and is otherwise valid
13 under AS 29.65.040(b) [AS 29.18.205(b)].

14 * Sec. 56. AS 38.05.362(b) is amended to read:

15 (b) Nothing in this section affects the selection rights of a
16 borough or city under former AS 29.18.190 - 29.18.200 for areas selected
17 as of July 1, 1977, or a valid existing claim, location, or entry under
18 law, as of July 1, 1976.

19 * Sec. 57. AS 39.50.145 is amended to read:

20 Sec. 39.50.145. PARTICIPATION BY MUNICIPALITIES. A municipality
21 may exempt its municipal officers from the requirements of this chapter
22 if a majority of the voters voting on the question at a [ANY] regular
23 election, as defined by AS 29.71.040(19) [AS 29.78.010(14)], or a
24 special municipality-wide election, vote to exempt its municipal
25 officers from the requirements of this chapter. The question of exemp-
26 tion from the requirements of this chapter may be submitted by the city
27 council or borough assembly by ordinance or by initiative election
28 [ORDINANCE].

29 * Sec. 58. AS 39.50.200(a)(6) is amended to read:

1 (6) "municipal officer" includes a borough or city mayor,
2 borough assemblyman, city councilman, school board member, elected
3 utility board member, city or borough manager, members of a city or
4 borough planning or zoning commission within a home rule or general law
5 city or borough, including [BUT NOT LIMITED TO] a unified municipality
6 organized under AS 29.06.190 [AS 29.68];

7 * Sec. 59. AS 40.15.075 is amended to read:

8 Sec. 40.15.075. AUTHORITY IN THE UNORGANIZED BOROUGH [AND THIRD
9 CLASS BOROUGH]. The division of lands is the platting authority in
10 the area outside organized boroughs and outside cities in the unor-
11 ganized borough [AND IN THE THIRD CLASS BOROUGH] for only the purposes
12 of hearing and acting on petitions for the change or vacation of plats
13 and shall execute this function substantially in conformity with the
14 provisions of AS 29.40.120 - 29.40.150 [AS 29.33.210 - 29.33.240].
15 Costs of publication and mailing [AS WELL AS OTHER COSTS] authorized in
16 AS 29.40.120 [AS 29.33.210] shall be paid to the division by the peti-
17 tioner. The Department of Natural Resources shall adopt reasonable
18 regulations governing the exercise of the authority conferred by this
19 section upon the division of lands.

20 * Sec. 60. AS 40.15.200 is amended to read:

21 Sec. 40.15.200. APPLICATION TO STATE AND POLITICAL SUBDIVISIONS.
22 All subdivisions of land made by the state, its agencies, instrumental-
23 ties and political subdivisions are subject to the provisions of this
24 chapter and AS 29.40.070 - 29.40.150 [AS 29.33.150 - 29.33.240], or
25 home rule ordinances or regulations governing subdivisions, and shall
26 comply with ordinances and other local regulations adopted under this
27 chapter and AS 29.40.070 - 29.40.150 [AS 29.33.150 - 29.33.240], or
28 under home rule authority, in the same manner and to the same extent as
29 subdivisions made by other landowners.

1 * Sec. 61. AS 41.22.020(d) is amended to read:

2 (d) In (a) of this section "municipalities" includes cities or
3 organized boroughs of any class and unified municipalities organized
4 under AS 29.06.190 exercising powers to initiate projects described in
5 AS 41.22.020 and acquire parks and open space land, as otherwise autho-
6 rized by law [, AND INCLUDES BUT IS NOT LIMITED TO UNIFIED "MUNICIPALI-
7 TIES ORGANIZED UNDER AS 29.68.240 - 29.68.440].

8 * Sec. 62. AS 41.35.180(5) is amended to read:

9 (5) consult with local historical district commissions
10 regarding the establishment of historical districts under AS 29.55.010 -
11 29.55.020 [AS 29.48.108 - 29.48.110] and the approval of project altera-
12 tions under AS 45.98.040; recommend, if appropriate, the formulation of
13 additional criteria for the designation of historical districts under
14 AS 29.48.110(b); approve plans for and evaluate the suitability of
15 specific structures for purposes of loan eligibility and continuance
16 under the historical district revolving loan fund (AS 45.98); and
17 consult with the Department of Commerce and Economic Development rela-
18 tive to the adoption of regulations for historical district loans under
19 AS 45.98.

20 * Sec. 63. AS 43.18.430 is amended to read:

21 Sec. 43.18.430. POWER OF MUNICIPALITY. A municipality may own,
22 maintain and employ a facility constructed under AS 43.18.400 - 43.18.-
23 460. The exercise of this power on an areawide basis is at the option
24 of the borough and is not subject to the restrictions on acquiring
25 additional areawide powers in AS 29.35.300 - 29.35.330 [AS 29.33.250 -
26 29.33.290].

27 * Sec. 64. AS 43.18.500(d)(2)(A) is amended to read:

28 (A) has the authority under AS 29.35 [AS 29.41 or
29 AS 29.48] to provide and maintain a cultural facility;

1 * Sec. 65. AS 43.18.500(j)(6) is amended to read:

2 (6) "municipality" means a home rule or general law city or
3 borough, and includes a municipality [MUNICIPALITIES] unified under
4 AS 29.06.190 [AS 29.68.240 - 29.68.440];

5 * Sec. 66. AS 43.21.020(c)(3) is amended to read:

6 (3) taxes imposed under AS 43.56 and AS 29.45 [AS 29.53]
7 which are actually paid by the corporation on property used directly in
8 the production of oil or gas from a lease or property in the state,
9 including property used in production, gathering, treatment or prepara-
10 tion of the oil or gas for pipeline transportation, but only if those
11 property tax payments were due and payable only after the date of
12 commercial production from the lease or property with which the property
13 was associated;

14 * Sec. 67. AS 43.21.020(c)(6) is amended to read:

15 (6) the amortization of lease acquisition payments and taxes
16 paid under AS 43.56 and AS 29.45 [AS 29.53] (including capitalized
17 interest on both) for or on producing properties before the commencement
18 of commercial production from the lease or property for which the
19 property is being used;

20 * Sec. 68. AS 43.56.010(b) is amended to read:

21 (b) A municipality may levy and collect a tax under AS 29.45.080
22 [AS 29.53.045] at the rate of taxation that applies to other property
23 taxed by the municipality. The tax shall be levied at a rate no higher
24 than the rate applicable to other property taxable by the municipality.
25 No municipality may exempt from taxation property authorized to be
26 taxed under this chapter. Exemptions shall be limited to those in
27 AS 29.45.030, [AS 29.53.020 AND] 29.45.050, [29 53.025] and AS 43.56.-
28 020.

29 * Sec. 69. AS 43.56.010(c) is amended to read:

1 (c) If the total value of assessed property of a municipality
2 taxing under AS 29.45.080(c) [AS 29.53.045(c)] exceeds the product of
3 225 percent of the average per capita assessed full and true value of
4 property in the state (to be determined by the department and reported
5 to each municipality by January 15 of each year) multiplied by the
6 number of residents of the taxing municipality, the department shall
7 designate the portion of the tax base against which the local tax may
8 be applied. For purposes of this subsection the average per capita
9 assessed full and true value of property in the state shall be cal-
10 culated without regard to the assessed value of taxable property under
11 AS 43.5-

12 * Sec. 70. AS 43.56.010(d) is amended to read:

13 (d) A tax paid to a municipality under AS 29.45.080 [AS 29.53.045]
14 on or before June 30 of the tax year shall be credited against the tax
15 levied under (a) of this section for that tax year. If, however, a tax
16 is not paid to a municipality until after June 30 of the taxable year,
17 the department upon application shall refund to the taxpayer the amount
18 of tax paid to the municipality under AS 29.45.080 [AS 29.53.045]. The
19 credit or refund of taxes paid to a municipality may not exceed the
20 total amount of tax levied by the department upon the taxpayer for the
21 tax year, under (a) of this section.

22 * Sec. 71. AS 43.56.060(a) is amended to read:

23 (a) The department shall assess property for the tax levied under
24 AS 43.56.010(b) and AS 29.45.080 [AS 29.53.045] on property used or
25 committed by contract or other agreement for use for the pipeline
26 transportation of gas or unrefined oil or for the production of gas or
27 unrefined oil at its full and true value as of January 1 of the assess-
28 ment year.

29 * Sec. 72. AS 43.56.210(8) is amended to read:

1 (8) "municipality" means a home rule or general law city or
2 borough and includes [BUT IS NOT LIMITED TO] a unified municipality
3 organized under AS 29.06.190 [AS 29.68].

4 * Sec. 73. AS 43.75.130(1) is amended to read:

5 (1) to each municipality unified under AS 29.06.190 [AS 29.-
6 63.240 - 29.68.440], and to each city located in the unorganized
7 borough, 20 percent of the amount of tax revenue collected in the
8 municipality from taxes levied by AS 43.75;

9 * Sec. 74. AS 44.07.020(a) is amended to read:

10 (a) The corporation is governed by a board of directors which
11 consists of 11 members: the commissioner of community and regional
12 affairs, the mayor of the new capital city and the mayor of the
13 Matanuska-Susitna Borough or their designees, who serve as directors ex
14 officio with voting privileges, and eight directors appointed by the
15 governor and confirmed by a majority of the members of the legislature
16 in joint session. The governor shall appoint the eight directors
17 within 60 days after the effective date of this Act. The governor
18 shall appoint one director to serve until the mayor of the new capital
19 city is elected in accordance with AS 29.14.060 [AS 29.18.570]. No
20 more than three of the appointed directors may be full-time elected or
21 appointed employees or officials of the state or of any municipality.
22 No state legislator may be appointed or serve.

23 * Sec. 75. AS 44.07.110(11) is amended to read:

24 (11) adopt or impose land use and building restrictions,
25 architectural, design, and land use controls through covenants, declara-
26 tions, or otherwise in furtherance of the purpose of this chapter on
27 any real property owned by the corporation; include the restrictions or
28 controls in contracts, conveyances and agreements; and cause the re-
29 strictions and controls, covenants or declarations to run with the

1 land and bind all future owners of the land by filing them for record
2 in the appropriate recording district subject to AS 29.14.070 [AS 29.-
3 18.580];

4 * Sec. 76. AS 44.07.360(1) is amended to read:

5 (1) "capital city area" or "capital city site" means the
6 area specified in AS 29.14.020 [AS 29.18.520];

7 * Sec. 77. AS 44.07.360(2) is amended to read:

8 (2) "capital city" means the municipality created under
9 AS 29.14.010 [AS 29.18.510];

10 * Sec. 78. AS 44.07.360(8) is amended to read:

11 (8) "municipality" means a home rule or general law city or
12 borough including but not limited to the capital city and a unified
13 municipality organized under AS 29.06.190 [AS 29.68.240 - 29.68.440];

14 * Sec. 79. AS 44.08.065(c) is amended to read:

15 (c) A property owner aggrieved by determination of his assessment
16 may appeal under AS 29.45.190 [AS 29.53.130 - 29.53.135].

17 * Sec. 80. AS 44.08.065(d) is amended to read:

18 (d) All adjustments in valuation approved by the board of equali-
19 zation are subject to review and final approval by the commissioner. A
20 property owner may appeal the final determination in accordance with
21 AS 29.45.210 [AS 29.53.140].

22 * Sec. 81. AS 44.85.270(1) is amended to read:

23 (1) All references to the "reserve fund" in this section include
24 special accounts within the reserve fund which may be created by the
25 authority to secure the payment of particular bonds, including, without
26 limitation, bonds issued by the capital city established under AS 29.-
27 14.010 [AS 29.18.]. The commissioner of revenue may lend surplus
28 money in the general fund to the authority for deposit to any account
29 in the reserve fund in an amount equal to the required debt service

1 reserve. The loans shall be made on such terms and conditions as may
2 be agreed upon by the commissioner of revenue and the authority, includ-
3 ing, without limitation, terms and conditions providing that the loans
4 need not be repaid until the obligations of the corporation secured and
5 to be secured by the account in the reserve fund are no longer outstand-
6 ing.

7 * Sec. 82. AS 44.85.410(3)(A) is amended to read:

8 (A) a general obligation bond which is a direct and
9 general obligation of a political subdivision of the state, all
10 the taxable property within which is subject to taxation to pay
11 the bond, note or evidence of debt, and the interest without
12 limitation, as to rate or amount generally to the extent permitted
13 by law or to avoid a default as provided for second class cities
14 under AS 29.45.590 [AS 29.53.410]; or

15 * Sec. 83. AS 44.85.410(3)(D) is amended to read:

16 (D) a bond of a borough issued as a general obligation
17 of a service area under AS 29.47.44D [AS 29.58.340]; [.]

18 * Sec. 84. AS 44.85.410(4) is amended to read:

19 (4) "municipality" means a home rule or general law city or
20 borough including [BUT NOT LIMITED TO] to a unified municipality organ-
21 ized under AS 29.06.190 [AS 29.68];

22 * Sec. 85. AS 45.98.020 is amended to read:

23 Sec. 45.98.020. HISTORICAL DISTRICT LOANS. Upon endorsement and
24 plan approval by a local historical district commission established
25 under AS 29.55.010 [AS 29.48.108] and the recommendation of a majority
26 of the members of the Historic Sites Advisory Committee, the Department
27 of Commerce and Economic Development may make loans to a person, firm,
28 business or municipality subject to applicable laws for the restoration
29 improvement, rehabilitation, or maintenance of a structure which is

1 (1) within the boundaries of a historical district estab-
2 lished under AS 29.55.020 [AS 29.48.110];

3 (2) identified as important in state or national history as
4 provided for in AS 29.55.020(b) [AS 29.48.110(b)]; and

5 (3) another building or structure within a historical dis-
6 trict, and suitable for superficial modification so that it can conform
7 to the period or motif of the surrounding buildings or structures that
8 are the reason for the area's designation as a historical district.

9 * Sec. 86. AS 46.03.210(a) is amended to read:

10 (a) A municipality with a population in excess of 1,000 may,
11 within five years from August 5, 1969, establish and administer within
12 its jurisdiction an air pollution control program. Organized boroughs
13 may establish an air pollution control program on an areawide basis,
14 and the exercise of powers with respect to the program is not subject
15 to the restrictions on acquiring additional areawide powers specified
16 in AS 29.35.300 - 29.35.330 [AS 29.33.250 - 29.33.290]. Local programs
17 shall

18 (1) provide by ordinance for requirements compatible with
19 those imposed by the provisions of AS 46.03.140 and 46.03.170 and
20 applicable regulations;

21 (2) provide for the enforcement of the requirements imposed
22 through appropriate administrative and judicial processes;

23 (3) provide for a local administrative organization, staff,
24 and other resources necessary to effectively carry out the purposes of
25 the program; and

26 (4) be approved by the department as being satisfactory to
27 meet the requirements of AS 46.03.140 - 46.03.170 and the applicable
28 regulations.

29 * Sec. 87. AS 46.11.040(3)(A) is amended to read:

1 (A) is constructed under an exception to the municipal
2 building code granted because the exception will result in in-
3 creased energy efficiency [UNDER AS 29.33.080(g)];

4 * Sec. 88. AS 46.11.900(8) is amended to read:

5 (8) "state financial assistance" means a loan, grant, guaran-
6 tee, insurance, payment, rebate, subsidy, or other form of state assis-
7 tance (other than aid under AS 29.60 [AS 29.88, 29.89, 29.90, 29.95]
8 and AS 43.18) including the purchase by a state agency of a loan to
9 finance the construction of a new residential, commercial, or industrial
10 building;

11 * Sec. 89. AS 46.35.200(3) is amended to read:

12 (3) "local government" means a city or borough including a
13 municipality unified under AS 29.06.190 [AS 29.68.240 - 29.68.440];

14 * Sec. 90. AS 46.40.140(h) is amended to read:

15 (h) Members of coastal resource service area boards are subject
16 to recall on the same grounds and in the same manner as provided for
17 recall of municipal officials in AS 29.26.240 - 29.26.350 [AS 29.28.-
18 130 - 29.29.250]. The lieutenant governor functions in place of the
19 assembly or council and municipal clerk for receipt and review of
20 recall petitions and the conduct of recall elections.

21 * Sec. 91. AS 46.40.210(2)(A) is amended to read:

22 (A) unified municipalities established under AS 29.06.-
23 190 [AS 29.68.240 - 29.68.440];

24 * Sec. 92. AS 47.35.010(b) is amended to read:

25 (b) The department shall, within 90 days after receiving a written
26 request that it do so, delegate its powers relating to nurseries under
27 this section and under AS 47.35.040, 47.35.050 and 47.35.060 to a
28 municipality which has adopted an ordinance providing for day care
29 licensing under some rule powers or as authorized under AS 29.35.200 -

1 29.35.210 [AS 29.48.035(a)(20)]. A municipality to which these powers
2 have been delegated may waive or modify any regulation or standard
3 established by the department under the authority of AS 47.35.010 -
4 47.35.080 as it applies to nurseries or the application of any such
5 regulation or standard as it applies to a particular day care licensee
6 but must notify the department of any waiver.

7 * Sec. 93. AS 29.08, AS 29.13, AS 29.18, AS 29.23, AS 29.28, AS 29.33,
8 AS 29.38, AS 29.41, AS 29.43, AS 29.48, AS 29.53, AS 29.58, AS 29.63,
9 AS 29.68, AS 29.73, AS 29.78, AS 29.88, AS 29.89, AS 29.90, and AS 29.95 are
10 repealed.

11 * Sec. 94. A right or liability of a home rule or general law city or
12 borough or a unified municipality existing on July 1, 1981, is not affected
13 by the enactment of this Act. Ordinances and regulations in effect on
14 July 1, 1981, remain in effect unless they conflict with provisions of this
15 Act. Ordinances and regulations in effect on July 1, 1981, which conflict
16 with provisions of this Act remain in effect for 180 days after July 1,
17 1981. The terms of elected or appointed municipal officials in office on
18 July 1, 1981, are not affected by this Act, and their terms expire as pro-
19 vided before July 1, 1981.

20 * Sec. 95. This Act takes effect July 1, 1981.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y STATE CAPITOL
JUNEAU ALASKA 99811
907 465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

April 8, 1981

SUBJECT: Analysis of SB 180
(Work Order No. 12-0748)

TO: Senator Donald E. Gilman

FROM: Tamara Brandt Cook
Legislative Counsel *TBC*

Here is the section-by-section analysis of SB 180 which you requested. This analysis concentrates on changes between this bill and existing law. This analysis omits explanation of sections which are not altered, although it should be noted that all sections in Title 29 have been renumbered except AS 29.03.010 and AS 29.03.020. In reviewing this bill, I have found several errors:

(1) Sec. 29.26.120 (petition) was inadvertently included in this bill. It is a section currently in Title 29 which conflicts with the changes made in the initiative and referendum process by this bill.

(2) Sec. 29.35.260(c) incorrectly refers to AS 29.-35.180, when it should refer to AS 29.35.190.

(3) A paragraph was omitted from Sec. 29.35.210(a): "(9) tax, spend and regulate for the purpose of promoting industrial development." A second class borough would be authorized to exercise this power on a nonarea-wide basis. No similar provision currently exists in Title 29.

(4) Sec. 29.45.480 was omitted from this bill. Under existing law, that provision is AS 29.53.380 (proceeds of tax sale).

Please contact me if you would like to have a committee substitute correcting these errors prepared, or let me know if you would like additional changes to the bill.

TBC:ljb

Enclosure