

ALASKA LEGISLATURE COMMITTEE FILES 1983-1984 8072

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1 pality has not adopted a manager plan of government, the mayor is the
2 chief administrator and the mayor has the same powers and duties as
3 those of a manager under AS 29.20.500.

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

9 Sec. 29.20.260. EXECUTIVE ABSENCE. The borough mayor, subject
10 to assembly approval, shall designate a person to act as mayor during
11 the borough mayor's temporary absence or disability. If a manager
12 plan has been adopted, the assembly shall designate by resolution a
13 borough administrative official to act as manager during the manager's
14 absence or disability.

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

19 (b) A veto must be exercised before the next regular meeting of
20 the governing body and must be accompanied by a written explanation of
21 the reasons for the veto. A veto may be overridden by vote of two-
22 thirds of the authorized membership of the governing body within 21
23 days following exercise of the veto, or at the next regular meeting,
24 whichever is later.

25 (c) The veto does not extend to

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

27 (2) actions of the governing body sitting as the board of
28 equalization or the board of adjustment;

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

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

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

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

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

9 (3) resigns and the resignation is accepted;

10 (4) is physically or mentally unable to perform the duties
11 of office;

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

14 (6) is convicted of a felony or misdemeanor described in
15 AS 15.56;

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

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

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

20 (b) A vacancy in the office of mayor occurring six months before
21 a regular election shall be filled by the governing body. The person
22 appointed serves until the next regular election when a successor is
23 elected to serve the balance of the term. If a member of the govern-
24 ing body is appointed mayor, the member shall resign the seat on the
25 governing body. If a vacancy occurs more than six months before a
26 regular election, the governing body shall call a special election to
27 fill the unexpired term.

28 (c) Notwithstanding (b) of this section, a vacancy in the office
29 of mayor of a second class city shall be filled by and from the coun-

1 cil. A mayor appointed under this subsection serves the balance of
2 the term to which appointed, except the mayor may serve only while a
3 member of the council.

4 ARTICLE 4. BOARDS AND COMMISSIONS.

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

11 (b) The assembly is the school board for a third class borough.
12 The mayor is the presiding officer of the assembly and president of
13 the school board. However, the mayor may not veto an action of the
14 school board.

15 Sec. 29.20.310. UTILITY BOARDS. (a) The governing body of a
16 municipality operating a public utility may provide by ordinance for a
17 utility board of five members and define the board's powers and
18 duties.

19 (b) As determined by ordinance, members of a utility board are
20 either appointed by the mayor and confirmed by the governing body or
21 are elected at a regular election. The term of a utility board member
22 is two years and until a successor is selected and qualifies. How-
23 ever, the governing body may by ordinance provide for a different term
24 not to exceed four years. The current term of an elected incumbent
25 may not be altered.

26 (c) Vacancies on a utility board are filled by the mayor.
27 Executive appointments shall be confirmed by the governing body. A
28 person appointed to fill a vacancy on a utility board serves until the
29 expiration of the term for which appointed and until a successor is

1 elected and qualifies.

2 (d) Unless otherwise provided by ordinance, a utility board
3 shall

4 (1) choose its chairman and secretary;

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

7 (3) formulate and enforce the general rules and policies of
8 the utility.

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

12 (b) Members of boards and commissions, except for members of the
13 board of adjustment and assembly members serving on the board of
14 equalization, are appointed by the mayor and confirmed by the govern-
15 ing body.

16 ARTICLE 5. OTHER OFFICIALS AND EMPLOYEES.

17 Sec. 29.20.360. APPOINTMENT OF OFFICIALS. Unless otherwise pro-
18 vided by ordinance, the municipal clerk, attorney, treasurer, and
19 police chief are appointed by the chief administrator. Unless other-
20 wise provided by ordinance, an official described in this section
21 serves at the pleasure of the appointing authority and, if appointed
22 by the chief administrator, must be confirmed by the governing body.

23 Sec. 29.20.370. MUNICIPAL ATTORNEY. The municipal attorney is
24 the legal advisor of the governing body, the school board, and the
25 other officials of the municipality. The municipal attorney repre-
26 sents the municipality as attorney in civil and criminal proceedings.
27 The school board may hire independent counsel when in its judgment
28 independent counsel is needed.

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

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

3 (2) attend meetings of the governing body and keep the
4 journal;

5 (3) arrange publication of notices, ordinances, and resolu-
6 tions;

7 (4) maintain and make available for public inspection an
8 indexed file containing municipal ordinances, resolutions, rules,
9 regulations, and codes;

10 (5) attest deeds and other documents;

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

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

17 Sec. 29.20.390. MUNICIPAL TREASURER. (a) Except as provided in
18 AS 14.14.060, the treasurer is the custodian of all municipal funds.
19 The treasurer shall keep an itemized account of money received and
20 disbursed. The treasurer shall pay money on vouchers drawn against
21 appropriations.

22 (b) The treasurer shall give bond to the municipality in a sum
23 that the governing body directs.

24 Sec. 29.20.400. DEPARTMENTS. (a) The governing body may estab-
25 lish municipal departments and distribute functions among them.

26 (b) Each municipal department is administered by a department
27 head. With the consent of the governing body, the mayor may serve as
28 head of one or more departments or a single administrator may serve as
29 head of two or more departments.

1 Sec. 29.20.410. PERSONNEL SYSTEM. (a) Except as provided by
2 (b) of this section, appointments and promotions of municipal employ-
3 ees are made on the basis of merit. The governing body may provide
4 for a personnel system and classified service.

5 (b) By ordinance the governing body may designate confidential
6 or managerial positions that are wholly or partially exempt from the
7 classified service. A wholly or partially exempt position is filled
8 by a person who serves at the pleasure of the appointing authority and
9 whose term of employment is determined by the appointing authority.

10 ARTICLE 6. MANAGER PLAN.

11 Sec. 29.20.460. MANAGER PLAN. A municipality may adopt a man-
12 ager plan of government. Adoption of a manager plan may be initiated
13 either by petition or by motion of the governing body. A petition for
14 the adoption of a manager plan is submitted to the governing body.
15 The petition must be signed by a number of voters equal to the follow-
16 ing percentage of the votes cast at the preceding regular election:

17 (1) 25 percent if the municipality has fewer than 7,500
18 persons;

19 (2) 15 percent if the municipality has 7,500 persons or
20 more.

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

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

28 (b) The governing body shall notify the department of the
29 adoption of a manager plan.

1 Sec. 29.20.490. APPOINTMENT OF MANAGER. (a) The governing body
2 shall appoint a manager by a majority vote of its membership. A
3 manager is chosen on the basis of administrative qualifications and
4 receives the compensation set by the governing body. A member of the
5 governing body may not be appointed manager of the municipality sooner
6 than one year after leaving office, except by a vote of three-fourths
7 of the authorized membership of the governing body.

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

10 Sec. 29.20.500. POWERS AND DUTIES OF A MANAGER. The manager may
11 hire necessary administrative assistants and may authorize an adminis-
12 trative official to appoint, suspend, or remove subordinates. As
13 chief administrator the manager shall

14 (1) appoint, suspend, or remove municipal employees and
15 administrative officials, except as provided otherwise in this title
16 and AS 14.14.065;

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

19 (3) prepare and submit an annual budget and capital im-
20 provement program for consideration by the governing body, and execute
21 the budget and capital improvement program adopted;

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

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

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

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

1 Sec. 29.20.510. INTERGOVERNMENTAL APPOINTMENT OF MANAGER. A
2 borough adopting a manager plan may, on agreement with a city in the
3 borough, provide that the manager of the city serve also as borough
4 manager. A city adopting a manager plan may, on agreement with the
5 borough in which it is located, provide that the manager of the bor-
6 ough serve also as city manager. Appointment and service of the
7 manager shall be as provided in AS 29.20.490 - 29.20.500. Nothing in
8 this section affects the authority of the governing body to provide
9 for other dual officeholding if the dual offices held are compatible,
10 or otherwise to appoint officials and employees in accordance with
11 law.

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

17 ARTICLE 7. MISCELLANEOUS PROVISIONS.

18 Sec. 29.20.600. OATHS OF OFFICE. Before taking office a munici-
19 pal official shall affirm in writing that the duties of the office
20 will be honestly, faithfully, and impartially performed by the offi-
21 cial. The oath is filed with the municipal clerk.

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

26 Sec. 29.20.620. COMPENSATION FOR ELECTED OFFICIALS. The govern-
27 ing body shall by ordinance provide a method of determining the sal-
28 aries of elected officials. The salary of the mayor may not be
29 reduced during the term of office of the mayor, unless during the term

1 a manager plan is adopted. An elected official may not receive com-
2 pensation for service to the municipality in addition to the salary
3 received as an elected official, unless otherwise provided by ordi-
4 nance. Per diem payments or reimbursements for expenses are not
5 compensation under this section.

6 Sec. 29.20.630. PROHIBITIONS. (a) Subject to AS 14.14.140, a
7 state employee or school district employee may not be denied the right
8 to serve as an elected municipal official because of employment by the
9 state or a school district. For purposes of this section a school
10 district employee is not a municipal employee.

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

13 Sec. 29.20.640. REPORTS. (a) A municipality shall file with
14 the department

15 (1) maps and descriptions of all annexed or detached ter-
16 ritory;

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

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

20 (4) a copy of the current annual budget of the municipal-
21 ity;

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

25 (b) Compliance with the provisions of this section is a prereq-
26 uisite to receipt of municipal tax resource equalization assistance
27 under AS 29.60.010 - 29.60.080 and state aid for miscellaneous municipi-
28 pal services under AS 29.60.100 - 29.60.180. If a municipality does
29 not comply with this section, the department shall withhold the allo-

1 cations until the required reports are filed.

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

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

5 CHAPTER 25. MUNICIPAL ENACTMENTS.

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

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

10 (2) provide for a fine or other penalty, or establish rules
11 or regulations for violation of which a fine or other penalty is im-
12 posed;

13 (3) provide for the levying of taxes;

14 (4) make appropriations, including supplemental appropria-
15 tions or transfer of appropriations;

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

17 (6) adopt, modify, or repeal the comprehensive plan, land
18 use and subdivision regulations, building and housing codes, and the
19 official map;

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

22 (8) designate the borough seat;

23 (9) provide for the retention or sale of tax-foreclosed
24 property;

25 (10) exempt contractors from compliance with general re-
26 quirements relating to payment and performance bonds in the con-
27 struction or repair of municipal public works projects within the
28 limitations set out in AS 36.25.025; this paragraph applies to home
29 rule and general law municipalities.

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

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

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

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

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

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

15 (4) copies of the ordinance shall be available to all
16 persons present at the hearing, or the ordinance shall be read in
17 full;

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

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

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

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

26 Sec. 29.25.030. EMERGENCY ORDINANCES. (a) To meet a public
27 emergency the governing body may adopt an emergency ordinance effec-
28 tive on adoption. Each emergency ordinance shall contain a finding by
29 the governing body that an emergency exists and a statement of the

1 facts upon which the finding is based. An emergency ordinance may be
2 adopted, amended and adopted, or rejected at the meeting at which it
3 is introduced. The affirmative vote of all members present, or the
4 affirmative vote of three-fourths of the total membership, whichever
5 is less, is required for adoption of an emergency ordinance. The
6 governing body shall print and make available copies of adopted emer-
7 gency ordinances.

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

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

12 Sec. 29.25.040. CODES OF REGULATION. The governing body may in
13 a single ordinance adopt or amend by reference provisions of a pub-
14 lished code of municipal regulations. The procedure under AS 29.25.-
15 020 applies to an ordinance adopted under this section, except that
16 neither the ordinance or its amendments must be distributed to the
17 public or read in full at the public hearing. For a period of 15 days
18 before adoption of an ordinance under this section, at least five
19 copies of the code of regulations shall be made available for public
20 inspection at a time and place set out in the hearing notice. Only
21 the ordinance must be printed after it is adopted under this section.
22 The governing body shall provide for an adopted code of regulations to
23 be made available to the public at no more than cost.

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

26 (b) Within three years after incorporation of a municipality,
27 the municipal clerk or the clerk's designee shall have prepared a
28 general codification of all municipal ordinances of general
29 applicability having the force and effect of law. The municipal code

1 shall be revised and printed at least every five years, unless the
2 code is kept current by regular supplements.

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

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

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

13 (d) This section applies to home rule and general law munici-
14 palities.

15 Sec. 29.25.060. RESOLUTIONS. (a) The governing body shall
16 provide for the maintenance of a permanent file of resolutions that
17 have been adopted.

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

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

23 (b) The municipality or an aggrieved person may institute a
24 civil action against a person who violates an ordinance. In addition
25 to injunctive and compensatory relief, a civil penalty not to exceed
26 \$1,000 may be imposed for each violation. An action to enjoin a
27 violation may be brought notwithstanding the availability of any other
28 remedy. On application for injunctive relief and a finding of a
29 violation or a threatened violation, the superior court shall grant

1 the injunction. Each day that a violation of an ordinance continues
2 constitutes a separate violation.

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

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

7 CHAPTER 26. ELECTIONS.

8 ARTICLE 1. REGULAR AND SPECIAL ELECTIONS.

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

14 Sec. 29.26.020. NOMINATIONS. (a) Subject to other provisions
15 of this title, the governing body shall provide by ordinance for
16 nominations of elected officials by providing for declaration of
17 candidacy or for petition requiring the signatures of not more than 10
18 voters, or for both.

19 (b) A person may be nominated for and occupy more than one
20 office, but may not serve simultaneously as borough mayor and as a
21 member of the assembly or, in a first class city, as city mayor and as
22 a member of the council.

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

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

28 Sec. 29.26.040. DATE. The date of a regular election is the
29 first Tuesday of October annually, unless a different date or interval

1 of years is provided by ordinance.

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

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

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

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

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

11 (b) Voter registration by the municipality may not be required.
12 However, a municipality may by ordinance require that a person be
13 registered to vote in state elections in the precinct in which that
14 person seeks to vote in municipal elections.

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

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

20 (1) mayor; or

21 (2) member of the governing body or school board if candi-
22 dates run for a designated seat.

23 (b) Unless otherwise provided by ordinance, if candidates for
24 the governing body or school board run at large, a runoff election for
25 a seat shall be held if no candidate receives a number of votes
26 greater than 40 percent of the total votes cast for all candidates
27 divided by the number of seats to be filled.

28 (c) Unless otherwise provided by ordinance, a runoff election
29 shall be held within three weeks after the date of certification of

1 the election for which a runoff is required, and notice of the runoff
2 election shall be published at least five days before the election
3 date.

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

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

12 (c) Unless otherwise provided by ordinance, the governing body
13 shall declare the election results at the first meeting to canvass the
14 election, record the results in the minutes of that meeting, and
15 authorize the results to be certified.

16 (d) A contestant shall pay all costs and expenses incurred in a
17 recount of an election demanded by the contestant if the recount fails
18 to reverse a result of the election, or the difference between the
19 winning and losing vote on the result contested is more than two per-
20 cent.

21 (e) A person may not appeal or seek judicial review of an elec-
22 tion for any cause unless the person is a municipal voter, has ex-
23 hausted all administrative remedies before the governing body, and has
24 commenced, within 10 days after the governing body has declared the
25 election results, an action in the superior court in the judicial
26 district in which the municipality is located. If court action is not
27 commenced within the 10-day period, the election and election results
28 are conclusive and valid.

29 ARTICLE 2. INITIATIVE AND REFERENDUM.

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

5 Sec. 29.26.110. APPLICATION FOR PETITION. (a) An initiative or
6 referendum is proposed by filing an application with the municipal
7 clerk containing the bill to be initiated or the act to be referred
8 and the address to which all correspondence relating to the petition
9 may be sent. An application shall be signed by at least 10 voters who
10 will sponsor the petition. An additional sponsor may be added at any
11 time before the petition is filed by submitting the name of the spon-
12 sor to the clerk. Within two weeks the clerk shall certify the appli-
13 cation if the clerk finds that it is in proper form and, for an ini-
14 tiative petition, that the matter

15 (1) is not restricted by AS 29.26.100;

16 (2) includes only a single subject;

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

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

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

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

26 (1) a summary of the bill to be initiated or the act to be
27 referred;

28 (2) the complete ordinance or resolution sought to be
29 initiated or referred as submitted by the sponsors;

1 (3) the date on which the petition is issued by the clerk;
2 (4) notice that signatures must be secured within 60 days
3 after the date the petition is issued;

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

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

12 (7) space for indicating the total number of signatures on
13 the petition.

14 (b) If a petition consists of more than one page, each page
15 shall contain the summary of the bill to be initiated or the act to be
16 referred.

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

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

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

28 (1) 25 percent of the votes cast if a municipality has
29 fewer than 7,500 persons; or

1 (2) 15 percent of the votes cast if a municipality has
2 7,500 persons or more.

3 (c) Illegible signatures shall be rejected by the clerk unless
4 accompanied by a legible printed name. Signatures not accompanied by
5 a legible residence address shall be rejected.

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

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

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

13 (2) if the petition is insufficient, identify the insuffi-
14 ciency and notify the sponsors at the address provided under AS 29.-
15 26.110(a) by certified mail.

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

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

24 Sec. 29.26.150. PROTEST. If the municipal clerk certifies an
25 initiative or referendum petition is insufficient, a signer of the
26 petition may file a protest with the mayor within seven days after the
27 certification. The mayor shall present the protest at the next regu-
28 lar meeting of the governing body. The governing body shall hear and
29 decide the protest.

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

6 Sec. 29.26.170. INITIATIVE ELECTION. (a) Unless substantially
7 the same measure is adopted, when a petition seeks an initiative vote
8 the clerk shall submit the matter to the voters at the next regular
9 election occurring no sooner than 45 days after certification of the
10 petition. If no regular election occurs within 75 days after the
11 certification of a petition, the governing body shall hold a special
12 election within 75 days, but not sooner than 45 days after certifica-
13 tion.

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

17 (c) The ordinance or resolution initiated shall be published in
18 full in the notice of the election, but may be summarized on the
19 ballot to indicate clearly the proposal submitted.

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

23 Sec. 29.26.180. REFERENDUM ELECTION. (a) Unless the ordinance
24 or resolution is repealed, when a petition seeks a referendum vote the
25 clerk shall submit the matter to the voters at the next election
26 occurring no sooner than 45 days after certification of the petition.
27 If no election occurs within 75 days of certification of a petition,
28 the governing body shall hold a special election within 75 days, but
29 not sooner than 45 days after certification.

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

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

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

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

17 (b) If an ordinance or resolution is repealed in a referendum
18 election or by the governing body after a petition that contains sub-
19 stantially the same measure has been filed, substantially similar
20 legislation may not be enacted by the governing body for a period of
21 one year.

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

26 ARTICLE 3. RECALL.

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

1 elected or appointed.

2 Sec. 29.26.250. GROUNDS FOR RECALL. Grounds for recall are mis-
3 conduct in office, incompetence, or failure to perform prescribed
4 duties.

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

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

10 (2) the address to which all correspondence relating to the
11 petition may be sent;

12 (3) a statement in 200 words or less of the grounds of the
13 recall stated with particularity.

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

16 Sec. 29.26.270. RECALL PETITION. (a) If the municipal clerk
17 determines that an application for a recall petition meets the re-
18 quirements of AS 29.26.260, the clerk shall prepare a recall petition.
19 All copies of the petition shall contain

20 (1) the name of the official sought to be recalled;

21 (2) the statement of the grounds for recall as set out in
22 the application for petition;

23 (3) the date the petition is issued by the clerk;

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

26 (5) spaces for each signature, the printed name of each
27 signer, the date of each signature, and the residence and mailing
28 addresses of each signer;

29 (6) a statement, with space for the sponsor's sworn signa-

1 ture and date of signing, that the sponsor personally circulated the
2 petition, that all signatures were affixed in the presence of the
3 sponsor, and that the sponsor believes the signatures to be those of
4 the persons whose names they purport to be; and

5 (7) space for indicating the number of signatures on the
6 petition.

7 (b) Copies of the petition shall be provided to each sponsor by
8 the clerk.

9 Sec. 29.26.280. SIGNATURE REQUIREMENTS. (a) The signatures on
10 a recall petition shall be secured within 60 days after the date the
11 clerk issues the petition. The statement provided under AS 29.26.-
12 270(a)(6) shall be completed and signed by the sponsor. Signatures
13 shall be in ink or indelible pencil.

14 (b) The clerk shall determine the number of signatures required
15 on a petition and inform each sponsor. If a petition seeks to recall
16 an official who represents the municipality at large, the petition
17 shall be signed by a number of voters equal to 25 percent of the
18 number of votes cast for that office at the last regular election held
19 before the date the petition was issued. If a petition seeks to
20 recall an official who represents a district, the petition shall be
21 signed by a number of the voters residing in the district equal to 25
22 percent of the number of votes cast in the district for that office at
23 the last regular election held before the date the petition was is-
24 sued.

25 (c) Illegible signatures shall be rejected by the clerk unless
26 accompanied by a legible printed name. Signatures not accompanied by
27 a legible residence address shall be rejected.

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

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

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

7 (2) if the petition is insufficient, identify the insuffi-
8 ciency and notify the sponsors at the address provided under AS 29.-
9 26.260(a)(2) by certified mail.

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

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

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

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

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

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

29 Sec. 29.26.320. ELECTION. (a) If a regular election occurs

1 within 75 days but not sooner than 45 days after submission of the
2 petition to the governing body, the governing body shall submit the
3 recall at that election.

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

8 (c) If a vacancy occurs in the office after a sufficient recall
9 petition is filed with the clerk, the recall question may not be sub-
10 mitted to the voters. The governing body may not appoint to the same
11 office an official who resigns after a sufficient recall petition is
12 filed naming him.

13 Sec. 29.26.330. FORM OF RECALL BALLOT. A recall ballot shall
14 contain

15 (1) the grounds of recall as stated in 200 words or less on
16 the recall petition;

17 (2) a statement by the official named on the recall peti-
18 tion of 200 words or less, if the statement is filed with the clerk
19 for publication and public inspection within 20 days before the elec-
20 tion;

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

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

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

28 Sec. 29.26.350. SUCCESSORS. (a) If an official is recalled
29 from the governing body, the office of that official is filled in

1 accordance with AS 29.20.180. If all members of the governing body
2 are recalled, the governor shall appoint three qualified persons to
3 the governing body. The appointees shall appoint additional members
4 to fill remaining vacancies in accordance with AS 29.20.180.

5 (b) If a member of the school board is recalled, the office of
6 that member is filled in accordance with AS 14.12.070. If all members
7 are recalled from a school board, the governor shall appoint three
8 qualified persons to the school board. The appointees shall appoint
9 additional members to fill remaining vacancies in accordance with
10 AS 14.12.070.

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

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

19 (e) Nominations for a successor may be filed until seven days
20 before the last date on which a first notice of the election must be
21 given. Nominations may not be filed before the certification of the
22 recall election.

23 Sec. 29.26.360. APPLICATION. AS 29.26.240 - 29.26.360 apply to
24 home rule and general law municipalities.

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

26 CHAPTER 35. MUNICIPAL POWERS AND DUTIES.

27 ARTICLE 1. GENERAL POWERS.

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

- 1 (1) to establish and prescribe a salary for an elected or
2 appointed municipal official or employee;
- 3 (2) to combine two or more appointive or administrative
4 offices;
- 5 (3) to establish and prescribe the functions of a municipal
6 department, office, or agency;
- 7 (4) to require periodic and special reports from a municipi-
8 pal department to be submitted through the mayor;
- 9 (5) to investigate an affair of the municipality and make
10 inquiries into the conduct of a municipal department;
- 11 (6) to levy a tax or special assessment, and impose a lien
12 for its enforcement;
- 13 (7) to enforce an ordinance and to prescribe a penalty for
14 violation of an ordinance;
- 15 (8) to acquire, manage, control, use, and dispose of real
16 and personal property, whether the property is situated inside or
17 outside the municipal boundaries; this power includes the power of a
18 borough to expend, for any purpose authorized by law, money received
19 from the disposal of land in a service area established under AS 29.-
20 35.450;
- 21 (9) to expend money for a community purpose, facility, or
22 service for the good of the municipality to the extent the municipali-
23 ty is otherwise authorized by law to exercise the power necessary to
24 accomplish the purpose or provide the facility or service;
- 25 (10) to regulate the operation and use of a municipal right-
26 of-way, facility, or service;
- 27 (11) to borrow money and issue evidences of indebtedness;
- 28 (12) to acquire membership in an organization that promotes
29 legislation for the good of the municipality;

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

4 (14) to sue and be sued.

5 Sec. 29.35.020. EXTRATERRITORIAL JURISDICTION. (a) To the
6 extent a municipality is otherwise authorized by law to exercise the
7 power necessary to provide the facility or service, the municipality
8 may provide parks, playgrounds, cemeteries, emergency medical ser-
9 vices, solid and septic waste disposal, utility services, airports,
10 streets (including ice roads), trails, transportation facilities,
11 wharves, harbors and other marine facilities outside its boundaries
12 and may regulate their use and operation to the extent that the juris-
13 isdiction in which they are located does not regulate them. A regu-
14 lation adopted under this section must state that it applies outside
15 the municipality.

16 (b) A municipality may adopt an ordinance to protect its water
17 supply and watershed, and may enforce the ordinance outside its bound-
18 aries. Before this power may be exercised inside the boundaries of
19 another municipality, the approval of the other municipality must be
20 given by ordinance.

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

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

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

29 Sec. 29.35.040. EMERGENCY DISASTER POWERS. (a) A municipality

1 that is wholly or partially in an area that is declared by the Presi-
2 dent or governor to be a disaster area may participate in and provide
3 for housing, urban renewal, and redevelopment in the same manner as a
4 home rule city. The exercise of these powers by a borough shall be on
5 a nonareawide basis, except a borough may exercise the powers trans-
6 ferred to it by a city as provided by AS 29.35.310.

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

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

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

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

19 (3) award contracts for collection and disposal, or provide
20 for the collection and disposal of garbage and solid waste by munici-
21 pal officials and employees;

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

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

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

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

1 (b) The governing body of a municipality may not prohibit a
2 person holding a valid certificate from the Alaska Public Utilities
3 Commission from continuing to collect and dispose of garbage, refuse,
4 trash, waste material, or provide other related services in an area in
5 the municipality if the certificate authorizes the collection and
6 disposal of garbage, refuse, trash, or other waste material and pro-
7 viding of other services in the area, and the certificate was orig-
8 inally issued before the municipality provided similar services. A
9 municipality may not provide for a garbage, refuse, trash, or other
10 waste material collection and disposal service in an area to the
11 extent it lies in an area granted to a garbage, refuse, trash, or
12 other waste material carrier by a certificate issued by the Alaska
13 Public Utilities Commission to the carrier until it has purchased the
14 certificate, equipment and facilities of the carrier, or that portion
15 of the certificate that would be affected, at fair market value. A
16 municipality may exercise the right of eminent domain to determine
17 fair market value.

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

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

27 (b) Unless the grant is made on a competitive basis, the grant
28 of an exclusive right to use a public street or right-of-way for more
29 than five years to a utility or a transportation system not certif-

1 icated by the Alaska Public Utilities Commission or by the Alaska
2 Transportation Commission shall be valid only if approved by a major-
3 ity of the voters at an election.

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

9 (1) that it is not subject to regulation under AS 42.05;
10 and

11 (2) not otherwise prohibited by law.

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

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

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

20 Sec. 29.35.080. ALCOHOLIC BEVERAGES. (a) A municipality may
21 regulate the barter, sale, importation, and consumption of alcoholic
22 beverages in accordance with AS 04.11.480 - 04.11.506 and AS 04.21.-
23 010.

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

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

29 Sec. 29.35.100. BUDGET AND CAPITAL PROGRAM. (a) The governing

1 body shall establish the manner for the preparation and submission of
2 the budget and capital program. After a public hearing, the governing
3 body may approve the budget with or without amendments, and shall
4 appropriate the money required for the approved budget.

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

8 Sec. 29.35.110. EXPENDITURE OF BOROUGH REVENUES. Borough reve-
9 nues received through taxes collected on an areawide basis by the
10 borough may be expended on general administrative costs and on area-
11 wide functions only. Borough revenues received through taxes col-
12 lected on a nonareawide basis may be expended on general administra-
13 tive costs and functions that render service only to the area outside
14 all cities in the borough.

15 Sec. 29.35.120. POST AUDIT. (a) The governing body shall
16 provide for an annual independent audit of the accounts and financial
17 transactions of the municipality or, in the case of a second class
18 city, an audit or statement of annual income and expenditures. To
19 make the audit the governing body shall designate a public accountant
20 who has no personal interest, direct or indirect, in the fiscal
21 affairs of the municipality. Copies of the audit shall be available
22 to the public upon request.

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

25 Sec. 29.35.130. EMERGENCY SERVICES COMMUNICATIONS CENTERS. (a)
26 A municipality may establish an emergency services communications
27 center with one or more other municipalities and one or more state,
28 federal, or private agencies that provide emergency service
29 communications to the same geographic area. An emergency services

1 communications center established under this section may be organized
2 and operated as a public nonprofit corporation under AS 10.20.

3 (b) An emergency services communications center under this
4 section may be governed by a board of directors. A member of a board
5 of directors of an emergency services communications center serves
6 without compensation but is entitled to per diem and travel expenses.
7 If an emergency services communications center is organized as a
8 nonprofit corporation, a member of its board of directors may not be
9 employed by the nonprofit corporation.

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

14 (1) combine or coordinate the existing emergency services
15 communications programs of the participating municipalities and agen-
16 cies;

17 (2) operate a dispatch center to receive all requests for
18 emergency services and dispatch those services;

19 (3) study the need for improvement in the timely delivery
20 of emergency services to residents of the participating municipali-
21 ties;

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

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

27 (6) enter into contracts to carry out the provisions of
28 this section;

29 (7) employ personnel necessary to carry out the provisions

1 of this section.

2 (d) In this section

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

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

9 ARTICLE 2. MANDATORY AREAWIDE POWERS.

10 Sec. 29.35.150. SCOPE OF AREAWIDE POWERS. (a) A borough shall
11 exercise the powers as specified and in the manner specified in
12 AS 29.35.150 - 29.35.180 on an areawide basis.

13 (b) A city may not exercise an areawide power once that power is
14 being exercised by a borough. This subsection applies to home rule
15 and general law municipalities.

16 Sec. 29.35.160. EDUCATION. (a) Each borough constitutes a
17 borough school district and establishes, maintains, and operates a
18 system of public schools on an areawide basis as provided in AS 14.-
19 14.060. A military reservation in a borough is not part of the bor-
20 ough school district until the military mission is terminated or until
21 inclusion in the borough school district is approved by the Department
22 of Education. However, operation of the military reservation schools
23 by the borough school district may be required by the Department of
24 Education under AS 14.14.110. If the military mission of a military
25 reservation terminates or continued management and control by a re-
26 gional educational attendance area is disapproved by the Department of
27 Education, operation, management, and control of schools on the mili-
28 tary reservation transfers to the borough school district in which the
29 military reservation is located.

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

3 Sec. 29.35.170. ASSESSMENT AND COLLECTION OF TAXES. (a) A
4 borough shall assess and collect property, sales, and use taxes that
5 are levied in its boundaries, subject to AS 29.45.

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

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

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

14 ARTICLE 3. ADDITIONAL POWERS.

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

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

- 20 (1) provide transportation systems;
21 (2) provide water pollution control;
22 (3) provide air pollution control in accordance with
23 AS 46.03.140 - 46.03.240;
24 (4) license day care facilities;
25 (5) license, impound, and dispose of animals.

26 (c) In addition to powers conferred by (b) of this section, a
27 first class borough may, on an areawide basis, exercise a power not
28 otherwise prohibited by law if the power has been acquired in
29 accordance with AS 29.35.300.

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

4 (1) provide transportation systems;

5 (2) regulate the offering for sale, exposure for sale,
6 sale, use or explosion of fireworks;

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

8 (4) provide garbage, solid waste, and septic waste col-
9 lection and disposal;

10 (5) provide air pollution control in accordance with
11 AS 46.03.140 - 46.03.240;

12 (6) provide water pollution control;

13 (7) participate in federal or state loan programs for
14 housing rehabilitation and improvement for energy conservation;

15 (8) provide for economic development;

16 (9) provide for the acquisition and construction of local
17 service roads and trails under AS 19.30.111 - 19.30.251;

18 (10) establish an emergency communications center.

19 (b) A second class borough may by ordinance exercise the follow-
20 ing powers on an areawide basis:

21 (1) provide transportation systems;

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

23 (3) provide air pollution control in accordance with
24 AS 46.03.140 - 46.03.240;

25 (4) provide water pollution control;

26 (5) license day care facilities.

27 (c) In addition to powers conferred by (a) of this section, a
28 second class borough may, on a nonareawide basis, exercise a power not
29 otherwise prohibited by law if the exercise of the power has been

1 approved at an election by a majority of voters living in the borough
2 but outside all cities in the borough.

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

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

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

12 (c) A third class borough may acquire under AS 29.35.300(b) the
13 power to provide for planning, platting, and land use regulation as
14 provided in AS 29.40 for first and second class boroughs, except the
15 power may only be exercised within a service area.

16 (d) A third class borough may acquire under AS 29.35.300(b) any
17 power not otherwise prohibited by law, except the power may only be
18 exercised within a service area.

19 ARTICLE 4. CITY POWERS.

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

22 (b) On adoption of a borough ordinance to provide for areawide
23 exercise of a power, no city may exercise the power unless the borough
24 ordinance provides otherwise or the borough by ordinance ceases to
25 exercise the power.

26 (c) A home rule city in a third class borough shall provide for
27 planning, platting, and land use regulation as provided by AS 29.35.-
28 180(b) for home rule boroughs. A first class city in a third class
29 borough shall provide for planning, platting, and land use regulation

1 as provided by AS 29.35.180(a) for first and second class boroughs. A
2 second class city in a third class borough may provide for planning,
3 platting, and land use regulation as provided by AS 29.35.180(a) for
4 first and second class boroughs.

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

6 Sec. 29.35.260. CITIES OUTSIDE BOROUGHES. (a) A city outside a
7 borough may exercise a power not otherwise prohibited by law. A
8 provision that is incorporated by reference to laws governing boroughs
9 applies to home rule cities outside boroughs only if the provision is
10 made applicable to home rule boroughs.

11 (b) A home rule or first class city outside a borough is a city
12 school district and shall establish, operate, and maintain a system of
13 public schools as provided by AS 29.35.160 for boroughs. A second
14 class city outside a borough is not a school district and may not
15 establish a system of public schools.

16 (c) A home rule city outside a borough shall provide for plan-
17 ning, platting, and land use regulation as provided by AS 29.35.180(b)
18 for home rule boroughs. A first class city outside a borough shall,
19 and a second class city outside a borough may, provide for planning,
20 platting, and land use regulation as provided by AS 29.35.180(a) for
21 first and second class boroughs.

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

23 ARTICLE 5. ACQUISITION OF ADDITIONAL POWERS.

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

27 (b) A second class borough acquires an additional power by
28 transfer of the power by a city or by holding an election on the
29 question. For acquisition of an areawide power, the election shall be

1 held areawide. For acquisition of a nonareawide power, the election
2 shall be held nonareawide.

3 (c) A third class borough acquires an additional power to exer-
4 cise in service areas by holding an election on the question in which
5 each person who is a voter of the borough may vote.

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

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

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

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

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

21 (b) An election on the question of adding a power in a third
22 class borough for exercise in service areas may be initiated in two
23 ways:

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

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

29 (c) The borough clerk shall certify whether a petition filed

1 under (a) or (b) of this section contains the required number of
2 signatures.

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

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

13 (b) A vote on the question of adding an areawide power in a
14 first or second class borough shall be tabulated in two separate
15 classifications. One shall consist of all votes cast in all cities
16 located in the borough. The other shall consist of all votes cast in
17 the borough area outside all cities. If the majority of the votes
18 cast in each classification is favorable, the borough shall assume the
19 added power within 30 days after certification of the election re-
20 sults.

21 (c) If a majority of the votes cast on the question of adding a
22 nonareawide power in a first or second class borough or a power to be
23 exercised in service areas in a third class borough is favorable, the
24 borough shall assume the added power within 30 days after certifica-
25 tion of the election results.

26 (d) The borough mayor shall certify the election results to the
27 department.

28 Sec. 29.35.340. EFFECT OF ACQUIRING AN AREAWIDE POWER. (a) On
29 acquisition of an areawide power the first or second class borough

1 succeeds to all of the rights, powers, and duties of any city or
2 service area with respect to that power. The borough succeeds to
3 claims, franchises, and other contractual obligations, liability for
4 bonded and all other indebtedness, and to all of the right, title, and
5 interest in the real and personal property held by a city or service
6 area for the exercise of the power.

7 (b) The assembly may levy and collect special charges, taxes, or
8 assessments including interest for the purpose of amortizing bonded
9 indebtedness previously incurred by a city or service area for exer-
10 cising an areawide power acquired by the borough. When a city or
11 service area had previously incurred bonded indebtedness, all property
12 that was in the city or service area at the time the bonds were issued
13 remains subject to taxation to pay the principal of and interest on
14 the bonds.

15 (c) On acquisition of an additional areawide power the first or
16 second class borough, in consultation with the city or service area
17 personnel, shall arrange for an orderly and equitable transfer of
18 rights, assets, liabilities, powers, duties, and other matters related
19 to acquisition of the areawide powers.

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

21 ARTICLE 6. CONSTRUCTION OF POWERS.

22 Sec. 29.35.400. GENERAL CONSTRUCTION. A liberal construction
23 shall be given to all powers and functions of a municipality conferred
24 in this title.

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

29 Sec. 29.35.420. ENUMERATION OF POWERS. Specific examples in an

1 enumerated power or function conferred upon a municipality in this
2 title is illustrative of the object and not a limitation on or exclu-
3 sion from the exercise of the power or function.

4 ARTICLE 7. SERVICE AREAS.

5 Sec. 29.35.450. SERVICE AREAS. (a) A service area to provide
6 special services in a borough may be established, operated, altered,
7 or abolished by ordinance. Special services include services not
8 provided on an areawide or nonareawide basis in the borough, or a
9 higher or different level of service than that provided on an areawide
10 or nonareawide basis. The borough may include a city in a service
11 area if

12 (1) the city agrees by ordinance; or

13 (2) approval is granted by a majority of voters residing in
14 the city, and by a majority of voters residing inside the boundaries
15 of the proposed service area but outside of the city.

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

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

23 Sec. 29.35.470. FINANCING. The assembly may levy or authorize
24 the levying of taxes, charges, or assessments in a service area to
25 finance the special services. If the assembly authorizes the levying
26 of taxes, charges, or assessments, the rate of taxation and the issu-
27 ance of bonds are subject to assembly approval.

28 Sec. 29.35.480. SERVICE AREAS IN FIRST CLASS BOROUGHES. In a
29 first class borough, the assembly may exercise in a service area any

1 power granted a first class city by law. The assembly may exercise in
2 a service area any nonareawide power that may be exercised by a first
3 class borough.

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

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

10 (2) all owners of real property in the service area consent
11 in writing to the exercise of the power if no voters reside in the
12 service area.

13 (b) If the exercise of the power is approved by a majority of
14 the voters residing in the service area, a third class borough may
15 exercise in a service area any power that may be acquired by a second
16 class borough under AS 29.35.300(b).

17 (c) A second or third class borough may establish a service area
18 that includes only vacant, unappropriated, and unreserved land owned
19 by the borough. A second or third class borough may establish a
20 service area, with the concurrence of the commissioner of natural
21 resources, that includes only vacant, unappropriated, and unreserved
22 land owned by the state and classified for disposal to individuals.
23 By ordinance a second or third class borough may provide the services
24 in a service area established under this subsection necessary to
25 develop state or municipal land as required by the planning, platting,
26 and land use regulations of the borough.

27 ARTICLE 8. MISCELLANEOUS PROVISIONS.

28 Sec. 29.35.700. DEFINITION. In AS 29.35.200 - 29.35.340 "power"
29 means the provision of a public facility or service, or the exercise

1 of a regulatory power.

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

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

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

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

7 (b) If a city in a borough consents by ordinance, the assembly
8 may by ordinance delegate any of its powers and duties under this
9 chapter to the city. The assembly may by ordinance, without first
10 obtaining the consent of the city, revoke any power or duty delegated
11 under this section.

12 Sec. 29.40.020. PLANNING COMMISSION. (a) Each first and second
13 class borough shall establish a planning commission consisting of five
14 residents unless a greater number is required by ordinance. Commis-
15 sion membership shall be apportioned so that the number of members
16 from home rule and first class cities reflects the proportion of
17 borough population residing in home rule and first class cities lo-
18 cated in the borough. A member shall be appointed by the borough
19 mayor for a term of three years subject to confirmation by the assem-
20 bly, except that a member from a home rule or first class city shall
21 be selected from a list of recommendations submitted by the council.
22 Members first appointed shall draw lots for one, two, and three year
23 terms. Appointments to fill vacancies are for the unexpired term.
24 The compensation and expenses of the planning commission and its staff
25 are paid as directed by the assembly.

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

28 (1) prepare and submit to the assembly a proposed
29 comprehensive plan in accordance with AS 29.40.030 for the systematic

1 and organized development of the borough;

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

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

- 10 (1) statements of policies, goals, and standards;
11 (2) a land use plan;
12 (3) a community facilities plan;
13 (4) a transportation plan; and
14 (5) recommendations for implementation of the comprehensive
15 plan.

16 (b) With the recommendations of the planning commission, the
17 assembly shall adopt by ordinance a comprehensive plan. The assembly
18 shall, after receiving the recommendations of the planning commission,
19 periodically undertake an overall review of the comprehensive plan and
20 update the plan as necessary.

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

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

28 (2) land use permit requirements designed to encourage or
29 discourage specified uses and construction of specified structures, or

1 to minimize unfavorable effects of uses and the construction of struc-
2 tures;

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

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

7 (1) special conditions that require the variance are caused
8 by the person seeking the variance;

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

11 (3) the variance is sought solely to relieve pecuniary
12 hardship or inconvenience.

13 Sec. 29.40.050. APPEALS FROM ADMINISTRATIVE DECISIONS. (a) By
14 ordinance the assembly shall provide for an appeal from an administra-
15 tive decision of a municipal employee, board, or commission made in
16 the enforcement, administration, or application of a land use regula-
17 tion adopted under this chapter. The assembly may provide for an
18 appeal to a court, hearing officer, board of adjustment, or other
19 body. The assembly shall provide for an appeal from a decision on a
20 request for a variance from the terms of a land use regulation when
21 literal enforcement would deprive a property owner of rights commonly
22 enjoyed by other properties in the district.

23 (b) By ordinance the assembly may provide for appointment of a
24 hearing officer, or for the composition, appointment, and terms of
25 office of a board of adjustment or other body established to hear
26 appeals from administrative actions. The assembly may define proper
27 parties and prescribe evidentiary rules, standards of review, and
28 remedies available to the hearing officer, board of adjustment, or
29 other body.

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

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

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

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

13 (2) dimensions and design of lots;

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

18 (4) dedication of streets, rights-of-way, public utility
19 easements and areas considered necessary by the platting authority for
20 other public uses.

21 Sec. 29.40.080. PLATTING AUTHORITY. (a) The assembly by ordi-
22 nance shall establish a platting authority to administer subdivision
23 regulations and to perform other duties as required by the assembly.
24 The platting authority may consist of members of the planning commis-
25 sion or of other municipal residents.

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

29 Sec. 29.40.090. ABBREVIATED PLATS AND WAIVERS. (a) Notwith-

1 standing other provisions of this chapter, the assembly shall by
2 ordinance establish an abbreviated plat procedure for a plat that will

3 (1) subdivide a single lot into not more than four lots;

4 (2) provide legal and physical access to a public highway
5 or street for each lot created by the subdivision;

6 (3) not contain or require a dedication of a street, right-
7 of-way, or other area;

8 (4) not require a vacation of a public dedication of land
9 or a variance from a subdivision regulation.

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

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

15 (1) initial point of survey;

16 (2) original or reestablished corners and their descrip-
17 tions;

18 (3) actual traverse showing area of closure and all dis-
19 tances, angles, and calculations required to determine initial point,
20 corners, and distances of the plat; and

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

22 Sec. 29.40.110. PLAT PROCEDURE. (a) The platting authority
23 shall approve or disapprove a plat within 60 days after it is filed,
24 or shall return it to the applicant for modification or correction.
25 Unless the applicant for plat approval consents to an extension of
26 time, the plat is considered approved and a certificate of approval
27 shall be issued by the platting authority on demand if the platting
28 authority fails to act within 60 days.

29 (b) The platting authority shall state in writing its reasons

1 for disapproval of a plat. If the platting authority approves a plat,
2 the plat shall be acknowledged and filed in accordance with AS 40.15.-
3 010 - 40.15.020.

4 Sec. 29.40.120. ALTERATION OR REPLAT PETITION. A recorded plat
5 may not be altered or replatted except by the platting authority on
6 petition of the state, the borough, a public utility, or the owners of
7 a majority of the land affected by the alteration or replat. A plat-
8 ted street may not be vacated, except on petition of the state, the
9 borough, a public utility, or owners of a majority of the land front-
10 ing the part of the street sought to be vacated. The petition shall
11 be filed with the platting authority and shall be accompanied by a
12 copy of the existing plat showing the proposed alteration or replat.

13 Sec. 29.40.130. NOTICE OF HEARING. The platting authority shall
14 fix a time for a hearing on an alteration or replat petition that may
15 not be more than 60 days after the petition is filed. Notice shall be
16 published by the platting authority stating when and by whom the peti-
17 tion was filed, its purpose, and the time and place of the hearing.
18 The notice shall generally describe the alteration or replat sought.
19 The platting authority shall also mail a copy of the notice to each
20 affected property owner who did not sign the petition.

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

24 (b) Vacation of a city street may not be made without the con-
25 sent of the council. Vacation of a street in the borough area outside
26 all cities may not be made without the consent of the assembly. The
27 governing body shall have 30 days from the decision of the platting
28 authority in which to veto a vacation of a street. If no veto is
29 received by the platting authority within the 30-day period, consent

1 is considered to have been given to the vacation.

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

5 Sec. 29.40.160. TITLE TO VACATED AREA. (a) The title to the
6 street or other public area vacated on a plat attaches to the lot or
7 lands bordering the area in equal proportions, except that if the area
8 was originally dedicated by different persons, original boundary lines
9 shall be adhered to so that the street area that lies on one side of
10 the boundary line shall attach to the abutting property on that side,
11 and the street area that lies on the other side of the boundary line
12 shall attach to the property on that side. The portion of a vacated
13 street that lies inside the limits of a platted addition attaches to
14 the lots of the platted addition bordering on the area. If a public
15 square is vacated, the title to it vests in a city if it lies inside
16 the city, and in the borough if it lies inside the borough but outside
17 all cities. If the property vacated is a lot, title vests in the
18 rightful owner.

19 (b) If the municipality acquired the street or other public area
20 vacated for legal consideration or by express dedication to the muni-
21 cipality other than as a subdivision platting requirement, before the
22 final act of vacation the fair market value of the street or public
23 area shall be deposited with the platting authority to be paid to the
24 municipality on final vacation.

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

27 (d) The council of a second class city located outside a borough
28 may vacate streets, alleys, crossings, sidewalks, or other public ways
29 that may have been previously dedicated or established when the coun-

1 cil finds that the streets, alleys, crossings, sidewalks, or other
2 public ways are no longer necessary for the public welfare, or when
3 the public welfare will be enhanced by the vacation. If the council
4 determines that all or a portion of the area vacated under this sub-
5 section should be devoted to another public purpose, title to the area
6 vacated and held for another public purpose does not vest as provided
7 in (a) of this section but remains in the city.

8 Sec. 29.40.170. DELEGATIONS. The planning commission and the
9 platting authority may, as authorized by ordinance, delegate powers to
10 hear and decide cases under this chapter, including, but not limited
11 to, delegations to

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

14 (2) other boards or commissions;

15 (3) a hearing officer designated by the planning commission
16 or platting authority.

17 Sec. 29.40.180. VIOLATIONS. It is unlawful for the owner of
18 land located in a subdivision to transfer, sell, offer to sell, or
19 enter into a contract to sell land in a subdivision before a plat of
20 the subdivision has been prepared, approved, and filed in accordance
21 with this chapter. It is unlawful for a person to file a plat or
22 other document depicting subdivided land in a public recorder's office
23 unless the plat or document has been approved by the platting author-
24 ity. A person convicted of violating a provision of this chapter, a
25 subdivision regulation adopted under this chapter, or a term, condi-
26 tion, or limitation imposed by a platting authority in the exercise of
27 its powers under this chapter is guilty of a class B misdemeanor.

28 Sec. 29.40.190. REMEDIES. (a) The municipality or an aggrieved
29 person may institute a civil action against a person who violates a

1 provision of this chapter, a subdivision regulation adopted under this
2 chapter, or a term, condition, or limitation imposed by a platting
3 authority. In addition to other relief, a civil penalty not to exceed
4 \$1,000 may be imposed for each violation. An action to enjoin a
5 violation may be brought notwithstanding the availability of any other
6 remedy. Upon application for injunctive relief and a finding of a
7 violation or threatened violation, the superior court shall grant the
8 injunction.

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

11 Sec. 29.40.200. SUBDIVISIONS OF STATE LAND. (a) The subdivi-
12 sion requirements adopted under this chapter apply to a subdivision
13 plat of undeveloped state land for disposal under AS 38.05 or AS 38.08
14 filed with the platting authority. The platting authority may not
15 disapprove the subdivision plat on the basis of requirements for
16 capital improvements on or to state land included in the subdivision
17 plat. Subdivision ordinances and regulations adopted after the plat-
18 ting authority is notified by the commissioner of natural resources of
19 a proposed sale of subdivided state land under AS 38.05 or AS 38.08 do
20 not apply to the state land in the proposed sale.

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

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

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

29 (c) The commissioner of natural resources may withdraw the sub-

1 division plat and amend it in response to the determination of non-
2 compliance by the platting authority under (b) of this section. The
3 platting authority shall respond within 30 days to the amendment or
4 response from the commissioner of natural resources.

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

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

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

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

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

16 CHAPTER 45. MUNICIPAL TAXATION.

17 ARTICLE 1. MUNICIPAL PROPERTY TAX.

18 Sec. 29.45.010. PROPERTY TAX. (a) A unified municipality may
19 levy a property tax. A borough may levy

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

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

23 (3) a property tax in a service area for functions limited
24 to the service area.

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

28 (c) If a tax is levied on real property or on personal property,
29 the tax must be assessed, levied, and collected as provided in this

1 chapter.

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

5 "NOTICE TO TAXPAYER

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

9	PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE	
10	(AS 14.17)	\$
11	STATE AID FOR RETIREMENT OF SCHOOL CONSTRUC-	
12	TION DEBT (AS 43.18.100)	\$
13	MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE	
14	(AS 29.60.010 - 29.60.080)	\$
15	STATE AID FOR MISCELLANEOUS MUNICIPAL	
16	SERVICES (AS 29.60.100 - 29.60.180)	\$
17	TOTAL AID	\$

18 The millage equivalent of this state aid, based on the dollar
19 value of a mill in the municipality during the current assessment
20 year and for the preceding assessment year, is:

21		MILLAGE EQUIVALENT	
22		PREVIOUS YEAR	THIS YEAR
23	PUBLIC SCHOOL FOUNDATION PROGRAM		
24	ASSISTANCEMILLSMILLS
25	STATE AID FOR RETIREMENT OF		
26	SCHOOL CONSTRUCTION DEBTMILLSMILLS
27	MUNICIPAL TAX RESOURCE EQUALI-		
28	ZATION ASSISTANCEMILLSMILLS
29	STATE AID FOR MISCELLANEOUS		

1 MUNICIPAL SERVICESMILLSMILLS
2 TOTAL MILLAGE EQ' VALENTMILLSMILLS"

3 Notice shall be provided

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

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

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

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

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

22 (2) household furniture of the head of a family or house-
23 hold;

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

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

1 (5) money on deposit;

2 (6) the real property of certain residents of the state to
3 the extent and subject to the conditions provided in (e) of this sec-
4 tion;

5 (7) real property or interests in real property that are
6 exempt from taxation under 43 U.S.C. 1620(d), as amended, as more
7 fully provided in (m) and (n) of this section.

8 (b) "Property used exclusively for religious purposes" includes
9 the following property owned by a religious organization:

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

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

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

17 (c) Property described in (a)(3) or (4) or (b) of this section
18 from which income is derived is exempt only if that income is solely
19 from use of the property by nonprofit religious, charitable, hospital,
20 or educational groups. If used by nonprofit educational groups, the
21 property is exempt only if used exclusively for classroom space.

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

25 (e) The real property owned and occupied as a permanent place of
26 abode by a resident 65 years of age or over is exempt from taxation of
27 the assessed value of the real property. Real property may not be
28 exempted under this subsection that the assessor determines, after
29 notice and hearing to the parties concerned, has been conveyed to the

1 applicant primarily for the purpose of obtaining the exemption. The
2 determination of the assessor is appealable under AS 44.62.560 and
3 44.62.570.

4 (f) An exemption may not be granted under (e) of this section
5 except upon written application for the exemption on a form prescribed
6 by the state assessor for use by local assessors. The claimant must
7 file the application no later than January 15, or a date provided by
8 ordinance that is not later than March 31, of the assessment year for
9 which the exemption is sought. The governing body of the municipality
10 for good cause shown may waive during a year the claimant's failure to
11 make timely application for exemption for that year and authorize the
12 assessor to accept the application as if timely filed. The claimant
13 must file a separate application for each assessment year in which the
14 exemption is sought. If an application is filed within the required
15 time and is approved by the assessor, the assessor shall allow an
16 exemption in accordance with the provisions of this section. If a
17 failure to file by January 15, or a date provided by ordinance that is
18 not later than March 31, of the assessment year has been waived as
19 provided in this subsection and the application for exemption is
20 approved, the amount of tax that the claimant has already paid for the
21 assessment year for the property exempted shall be refunded to the
22 claimant. The assessor may at any time require proof in the form the
23 assessor considers necessary of the right and amount of an exemption
24 claimed under (e) of this section.

25 (g) The state shall reimburse a borough or city, as appropriate,
26 for the real property tax revenues lost to it by the operation of (e)
27 of this section. However, reimbursement will be made to a municipal-
28 ity for revenue lost to it only to the extent that the loss exceeds an
29 exemption that was granted by the municipality, or that on proper

1 application by an individual would have been granted under AS 29.45.-
2 050(a).

3 (h) Except as provided in (g) of this section, nothing in (e) -
4 (j) of this section affects similar exemptions from property taxes
5 granted by a municipality on September 10, 1972, or prevents a munici-
6 pality from granting similar exemptions by ordinance as provided in
7 AS 29.45.050.

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

11 (j) One motor vehicle per household owned by a resident 65 years
12 of age or older on January 1 of the assessment year is exempt either
13 from taxation on its assessed value or from the registration tax under
14 AS 28.10.431. An exemption may be granted under this subsection only
15 upon written application on a form prescribed by the Department of
16 Public Safety. The state shall reimburse a municipality for tax reve-
17 nues lost to it because of the exemption required by this subsection.
18 Reimbursement to a municipality equals the amount of registration tax
19 authorized under AS 28.10.431(b) for each vehicle exempted under this
20 subsection.

21 (k) The department shall adopt regulations to implement the pro-
22 visions of (g) and (j) of this section.

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

28 (1) an amount equal to two percent of the value of the
29 structure based on the assessment for 1981, if the fire protection

1 system is a fixture of the structure on January 1, 1981; or

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

7 (m) The tax exemption required by 43 U.S.C. 1620(d), as amended,
8 shall be implemented according to the following conditions and inter-
9 pretations:

10 (1) "developed" means a purposeful modification of the
11 property from its original state that effectuates a condition of
12 gainful or productive present use without further substantial modifi-
13 cation; surveying, construction of roads, providing utilities or other
14 similar actions normally considered to be component parts of the
15 development process, but which do not create the condition described
16 in this paragraph, do not constitute a developed state within the
17 meaning of this paragraph; developed property, in order to remove the
18 exemption, must be developed for purposes other than exploration, and
19 be limited to the smallest practicable tract of the property actually
20 used in the developed state;

21 (2) "exploration" means the examination and investigation
22 of undeveloped land to determine the existence of subsurface nonrenew-
23 able resources;

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

1 (n) If the property or interest in the property reverts to an
2 undeveloped state, or if the lease is terminated, the exemption shall
3 be reinstated, subject to the provisions of (m) of this section.

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

8 (b) For purposes of determining payments to eligible persons,
9 the department shall calculate a property tax equivalent percentage
10 for each municipality that levies a property tax at the rate of one
11 percent per mill. The property tax equivalent percentage applied to
12 the annual rent charged to the applicant equals the property tax
13 equivalency payment payable under this section.

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

21 (d) If two or more persons occupy a residence as tenants, not
22 all of whom are eligible for tax equivalency payments under this
23 section, the assessor shall determine equitable partial payments to be
24 made to the eligible tenants. However, tax equivalency payments to an
25 eligible applicant may not be reduced because the spouse is less than
26 65 years of age. If all occupants in a residence are eligible for tax
27 equivalency payments under this section, the occupants shall decide
28 between and among themselves which shall receive payment.

29 Sec. 29.45.050. OPTIONAL EXEMPTIONS AND EXCLUSIONS. (a) A

1 municipality may exclude or exempt or partially exempt residential
2 property from taxation by ordinance ratified by the voters at an
3 election. An exclusion or exemption authorized by this section may
4 not exceed the assessed value of \$10,000 for any one residence.

5 (b) A municipality may by ordinance

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

9 (2) classify and exempt from taxation

10 (A) the property of an organization not organized for
11 business or profit-making purposes and used exclusively for
12 community purposes if the income derived from rental of that
13 property does not exceed the actual cost to the owner of the use
14 by the renter;

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

16 (C) land of a nonprofit organization used for agricul-
17 tural purposes if rights to subdivide the land are conveyed to
18 the state and the conveyance includes a covenant restricting use
19 of the land to agricultural purposes only; rights conveyed to the
20 state under this subparagraph may be conveyed by the state only
21 in accordance with AS 38.05.069(c);

22 (3) exempt personal property from taxation.

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

24 (1) a borough may, by ordinance, adjust its property tax
25 structure in whole or in part to the property tax structure of a city
26 in the borough, including but not limited to, excluding personal
27 property from taxation, establishing exemptions, and extending the
28 redemption period;

29 (2) a home rule or first class city has the same power to

1 grant exemptions or exclude property from borough taxes that it has as
2 to city taxes if

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

5 (B) the city appropriates to the borough sufficient
6 money to equal revenues lost by the borough because of the exemp-
7 tions or exclusions, the amount to be determined annually by the
8 assembly;

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

13 (d) Exemptions or exclusions from property tax that have been
14 granted by a home rule municipality in addition to exemptions autho-
15 rized or required by law, and that are in effect on September 10,
16 1972, and not later withdrawn, are not affected by this chapter.

17 (e) A municipality may by ordinance classify and exempt or par-
18 tially exempt from taxation privately owned land, wet land and water
19 areas for which a scenic, conservation, or public recreation use ease-
20 ment is granted to a governmental body. To be eligible for a tax
21 exemption, or partial exemption, the easement must be in perpetuity.
22 However, the easement is automatically terminated before an eminent
23 domain taking of fee simple title or less than fee simple title to the
24 property, so that the property owner is compensated at a rate that
25 does not reflect the easement grant.

26 (f) A municipality may by ordinance exempt from taxation all or
27 part of the increase in assessed value of improvements to real prop-
28 erty if an increase in assessed value is directly attributable to
29 alteration of the natural features of the land, or new maintenance,

1 repair, or renovation of an existing structure, and if the alteration,
2 maintenance, repair, or renovation, when completed, enhances the
3 exterior appearance or aesthetic quality of the land or structure. An
4 exemption may not be allowed under this subsection for the construc-
5 tion of an improvement to a structure if the principal purpose of the
6 improvement is to increase the amount of space for occupancy or non-
7 residential use in the structure or for the alteration of land as a
8 consequence of construction activity. An exemption provided in this
9 subsection may continue for up to four years from the date the im-
10 provement is completed, or from the date of approval for the exemption
11 by the local assessor, whichever is later.

12 (g) A municipality may by ordinance exempt from taxation all or
13 part of the increase in assessed value of improvements to a single-
14 family dwelling if the principal purpose of the improvement is to
15 increase the amount of space for occupancy. An exemption provided in
16 this subsection may continue for up to two years from the date the
17 improvement is completed, or from the date of approval of an applica-
18 tion for the exemption by the local assessor, whichever is later.

19 Sec. 29.45.060. FARM OR AGRICULTURAL LAND AND GREENHOUSES. (a)
20 Farm use land included in a farm unit and not dedicated or being used
21 for nonfarm purposes shall be assessed on the basis of full and true
22 value for farm use and may not be assessed as if subdivided or used
23 for some other nonfarm purpose. A farm use greenhouse, whether clas-
24 sified as real or personal property for municipal tax purposes, shall
25 be assessed on the basis of full and true value for farm use. The
26 assessor shall maintain records valuing the land or greenhouse for
27 both full and true value and farm use value. If the land or green-
28 house is sold, leased, or otherwise disposed of for uses incompatible
29 with farm use or converted to a use incompatible with farm use by the

1 owner, the owner is liable to pay an amount equal to the additional
2 tax at the current mill levy together with eight percent interest for
3 the preceding seven years, as though the land or greenhouse had not
4 been assessed for farm use purposes. Payment by the owner shall be
5 made to the state to the extent of its reimbursement for revenue loss
6 under (e) of this section for the preceding seven years. The balance
7 of the payment shall be made to the municipality.

8 (b) An owner of farm use land or a farm use greenhouse must, to
9 secure the assessment under this section, apply to the assessor before
10 May 15 of each year in which the assessment is desired. The applica-
11 tion shall be made upon forms prescribed by the state assessor for the
12 use of the local assessor, and shall include information that may
13 reasonably be required to determine the entitlement of the applicant.
14 If the land or greenhouse is leased for farm use purposes, the appli-
15 cant shall furnish to the assessor a copy of the lease bearing the
16 signatures of both lessee and lessor along with the completed applica-
17 tion. The applicant shall furnish the assessor a copy of the lease
18 covering the period for which the exemption is requested.

19 (c) In this section "farm use" means the use of land or a green-
20 house for profit for raising and harvesting crops or ornamental
21 plants, for the feeding, breeding, and management of livestock, for
22 dairying, or another agricultural use, or any combination of these.
23 To be farm use land, the owner or lessee must be actively engaged in
24 farming the land, and derive at least 10 percent of yearly gross
25 income from the land. To be a farm use greenhouse, the owner or
26 lessee must derive at least 10 percent of yearly gross income from the
27 greenhouse or from the greenhouse together with other commercial
28 greenhouses or farm use land. This section does not apply to land for
29 which the owner has granted, and has outstanding, a lease or option to

1 buy the surface rights. A property owner wishing to file for farm use
2 classification having no history of farm-related income may submit a
3 declaration of intent at the time of filing the application with the
4 assessor setting out the intended use of the land or greenhouse and
5 the anticipated percentage of income. An applicant using this proce-
6 dure shall file with the assessor before February 1 of the following
7 year a notarized statement of the percentage of gross income attribut-
8 able to the land or greenhouse. Failure to make the filing required
9 in this subsection forfeits the exemption.

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

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

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

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

28 (b) A municipality may levy and collect a tax on the full and
29 true value of property taxable under this chapter and under AS 43.56

1 as valued by the Department of Revenue at a rate not to exceed that
2 which produces an amount of revenue from the total municipal property
3 tax equivalent to \$1,500 a year for each person residing in its bound-
4 aries.

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

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

18 (e) For purposes of this section, population shall be determined
19 by the commissioner based on the latest statistics of the United
20 States Bureau of the Census or on other reliable population data, and
21 the commissioner shall advise each municipality of its population by
22 January 15 of each year.

23 Sec. 29.45.090. TAX LIMITATION. (a) A municipality may not,
24 during a year, levy and tax for any purpose in excess of three percent
25 of the assessed value of property in the municipality. All property
26 on which a tax is levied shall be taxed at the same rate during the
27 year.

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

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

4 (2) upon value that, when combined with the value of prop-
5 erty otherwise taxable by the municipality, exceeds the product of 225
6 percent of the average per capita assessed full and true value of
7 property in the state multiplied by the number of residents of the
8 taxing municipality.

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

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

17 (2) upon value that, when combined with the value of prop-
18 erty otherwise taxable by the municipality, exceeds the product of 225
19 percent of the average per capita assessed full and true value of
20 property in the state multiplied by the number of residents of the
21 taxing municipality.

22 (d) For the purpose of (b) and (c) of this section, population
23 shall be determined by the commissioner based on the latest statistics
24 of the United States Bureau of the Census or on other reliable popula-
25 tion data. For purposes of (b) and (c) of this section, the average
26 per capita assessed full and true value of property in the state shall
27 be calculated without regard to the assessed value of taxable property
28 under AS 43.58.

29 Sec. 29.45.100. NO LIMITATIONS ON TAXES TO PAY BONDS. The

1 limitations provided for in AS 29.45.080 - 29.45.090 do not apply to
2 taxes levied or pledged to pay or secure the payment of the principal
3 and interest on bonds. Taxes to pay or secure the payment of princi-
4 pal and interest on bonds may be levied without limitation as to rate
5 or amount, regardless of whether the bonds are in default or in danger
6 of default.

7 Sec. 29.45.110. FULL AND TRUE VALUE. (a) The assessor shall
8 assess property at its full and true value as of January 1 of the
9 assessment year, except as provided in this section, AS 29.45.060, and
10 29.45.230. The full and true value is the estimated price that the
11 property would bring in an open market and under the then prevailing
12 market conditions in a sale between a willing seller and a willing
13 buyer both conversant with the property and with prevailing general
14 price levels.

15 (b) Assessment of business inventories may be based on the
16 average monthly method of assessment rather than the value existing on
17 January 1. The method used to assess business inventories shall be
18 prescribed by the governing body.

19 (c) In the case of cessation of business during the tax year,
20 the municipality may provide for reassessment of business inventories
21 using the average monthly method of assessment for the tax year rather
22 than the value existing on January 1 of the tax year, and for reduc-
23 tion and refund of taxes. In enacting an ordinance authorized by this
24 section, the municipality may prescribe procedures, restrictions, and
25 conditions of assessing or reassessing business inventories and of
26 remitting or refunding taxes.

27 Sec. 29.45.120. RETURNS. (a) The municipality may require each
28 person having ownership or control of or an interest in property to
29 submit a return in the form prescribed by the assessor, based on prop-

1 erty values existing on January 1, except as otherwise provided in
2 this chapter.

3 (b) The assessor may, by written notice, require a person to
4 provide additional information within 30 days.

5 Sec. 29.45.130. INDEPENDENT INVESTIGATION. (a) The assessor is
6 not bound to accept a return as correct. The assessor may make an
7 independent investigation of property returned or of taxable property
8 on which no return has been filed. In either case, the assessor may
9 make the assessor's own valuation of the taxable property and this
10 valuation is prima facie evidence of the value of the property.

11 (b) For investigation, the assessor or the assessor's agent may
12 enter a premise during reasonable hours and may examine property on
13 the premise. The assessor or the assessor's agent may examine all
14 property records involved. A person shall, on request, furnish to the
15 assessor or the assessor's agent every facility and assistance for the
16 investigation. The assessor may seek a court order to compel entry
17 and production of records needed for assessment purposes.

18 (c) An assessor may examine a person on oath. On request, the
19 person shall submit to examination at a reasonable time and place
20 selected by the assessor.

21 Sec. 29.45.140. VIOLATIONS. A person who knowingly fails to
22 file a statement required by ordinance or who knowingly makes a false
23 affidavit to a statement required by a tax ordinance relative to the
24 amount, location, kind or value of property subject to taxation with
25 intent to evade the taxation, is guilty of a class B misdemeanor.

26 Sec. 29.45.150. REEVALUATION. A systematic reevaluation of
27 taxable real and personal property undertaken by the assessor, whether
28 of specific areas in which real property is located or of specific
29 classes of real or personal property to be assessed, shall be made

1 only in accordance with a resolution or other act of the municipality
2 directing a systematic reevaluation of all taxable property in the
3 municipality over the shortest period of time practicable, as fixed in
4 the resolution or act.

5 Sec. 29.45.100. ASSESSMENT ROLL. (a) The assessor shall pre-
6 pare an annual assessment roll. The roll shall contain

- 7 (1) a description of all taxable property;
8 (2) the assessed value of all taxable property;
9 (3) the names and addresses of persons with property sub-
10 ject to assessment and taxation.

11 (b) The assessor may list real property by any description that
12 may be made certain. Real property is assessed to the record owner.
13 The district recorder shall at least monthly provide the assessor a
14 copy of each recorded change of ownership showing the name and mailing
15 address of the owner and the name and mailing address of the person
16 recording the change of ownership. Other persons having an interest
17 in the property may be listed on the assessment records with the
18 owner. The person in whose name property is listed as owner is conclu-
19 sively presumed to be the legal record owner. If the property owner
20 is unknown, the property may be assessed to "unknown owner". An
21 assessment is not invalidated by a mistake, omission, or error in the
22 name of the owner, if the property is correctly described.

23 Sec. 29.45.170. ASSESSMENT NOTICE. (a) The assessor shall give
24 each person named in the assessment roll a notice of assessment,
25 showing the assessed value of the person's property. On each notice
26 is printed a brief summary of the dates when taxes are payable, delin-
27 quent, and subject to penalty and interest, and the dates when the
28 board of equalization will sit.

29 (b) Sufficient assessment notice is given if mailed by first

1 class mail 30 days before the equalization hearings. If the address
2 is not known to the assessor, the notice may be addressed to the
3 person at the post office nearest the property. Notice is effective
4 on the date of mailing.

5 Sec. 29.45.180. CORRECTIONS. (a) A person receiving an assess-
6 ment notice shall advise the assessor of errors or omissions in the
7 assessment of the person's property. The assessor may correct errors
8 or omissions in the roll before the board of equalization hearing.

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

12 Sec. 29.45.190. APPEAL. (a) A person whose name appears on the
13 assessment roll or the agent or assigns of that person may appeal to
14 the board of equalization for relief from an alleged error in valua-
15 tion not adjusted by the assessor to the taxpayer's satisfaction.

16 (b) The appellant shall, within 30 days after the date of mail-
17 ing of notice of assessment, submit to the assessor a written appeal
18 specifying grounds in the form that the board of equalization may
19 require. Otherwise, the right of appeal ceases unless the board of
20 equalization finds that the taxpayer was unable to comply.

21 (c) The assessor shall notify an appellant by mail of the time
22 and place of hearing.

23 (d) The assessor shall prepare for use by the board of equaliza-
24 tion a summary of assessment data relating to each assessment that is
25 appealed.

26 (e) A city in a borough may appeal an assessment to the borough
27 board of equalization in the same manner as a taxpayer. Within five
28 days after receipt of the appeal, the assessor shall notify the person
29 whose property assessment is being appealed by the city.

1 Sec. 29.45.200. BOARD OF EQUALIZATION. (a) The governing body
2 sits as a board of equalization for the purpose of hearing an appeal
3 from a determination of the assessor, or it may delegate this author-
4 ity to one or more boards appointed by it. An appointed board may be
5 composed of not less than three persons, who may be members of the
6 governing body, municipal residents, or a combination of members of
7 the governing body and residents. The governing body shall by ordi-
8 nance establish the qualifications for membership.

9 (b) The board of equalization is governed in its proceedings by
10 rules adopted by ordinance that are consistent with general rules of
11 administrative procedure. The board may alter an assessment of a lot
12 only pursuant to an appeal filed as to the particular lot.

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

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

19 (b) The appellant bears the burden of proof. The only grounds
20 for adjustment of assessment are proof of unequal, excessive, im-
21 proper, or under valuation based on facts that are stated in a valid
22 written appeal or proven at the appeal hearing. If a valuation is
23 found to be too low, the board of equalization may raise the assess-
24 ment.

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

29 (d) An appellant or the assessor may appeal a determination of

1 the board of equalization to the superior court as provided by rules
2 of court applicable to appeals from the decisions of administrative
3 agencies. Appeals are heard on the record established at the hearing
4 before the board of equalization.

5 Sec. 29.45.220. SUPPLEMENTARY ASSESSMENT ROLLS. The assessor
6 shall include property omitted from the assessment roll on a supple-
7 mentary roll, using the procedures set out in this chapter for the
8 original roll.

9 Sec. 29.45.230. TAX ADJUSTMENTS ON PROPERTY AFFECTED BY A
10 NATURAL DISASTER. (a) The municipality may provide for assessment or
11 reassessment and reduction of taxes for property destroyed, damaged,
12 or otherwise reduced in value as a result of a natural disaster.

13 (b) An assessment or reassessment under this section may be made
14 by the assessor only upon the receipt of a sworn statement of the tax-
15 payer that losses exceed \$1,000. A reduction of taxes may be made
16 only on losses in excess of \$1,000 for the remainder of the year
17 following the disaster. On reassessment, the municipality shall
18 recompute this tax and refund taxes that have already been paid.

19 (c) The municipality shall give notice of assessment or re-
20 assessment under this section and shall hold an equalization hearing
21 as provided in this chapter, except that a notice of appeal must be
22 filed with the board of equalization within 10 days after notice of
23 assessment or reassessment is given to the person appealing. Other-
24 wise, the right of appeal ceases unless the board finds that the
25 taxpayer is unable to comply.

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

1 (e) In this section "disaster" means a major disaster declared
2 by the President of the United States under the provisions of the
3 Federal Disaster Act of 1950, Title 42, United States Code, sec.
4 1855-1855g, or other federal law, or a disaster declared by the gover-
5 nor under AS 26.23.010 - 26.23.110.

6 Sec. 29.45.240. TAX LEVY AND RATE. (a) The power granted to a
7 municipality to assess, levy, and collect a property tax shall be
8 exercised by means of an ordinance. The rate of levy, the date of
9 equalization, and the date when taxes become delinquent shall be fixed
10 by resolution.

11 (b) A municipality shall annually determine the rate of levy
12 before June 15. By July 1 the tax collector shall mail tax statements
13 setting out the levy, dates when taxes are payable and delinquent, and
14 penalties and interest.

15 Sec. 29.45.250. RATES OF PENALTY AND INTEREST. (a) A penalty
16 not to exceed 20 percent of the tax due may be added to all delinquent
17 taxes, and interest not to exceed 15 percent a year shall accrue upon
18 all unpaid taxes, not including penalty, from the due date until paid
19 in full. A municipality may impose a penalty not to exceed 20 percent
20 of the tax due upon the late return of personal property assessment
21 forms. A penalty under this section may be imposed according to a
22 formula that increases the amount of the penalty as the length of time
23 increases during which payment is delinquent or assessment forms are
24 not returned.

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

28 ARTICLE 2. ENFORCEMENT OF TAX LIENS.

29 Sec. 29.45.290. VALIDITY. Certified assessment and tax rolls

1 are valid and binding on all persons, notwithstanding a defect, error,
2 omission, or invalidity in the assessment rolls or proceedings per-
3 taining to the assessment roll.

4 Sec. 29.45.300. TAX LIABILITY. (a) The owner of assessed per-
5 sonal property is personally liable for the amount of taxes assessed
6 against the property. The tax, together with penalty and interest,
7 may be collected in a personal action brought in the name of the
8 municipality.

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

12 Sec. 29.45.310. ENFORCEMENT OF PERSONAL PROPERTY TAX LIENS BY
13 DISTRAINT AND SALE. (a) A lien for personal property taxes may be
14 enforced by distraint and sale of the property. The municipality
15 shall provide the procedure for distraint and sale by ordinance. A
16 seizure, levy, or distraint is not legal unless demand is first made
17 of the person assessed for the amount of the tax, penalty, and inter-
18 est, and a sale is not valid unless made at public auction no sooner
19 than 15 days after notice is published. The seizure is made by virtue
20 of a warrant issued by the municipal clerk to a peace officer.

21 (b) If the personal property sold is not sufficient to satisfy
22 the tax, penalty, and interest, and costs of sale, the warrant may
23 authorize the seizure of other personal property sufficient to satisfy
24 the tax, penalty, interest, and costs of sale. If the property is
25 sold for more money than is needed to satisfy the tax, the municipal-
26 ity shall remit the excess to the former record owner upon presenta-
27 tion of a proper claim. A claim for the excess filed after six months
28 of the date of sale is forever barred.

29 Sec. 29.45.320. REAL PROPERTY TAX COLLECTION. (a) The munici-

1 pality shall enforce delinquent real property tax liens by annual
2 foreclosure, unless otherwise provided by ordinance.

3 (b) If the tax on property described in AS 29.45.070 or on a
4 taxable interest in tax-exempt property is not paid when due, a muni-
5 cipality may enforce the tax by a personal action against the delin-
6 quent taxpayer brought in the district or superior court, in addition
7 to other remedies available to enforce the lien.

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

9 (1) annually present a petition for judgment and a certi-
10 fied copy of the foreclosure list for the previous year's delinquent
11 taxes in the superior court for judgment;

12 (2) publish the foreclosure list for four consecutive weeks
13 in a newspaper of general circulation distributed in the municipality
14 or, if there is no newspaper of general circulation distributed in the
15 municipality, post the list at three public places for at least 30
16 days;

17 (3) within 10 days after the first publication or posting,
18 mail to the last known owner of each property as the owner's name and
19 address appear on the list a notice advising of the foreclosure pro-
20 ceeding in which a petition for judgment of foreclosure has been filed
21 and describing the property and the amount due as stated on the list.

22 (b) The list shall be arranged in alphabetical order as to the
23 last name and shall include

24 (1) the last known owner;

25 (2) the property description as stated on the assessment
26 roll;

27 (3) years and amounts of delinquency;

28 (4) penalty and interest due;

29 (5) a statement that the list is available for public

1 inspection at the clerk's office;

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

4 (c) Completion of the requirements of (a) of this section con-
5 stitutes and has the same force and effect as the filing of an indi-
6 vidual and separate complaint and service of summons to foreclose a
7 lien against each property described on the foreclosure list.

8 Sec. 29.45.340. CLEARING DELINQUENCIES. During the publication
9 or posting of the foreclosure list and up to the time of transfer to
10 the municipality a person may pay the taxes, together with the
11 penalty, interest, and costs. The collector shall note payment on the
12 foreclosure list.

13 Sec. 29.45.350. LIST TO LIENHOLDER. A holder of a mortgage or
14 other lien on real property may request the clerk to send by certified
15 mail notice of a foreclosure list that includes the real property.

16 Sec. 29.45.360. GENERAL FORECLOSURE. A municipality shall bring
17 one general foreclosure proceeding in rem against the properties in-
18 cluded in the foreclosure list. If the owner is unknown, the property
19 is proceeded against as belonging to "unknown owner".

20 Sec. 29.45.370. ANSWER AND OBJECTION. A person having an inter-
21 est in a lot on the foreclosure list may file an answer within 30 days
22 of the date of last publication, specifying the person's objection.
23 The court shall make its decision in summary proceedings. The fore-
24 closure list is prima facie evidence that the assessment and levy of
25 the tax is valid and that the tax is unpaid.

26 Sec. 29.45.380. JUDGMENT. The court shall in a proper case give
27 judgment and decree that the tax liens be foreclosed. It is a several
28 judgment against each lot and a lien on each lot.

29 Sec. 29.45.390. TRANSFER AND APPEAL. (a) Foreclosed properties

1 are transferred to the municipality for the lien amount. When answers
2 are filed the court may enter judgment against and order the transfer
3 to the municipality of all other properties on the list pending deter-
4 mination of the matters in controversy. The court shall hear and
5 determine the issues raised by the complaint and answers in the same
6 manner and under the same rules as it hears and determines other
7 actions.

8 (b) The court clerk shall deliver a certified copy of the judg-
9 ment and decree to the municipal clerk. The certified judgment and
10 decree constitutes a transfer to the municipality.

11 (c) The judgment and decree stops objections to it that could
12 have been presented before judgment and decree. Appeal from a judg-
13 ment and decree of foreclosure, or from a final order in the proceed-
14 ing, may be taken in the manner provided for appeals in civil actions.

15 Sec. 29.45.400. REDEMPTION PERIOD. Properties transferred to
16 the municipality are held by the municipality for at least one year.
17 During the redemption period a party having an interest in the prop-
18 erty may redeem it by paying the lien amount plus penalties, interest,
19 and costs, including all costs incurred under AS 29.45.440(a). Prop-
20 erty redeemed is subject to all accrued taxes, assessments, liens, and
21 claims as though it had continued in private ownership. Only the
22 amount applicable under the judgment and decree must be paid in order
23 to redeem the property.

24 Sec. 29.45.410. EFFECT. Receipt of redemption money by the
25 municipality releases the judgment obtained under AS 29.45.380. The
26 clerk or the clerk's designee shall record the redemption and issue a
27 certificate containing a property description, the redemption amount,
28 and the dates of judgment and decree of foreclosure. The clerk or the
29 clerk's designee shall collect the recording fee at the time of re-

1 demption and shall file the certificate with the record as part of the
2 judgment roll.

3 Sec. 29.45.420. ADDITIONAL LIENS. If a property included in a
4 foreclosure list is removed after payment of delinquencies or redemp-
5 tion by another lienholder, the payment represented by receipt for
6 payment constitutes an additional lien on the property, collectible by
7 the lienholder in the same manner as the original lien.

8 Sec. 29.45.430. POSSESSION DURING REDEMPTION PERIOD. Foreclo-
9 sure does not affect the former owner's right to possession during the
10 redemption period. If waste is committed by the former owner or by
11 anyone acting under the permission or control of the former owner, the
12 municipality may declare an immediate forfeiture of the right to
13 possession.

14 Sec. 29.45.440. EXPIRATION. (a) At least 30 days before the
15 expiration of the redemption period the clerk or the clerk's designee
16 shall publish a redemption period expiration notice. The notice shall
17 contain the date of judgment, the date of expiration of the period of
18 redemption, and a warning that all properties ordered sold under the
19 judgment, unless redeemed, shall be deeded to the municipality immedi-
20 ately on expiration of the period of redemption and that every right
21 or interest of a person in the properties will be forfeited forever to
22 the municipality. The notice appears once a week for four consecutive
23 weeks in a newspaper of general circulation distributed in the muni-
24 cipality. If there is no newspaper of general circulation distributed
25 in the municipality, the notice is posted in three public places for
26 at least four consecutive weeks. The clerk shall send a copy of the
27 notice by certified mail to each record owner of property against
28 which a judgment of foreclosure has been taken and, if the assessed
29 value of the property is more than \$100,000, to all holders of mort-

1 gages or other liens of record on the property. The notice shall be
2 mailed within five days after the first publication. The mailing
3 shall be sufficient if mailed to the property owner and to the holder
4 of a mortgage or recorded lien at the last address of record.

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

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

11 Sec. 29.45.450. DEED TO BOROUGH OR CITY. (a) Unredeemed prop-
12 erty in the area of the borough outside all cities is deeded to the
13 borough by the clerk of the court. Unredeemed property in a city is
14 deeded to the city subject to the payment by the city of unpaid bor-
15 ough taxes and costs of foreclosure levied against the property before
16 foreclosure. The deed shall be recorded in the recording district in
17 which the property is located.

18 (b) Conveyance gives the municipality clear title, except for
19 prior recorded tax liens of the United States and the state.

20 (c) If unredeemed property lies in a city and if the city has no
21 immediate public use for the property but the borough does have an
22 immediate public use, the city shall deed the property to the borough.
23 If unredeemed property lies in the borough outside all cities and if
24 the borough does not have an immediate public use for the property but
25 a city does have an immediate public use, the borough shall deed the
26 property to the city.

27 (d) No deed is invalid for irregularities, omissions, or defects
28 in the proceedings under this chapter unless the former owner has been
29 misled so as to be injured. Two years after the date of the deed, its

1 validity is conclusively presumed and a claim of the former owner or
2 other person having an interest in the property is forever barred.

3 Sec. 29.45.460. DISPOSITION AND SALE OF FORECLOSED PROPERTY.

4 (a) The municipality shall determine by ordinance whether foreclosed
5 property deeded to the municipality shall be retained for a public
6 purpose. The ordinance shall contain the legal description of the
7 property, the address or a general description of the property suffi-
8 cient to provide the public with notice of its location, and the name
9 of the last record owner of the property as the name appears on the
10 assessment rolls.

11 (b) Tax-foreclosed property conveyed to a municipality by tax
12 foreclosure and not required for a public purpose may be sold. Before
13 the sale of tax-foreclosed property held for a public purpose, the
14 municipality, by ordinance, shall determine that a public need does
15 not exist. The ordinance shall contain the information required under
16 (a) of this section.

17 (c) The clerk or the clerk's designee shall send a copy of the
18 published notice of hearing of an ordinance to consider a determina-
19 tion required under (a) or (b) of this section by certified mail to
20 the former record owner of the property that is the subject of the
21 ordinance. The notice shall be mailed within five days after its
22 first publication and shall be sufficient if mailed to the last record
23 owner of the property as the name appears on the assessment rolls of
24 the municipality.

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

28 Sec. 29.45.470. REPURCHASE BY RECORD OWNER. (a) The record
29 owner at the time of tax foreclosure of property acquired by a muni-

1 cipality, or the assigns of that record owner, may, within 10 years
2 and before the sale or contract of sale of the tax-foreclosed property
3 by the municipality, repurchase the property. The municipality shall
4 sell the property for the full amount applicable to the property under
5 the judgment and decree, with interest not to exceed 15 percent a year
6 from the date of entry of the judgment of foreclosure to the date of
7 repurchase, delinquent taxes assessed and levied as though it had
8 continued in private ownership, and costs of foreclosure and sale.

9 (b) After adoption of an ordinance providing for the retention
10 of tax-foreclosed property by the municipality for a public purpose,
11 the right of the former record owner to repurchase the property
12 ceases.

13 Sec. 29.45.480. PROCEEDS OF TAX SALE. (a) On sale of fore-
14 closed real or personal property the municipality shall divide the
15 proceeds less cost of collection, between the borough and the city
16 having unpaid taxes against the property. The division is in propor-
17 tion to the respective municipal taxes against the property at the
18 time of foreclosure.

19 (b) If tax-foreclosed real property that has been held by a
20 municipality for less than 10 years after the close of the redemption
21 period and never designated for a public purpose is sold at a tax-
22 foreclosure sale, the former record owner is entitled to the portion
23 of the proceeds of the sale that exceeds the amount of unpaid taxes,
24 the amount equal to taxes that would have been assessed and levied
25 after foreclosure if the property had continued in private ownership,
26 penalty, interest, and costs to the municipality of foreclosing and
27 selling the property. If the proceeds of the sale of tax-foreclosed
28 property exceed the total of unpaid and delinquent taxes, penalty,
29 interest, and costs, the municipality shall provide the former owner

1 of the property written notice advising of the amount of the excess
2 and the manner in which a claim for the balance of the proceeds may be
3 submitted. Notice is sufficient under this subsection if mailed to
4 the former record owner at the last address of record of the former
5 record owner. On presentation of a proper claim, the municipality
6 shall remit the excess to the former record owner. A claim for the
7 excess filed after six months of the date of sale is forever barred.

8 Sec. 29.45.490. PAYMENT OF TAXES UPON PUBLIC UTILIZATION. If a
9 municipality takes title to tax-foreclosed property for a public pur-
10 pose, the municipality shall satisfy unpaid taxes and assessments
11 against the property held by other municipalities, with accrued inter-
12 est but without penalty. If the amount required to satisfy the unpaid
13 taxes and assessments exceeds the assessed value of the property, the
14 municipality shall pay the other municipalities the assessed value,
15 which shall be divided between the other municipalities in proportion
16 to their respective taxes and assessments against the property at the
17 time of foreclosure.

18 Sec. 29.45.500. REFUND OF TAXES. (a) If a taxpayer pays taxes
19 under protest, the taxpayer may bring suit in the superior court
20 against the municipality for recovery of the taxes. If judgment for
21 recovery is given against the municipality, or, if in the absence of
22 suit, it becomes obvious to the governing body that judgment for
23 recovery of the taxes would be obtained if legal proceedings were
24 brought, the municipality shall refund the amount of the taxes to the
25 taxpayer with interest at eight percent from the date of payment plus
26 costs.

27 (b) If, in payment of taxes legally imposed, a remittance by a
28 taxpayer through error or otherwise exceeds the amount due, and the
29 municipality, on audit of the account in question, is satisfied that

1 this is the case, the municipality shall refund the excess to the tax-
2 payer with interest at eight percent from the date of payment. A
3 claim for refund filed one year after the due date of the tax is
4 forever barred.

5 (c) The governing body may correct manifest clerical errors at
6 anytime.

7 ARTICLE 3. CITY PROPERTY TAX.

8 Sec. 29.45.550. CITIES OUTSIDE BOROUGHES. Home rule and first
9 class cities outside boroughs may assess, levy, and collect a property
10 tax. A property tax if levied must be assessed, levied, and collected
11 as provided by AS 29.45.010 - 29.45.500.

12 Sec. 29.45.560. CITIES INSIDE BOROUGHES. Home rule and first
13 class cities inside boroughs may levy a property tax. A property tax,
14 if levied, is subject to AS 29.45.010 - 29.45.050, 29.45.090 - 29.45.-
15 100, 29.45.250, 29.45.400 - 29.45.440 and 29.45.460 - 29.45.500. The
16 council shall by June 15 of each year present to the assembly a state-
17 ment of the city's rate of levy unless a different date is agreed upon
18 by the borough and city.

19 Sec. 29.45.570. APPLICATION. AS 29.45.010 - 29.45.570 apply to
20 home rule and general law municipalities.

21 Sec. 29.45.580. DIFFERENTIAL TAX ZONES. A city may by ordinance
22 establish, alter, and abolish differential tax zones to provide and
23 levy property taxes for services not provided generally in the city or
24 a different level of service than that provided generally in the city.

25 Sec. 29.45.590. LIMITED PROPERTY TAXING POWER FOR SECOND CLASS
26 CITIES. A second class city may by referendum levy property taxes as
27 provided for first class cities. However, levy by a second class city
28 may not exceed one-half of one percent of the assessed value of the
29 property taxed, except that the limit does not apply to a levy neces-

1 sary to avoid a default upon payment of principal and interest of
2 bonded or other indebtedness that is secured by a pledge to levy ad
3 valorem or other taxes without limit to meet debt payments.

4 Sec. 29.45.600. COMBINING PROPERTY TAX WITH INCORPORATION OF A
5 SECOND CLASS CITY. A petition for second class city incorporation may
6 request that a property tax proposal be placed on the same ballot.
7 The petition must state the proposed tax rate. The petition may re-
8 quest that incorporation be dependent on the passage of the property
9 tax proposition. If so, the incorporation proposition fails if the
10 property tax fails.

11 ARTICLE 4. BOROUGH SALES AND USE TAX.

12 Sec. 29.45.650. SALES AND USE TAX. (a) A borough may levy and
13 collect a sales tax not exceeding six percent on sales, rents, and on
14 services provided in the borough. The sales tax may apply to any or
15 all of these sources. Exemptions may be granted by ordinance.

16 (b) A borough levying a sales tax may also by ordinance levy a
17 use tax on the storage, use, or consumption of tangible personal
18 property in the borough. The use tax rate must equal the sales tax
19 rate and the use tax shall be levied only on buyers.

20 (c) A person who furnishes proof, in the form required by the
21 borough tax collector, that the person has paid a sales tax on the
22 source on which a use tax is levied by the borough is required to pay
23 the use tax only to the extent of the difference between the amount of
24 the sales tax paid and the amount of the use tax levied by the bor-
25 ough. This subsection applies to a sales tax levied in any taxing
26 jurisdiction whether inside or outside the state.

27 (d) If the assembly charges interest on sales taxes not paid
28 when due, the rate of interest may not exceed 15 percent a year on the
29 delinquent taxes and shall be charged from the due date until paid in