

ALASKA LEGISLATIVE COMMITTEES, 1903-1904 80/2

2208 SCRA HB 42 - HB 172 / SB 333 2208

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4 2

Alaska State Legislature

Barbara Lacher, Chairman
Mae Tischer, Vice-Chairman
Randy Phillips
Milo Fritz
Don Clocksin
Jack McBride
Mike Szymanski



Room 104
State Capitol
Juneau, Alaska 99811

Pouch V
Juneau, Alaska 99811

House of Representatives Committee on Community & Regional Affairs

M E M O R A N D U M

TO: Senator Frank R. Ferguson

FROM: Representative Barbara Lacher *Barbara Lacher*

DATE: May 23, 1983

RE: CS SS HB 42

The language in this legislation has been carefully crafted with the assistance of attorneys, Department of Labor demographers and C&RA Local Government Assistance specialists, and many hours of committee work. Virtually any change to the bill may subvert the entire intent and effectiveness of the legislation. I urge you to pass CS SS HB 42 in its present form.

The current form of House Bill 42 provides specific legislative guidance to the Department of Community and Regional Affairs for the purpose of determining the population of a taxing unit. The ability of the Department to consistently and accurately determine the population of a given area of the state is important in light of the fact that several of the programs under which the state provides funds to municipalities, and the unorganized portions of the state, are based upon the population count.

Enactment of House Bill 42 will achieve three very important things: First, it will provide welcome relief to the technical experts that the Department employs by removing them from the political realm; secondly, it will result in a data base of population information that is credible and acceptable for all purposes; thirdly, and perhaps most significantly, this legislation would avoid the appearance of impropriety that is inherent in any system that permits such practices as double counting or the use of arbitrary units that assign individuals to places other than their chosen residences.

It is only logical to give certainty to the Department of Community and Regional Affairs' data base by following the established rules of the U.S. Census Bureau. These are rules that govern every other state in the union, that have been refined over two centuries of experience, and that will avoid regional favoritism through statistical manipulation.

STATE OF ALASKA

BILL SHEFFIELD, GOVERNOR

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

- POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700
- 225 CORDOVA STREET - BLDG B
ANCHORAGE, ALASKA 99501
PHONE: (907) 264-2294

March 2, 1983

POSITION PAPER

RE: CSSHB 42 (C&RA)

SPONSOR: Representative Lacher

The position of this Department on the original bill, Sponsor Substitute for HB 42, was that the language was ambiguous and provided unclear direction for implementation. These concerns have been resolved by CSSHB 42 (C&RA) which provides a much clearer picture of how this Department should count and allocate Alaskans among the over 250 communities of this State. CSSHB 42 ties the State very closely to criteria and procedures used by the U.S. Bureau of the Census and gives this Department points of reference which have been applied by the Bureau of Census for nearly two hundred years.

The Department is still reviewing all of the options that may be available to fairly and equitably enumerate, estimate, and allocate the population of municipalities in this State. There are many unique situations which must be evaluated and though CSSHB 42 offers one approach it is certainly not the only option. Therefore, the Department has no recommendation to offer at this time and leaves this major policy decision in the hands of the Legislature.



STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: CSSSHB 42 Date on Bill: February 14, 1983
 Title: Determination of population for purposes of calculating State aid
 Sponsor: HCRA
 Requestor: House Finance

1. Estimated fiscal impacts on: Department of Community & Regional Affairs

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital		-0-	-0-	-0-
Operating		-0-	-0-	-0-
Total		-0-	-0-	-0-

b. Revenues:

Revenue				
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2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

This bill changes the definition of individual residence for the purposes of municipal population determination. This procedural change will have no effect upon current Departmental operation and will require no additional monies for State aid programs based upon municipal population.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Richard Rainery *RR* Phone: 465-4703
 Division: Commissioner's Office Date: 3/1/83
 Approved by Commissioner: *[Signature]* Date: 3/2/83
 Department: Department of Community & Regional Affairs

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

STATEMENT IN SUPPORT

OF

SENATE BILL 228

Before the Senate Committee
on
Community and Regional Affairs

Presented by:

Steven S. Anderson
Attorney for the Metlakatla
Indian Community

SUMMARY STATEMENT
IN SUPPORT OF
SENATE BILL 228

Existing Alaska state law makes substantial sums of state money available to local governments on an ongoing basis under several legislative programs, the Municipal Assistance Fund, AS 43.20.016, and the Municipal Tax Resource Equalization Program, AS 28.88.010. At the present time, the Metlakatla Indian Community does not qualify to participate in these programs because it is not a "municipality" as defined in these state statutes. Although the Metlakatla Indian Community provides the same kinds of governmental services as other local governments in Alaska, it is organized under federal, not state, law, and is not a qualifying "subdivision" of the State. Although Metlakatla has received funding from the State of Alaska, that has been either through special legislation, or because the State has held Metlakatla eligible as an "unincorporated community." The money made available under the unincorporated communities programs, however, are substantially less than those made available to organized local governments and certain programs, like the Municipal Assistance Fund, have not been extended to unincorporated communities at all.

The purpose of Senate Bill 228 is to extend the benefits of these state revenue sharing programs to the Metlakatla Indian Community. Although Metlakatla is organized under federal law,

it performs governmental functions that are closely analogous to those performed by state municipalities, and the state citizens resident there should receive the same indirect benefits.

The Metlakatla Indian Community is a federally-recognized Indian tribe located on the Annette Islands Reserve, which is the only remaining federal Indian reserve now existing in Alaska. Section 19(a) of the Alaska Native Claims Settlement Act abolished all Indian reserves in Alaska with the express exception of Metlakatla. Metlakatla's government is organized under the Indian Reorganization Act of 1934, 25 U.S.C. § 476, which authorized Indian tribes throughout the United States to establish written constitutions to formally organize their governments. The Metlakatla Indian Community performs substantial local government functions for the Reserve. The Community provides police and fire protection, water, sewer, and electric services, and garbage collection. Metlakatla's twelve-man governing council passes civil and criminal ordinances governing the conduct of persons on the Reserve, has established a judicial program, and conducts various social programs for the benefit of the residents of the Annette Islands Reserve. Under federal law, the Metlakatla Indian Community also enjoys the authority to levy taxes for the support of the Community's government. In short, the Metlakatla Indian Community performs governmental functions that closely resemble the functions of Alaska municipalities, the principal difference being that Metlakatla's authority arises pursuant to federal, not state, law.

The cost of providing these services to the more than 1300 residents of the Annette Islands Reserve is very substantial. In fiscal 1982, for example, Metlakatla's budget was approximately \$1.7 million. In the past, substantial proportions of this budget have been provided through grants and loans from the United States government. Under the Reagan administration, however, the cutbacks in the various federal programs extended to Indian tribes have been extraordinarily substantial, averaging 45% nationwide. Metlakatla, like other Indian tribes throughout the United States, has been substantially affected.

As a result of these cutbacks, and because of the general slowdown in the Community's economy due to the downturn in the salmon market and because of the depressed timber industry, the Metlakatla Indian Community has substantial need for State assistance. Senate Bill 228 would correct a serious inequity in state law by extending to the state citizens residing on the Annette Islands Reserve, the same indirect benefits of state revenue sharing now enjoyed by other Alaska state citizens located in similar communities throughout the state. The Metlakatla Indian Community therefore respectfully requests the enactment of Senate Bill 228.

MK/52383
M1/MIC/BILL

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

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PHONE: (907) 264-2294

March 2, 1983

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SPONSOR: Representative Lacher

The position of this Department on the original bill, Sponsor Substitute for HB 42, was that the language was ambiguous and provided unclear direction for implementation. These concerns have been resolved by CSSHB 42 (C&RA) which provides a much clearer picture of how this Department should count and allocate Alaskans among the over 250 communities of this State. CSSHB 42 ties the State very closely to criteria and procedures used by the U.S. Bureau of the Census and gives this Department points of reference which have been applied by the Bureau of Census for nearly two hundred years.

The Department is still reviewing all of the options that may be available to fairly and equitably enumerate, estimate, and allocate the population of municipalities in this State. There are many unique situations which must be evaluated and though CSSHB 42 offers one approach it is certainly not the only option. Therefore, the Department has no recommendation to offer at this time and leaves this major policy decision in the hands of the Legislature.



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a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital		-0-	-0-	-0-
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Revenue				
---------	--	--	--	--

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This bill changes the definition of individual residence for the purposes of municipal population determination. This procedural change will have no effect upon current Departmental operation and will require no additional monies for State aid programs based upon municipal population.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Richard Rainery *RR*
 Division: Commissioner's Office

Phone: 465-4703
 Date: 2/1/83

Approved by Commissioner: *[Signature]*
 Department: Department of Community & Regional Affairs

Date: 3/2/83

5. Distribution:

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2/15/83

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162

HOUSE BILL 162

"Limits on Terms of Certain Municipal Officials." Ward, Lacher, Uehling, Liska.

Allows municipalities to limit the number of terms a person can serve as mayor or assemblyman by passing an ordinance ratified by the voters. The original bill in the House applied only to general law municipalities. The CS passed by the House includes home rule municipalities as well. Al Adams and Tony Vaska voted against this on the House floor. Checked with Al's office - he's not sure why he voted against it.

Notes:

1. Zero fiscal note.
2. Further referral - Judiciary.
3. Attorney - Tam Cook.

Bill Sheffield, Governor

DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700

April 6, 1983

POSITION PAPER

RE: HB 162

SPONSOR: Representative Ward

PROGRAM EFFECTS OF BILL

This bill allows municipalities to limit, by ordinance, the number of consecutive full terms that a person may serve as mayor or as a member of the assembly or council.

COMMENTS

This bill would give each municipality an option regarding whether or not individual elected officials should be turned out of office not by the voters but by a limitation on the consecutive number of terms they may serve. There are advantages and disadvantages to limiting terms of office, but the Department will not debate them here. The overriding consideration is that this legislation provides for a local option on the question, a philosophy this Department generally favors.



Mark Lewis, Commissioner

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1983

I. REQUEST

Bill/Resolution No.: HB 162
 Title: Limit terms of Municipal Officials
 Sponsor: Ward, et al
 Requestor: HCRA

II. FISCAL DETAIL

Agency Affected: DCRA
 Program Category Affected: Development
 BRU, Program of Subprogram(s) Affected: Local Government Assistance Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING		-0-	-0-	-0-	-0-	-0-
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL		-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Richard Rainery
 Division: Commissioner's Office
 Approved by Commissioner: [Signature]
 Department: Community & Regional Affairs

Phone: 465-4703
 Date: 4/6/83
 Date: 4/6/83

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DEPT. OF COMMUNITY & REGIONAL AFFAIRS

OFFICE OF THE COMMISSIONER

POUCH B
JUNEAU, ALASKA 99811
PHONE: (907) 465-4700

April 6, 1983

POSITION PAPER

RE: HB 162

SPONSOR: Representative Ward

PROGRAM EFFECTS OF BILL

This bill allows municipalities to limit, by ordinance, the number of consecutive full terms that a person may serve as mayor or as a member of the assembly or council.

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This bill would give each municipality an option regarding whether or not individual elected officials should be turned out of office not by the voters but by a limitation on the consecutive number of terms they may serve. There are advantages and disadvantages to limiting terms of office, but the Department will not debate them here. The overriding consideration is that this legislation provides for a local option on the question, a philosophy this Department generally favors.



Mark Lewis, Commissioner

STATE OF ALASKA
FISCAL NOTE

Revision Date _____, 1983

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OPERATING		-0-	-0-	-0-	-0-	-0-
100 PERSONAL SERVICES						
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400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL		-0-	-0-	-0-	-0-	-0-
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Richard Rainery
 Division: Commissioner's Office
 Approved by Commissioner: [Signature]
 Department: Community & Regional Affairs

Phone: 465-4703
 Date: 4/6/83
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Official Business

Alaska State Legislature

Senate Committee on Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811


LETTER OF INTENT TO CSSB I

February 24, 1983

It is the intent of the Senate Community and Regional Affairs Committee that the assumption of the education power by newly formed or upgraded first class or home rule cities be dependent upon a vote in the existing Regional Education Attendance Area. If the vote both within the city and in the remainder of the REAA was not in favor of the city assuming the education power, it would not.

This Letter of Intent was discussed and unanimously approved by the Senate C & RA Committee. The attached page labelled "Proposed Amendment #10" is what the committee members had in front of them when the Letter of Intent was endorsed. The longer attached amendment, drafted by Legal Services, represents all of the actual changes that need to be made to SB 1 to carry out the Letter of Intent.

Though the committee strongly endorses this concept it was felt the full amendment should be available for review before it was adopted, which is why this method of presentation was followed. The Community and Regional Affairs Committee urges the Finance Committee to incorporate the intent of the attached proposed Amendment #10 into SB 1.



Senator Frank R. Ferguson
Chairman

SENATE AMENDMENT

BY Community & Regional Affairs CommitteeTo: _____ SENATE BILL No. 1

To: _____ HOUSE BILL No. _____

PAGE: 33 LINE: 27

Insert "(26) 29.35.060 (franchise and permits)". Renumber following paragraphs accordingly.

* Page 33, line 29, insert:

"(28) 29.35.075 (disputes and conflicts with state certificated utilities)"

Page 77, after line 3, insert:

"(c) This section applies to home rule and general law municipalities."

Page 77, line 4-19, delete Section 29.35.070 and insert:

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

(1) the utility is subject to regulation under AS 42.05; or

(2) municipal regulation is prohibited by AS 42.05.711(k) or otherwise specifically prohibited by law.

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

(c) Unless the utility is owned by the municipality that is regulating it, all rates, charges and regulations established under this section shall be established as provided by an ordinance of the municipality establishing

the procedures for regulating service and procedures for establishing and changing the rates and charges of the utility. The ordinance shall provide for notice, hearing and other procedures necessary to guarantee due process. The rates and charges established shall be reasonable and shall permit a fair return on invested capital.

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

Page 77, after line 19, insert:

"Sec. 29.35.075. DISPUTES AND CONFLICTS WITH STATE CERTIFICATED UTILITIES. (a) A dispute as to the reasonableness of the fees for or the terms, conditions, or exceptions to a permit for a utility certificated under AS 42.05 to use municipal streets, alleys or other public ways of the municipality shall be decided under AS 42.05.251.

(b) In case of a conflict between the provisions of AS 29.35.070 or AS 42.05 or an action taken under either as to the regulation of service, rates or charges of a utility, the provisions of AS 42.05.641 apply.

(c) This section applies to home rule and general law municipalities.

Page 195, after line 19, insert:

"*Sec. 62. AS 42.05.711 is amended by adding a new subsection to read:

(k) Except for municipally owned and operated utilities subject to (b) of this section, municipalities may not regulate utility services, including but not limited to rates, terms and conditions of services, provided by a person, utility or cooperative that is exempt from regulation under AS 42.05.711."

Renumber following sections accordingly.

SENATE AMENDMENT

By Community & Regional Affairs CommitteeTo: _____ SENATE BILL No. 1

To: _____ HOUSE BILL No. _____

PAGE: 74 LINE: 9

Delete "utility services,"

Page 77, after line 17, insert:

"(d) A municipality that owns or operates a utility may extend service to adjacent areas outside its municipal boundaries. For that purpose the municipality may acquire, maintain and operate utility facilities together with necessary interests in real property outside its municipal boundaries."

Page 77, line 18, delete:

"(d)" and insert "(e)"

SENATE AMENDMENT

By Community & Regional Affairs Committee

To: _____ SENATE BILL No. 1

To: _____ HOUSE BILL No. _____

PAGE: 11 LINE: 1

Between the words "city" and "incorporated", add "in the unorganized borough"

SENATE AMENDMENT

By Community & Regional Affairs Committee

To: _____ SENATE BILL No. 1

To: _____ HOUSE BILL No. _____

PAGE: 8 LINE: 26

1. Pg. 8, line 26, after "council" insert:
"of a first class city."
2. Pg. 29, line 8, after "commission" insert:
"of seven elected members"
3. Pg. 29, line 14, after "be" insert:
"prepared by the petitioners and"
4. Pg. 29, line 14, delete:
"incorporation"
5. Pg. 29, line 15, following petition, insert:
"to incorporate a home rule municipality"
6. Pg. 63, line 7:
delete "bill" and replace with "ordinance or resolution"
delete "act" , and replace with "ordinance or resolution"
7. Pg. 63, line 26:
delete "bill" and replace with "ordinance or resolution"
delete "act" , and replace with "ordinance or resolution"
8. Pg. 64, line 15:
delete "bill" and replace with "ordinance or resolution"

9. Pg. 82, line 16:
after "emergency", add "services", and
after "center" add "under AS 29.35.130"
10. Page 85, lines 4 and 5 -- subsection (c) is amended as follows:
(c) A third class borough acquires an additional power to exercise in a service area in accordance with AS 29.35.490(b) and (c) [AREAS BY HOLDING AN ELECTION ON THE QUESTION IN WHICH EACH PERSON WHO IS A VOTER OF THE BOROUGH MAY VOTE].
11. Pg. 106, line 9, after "calculate" insert:
"at the rate of one percent per mill"
12. Pg. 106, line 10 and 11, delete:
"at the rate of one percent per mill"
13. Page 182, line 1 -- following "general law", delete:
"first or second class"

SENATE AMENDMENT

By SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

To: _____ SENATE BILL No. 1

To: _____ HOUSE BILL No. _____

PAGE: 161 LINE: 20

Replace "29.60.120" with "29.60.130".

Legislature eyes tax exemption bill

As the legislative session enters its final weeks, the bill hopper clogged to overflowing with substitutions of previously introduced bills.

Under consideration are committee substitutions for bills on senior tax exemptions and funds for senior housing projects.

And last-minute efforts were poured into a special compro-



mise bill to save the Longevity Bonus program in time to mail out May bonus checks.

Tax exemptions bill awaits action

Ever since state budget-slicing hit senior tax exemption programs last year, municipalities across the state have been anxious to receive reimbursements for revenues lost to exemptions.

The latest legislation, CS SB 527, adds new amendments to the tax exemption statutes, but

if your eyes need to be open

soothe them with...
Lavoptik
EYE WASH

STERILE ISOTONIC BUFFER

AT PAY'N SAVE

offers no real solutions to the problems facing the popular programs.

Under the legislation, the state would reimburse a municipality for lost tax revenues as long as legislative appropriations for the purpose were adequate.

If appropriations for reimbursement turned out to be inadequate, payments to municipalities would be prorated.

In the case of the renters' rebate program, officially known as property tax equivalency payments, the legislation could adversely affect senior renters.

Senior renters do not obtain rebates from the municipalities in which they reside. Rather, renters apply directly to the state for the rebates.

If legislative appropriations for reimbursement of rebates were inadequate to meet the demand, renters would receive payments on a prorated basis.

Senior renters receive rebates under the current program because the state assumes that they pay property taxes in the form of rent to their landlords.

Another section of the legislation includes an amendment which would allow the surviving spouse of a person receiving an exemption to continue receiving it if the surviving spouse is at least 55 years of age.

Previously, no age limit had been established.

The tax exemption legislation, originally sponsored by the Community and Regional Affairs Committee, underwent substitutions by the State Affairs Committee in early April.

The bill is now awaiting action in the Senate Finance Committee.

Senior housing funds may grow

Another bill substitution, CS HB 650, would give seniors \$11

<i>Juneau 'bill'</i>	
<i>Bill</i>	<i>Sp</i>
House	
HB 471 - Kenai Peninsula Pioneers'	Fi
HB 623 - Social Services for seniors	Li
HB 650 - State loans, grants senior housing	St
HB 717am - Longevity Bonus program	Ru
Senate	
SB 441 - \$10 million appropriation for senior housing	Re
SB 506 - Increase of OAC membership	Fi
SB 527 - Motor vehicle tax exemption	Ca

*SA: Senate Affairs Committee C&RA: Commu
HESS: Health Education and Social Services Com*

million for various housing projects statewide.

The bill was offered in late March by the House Special Committee on State loans.

If the bill passes, some \$2 million would be appropriated from the general fund to the division of housing assistance within the Department of Community and Regional Affairs for a grant to fund the Chugach View Senior Citizen Facility in Anchorage.

An additional \$2 million from the same source would fund a senior facility for the Norton Sound Health Corporation in Nome.

And for general housing assistance for seniors, the bill allocates \$7 million from the general fund for grants from the senior housing development fund in the Department of Community and Regional Affairs.

New bonus bill wins approval

Late-hour compromise plan to save the Longevity Bonus resulted in HB 650 (amended).

The proposed new law tended to be temporary, pending time for the 1985 session of the Alaska Legislature develop options for a permanent bonus program.

The bill would:

- Authorize the

Valdez seniors to purchase

by Sally M. McAdoo
All the puppies, bunnies even the hippo have

Alaska State Legislature

Barbara Lacher, Chairman
Mac Tischer, Vice-Chairman
Randy Phillips
Milo Fritz
Don Clocksin
Jack McBride
Mike Szymanski



Room 104
State Capitol
Juneau, Alaska 99811

Pouch V
Juneau, Alaska 99811

House of Representatives Committee on Community & Regional Affairs

TO: House C & R A Committee
FROM: Staff
SUBJECT: Difference between CSSB 1 and HB 172
DATE: March 22, 1983

HB 172 amendments needed to make it the same as CSSB 1:

p. 33, after line 28, insert new line (26) 29.35.060 (franchise and permits) and renumber following paragraphs accordingly.

This is w/ HB 172
p. 77, after line 6, add a new subsection
(c) this section applies to home rule and general law municipalities.

p. 77, line 9, after "regulate" delete [,] and add a utility service and"

p. 77, line 12 after "is" delete [not]
after AS 42.05, delete [and] and add "or"

p. 77, line 14 delete [(2)...law.] and add (2) municipal regulation is prohibited by AS 42.05.711 (k) or other law.

p. 77, line 17 -20, delete subsection (c) and add a new subsection
(c) A municipality that owns or operates a utility may extend service to adjacent areas outside its municipal boundaries. For that purpose, the municipality may acquire, maintain, and operate utility facilities together with necessary interests in real property outside its municipal boundaries.

p. 77, lines 21-22, delete subsection (d) and add a new subsection
(d) Unless a utility is owned by the municipality that is regulating it, all rates, charges, and regulations shall be established by the municipality in accordance with an ordinance that provides procedures for regulating service and establishing and changing rates and charges. The ordinance shall provide for procedures necessary to guarantee due process, including notice and hearing requirements. Rates and charges

established under this section shall be reasonable and permit a fair return on invested capital. p. 77, Sec. 29.35.070, add new subsection (e) A dispute involving a utility certificated under AS 42.05 as to the reasonableness of the fees or the terms, conditions, or exceptions to a permit to use municipal streets shall be decided under AS 42.05.251.

p. 77, Sec. 29.35.070, add a new subsection

(f) In case of a conflict between the provisions of this section and AS 42.05 or concerning an action taken under this section or AS 42.05 involving the regulation of service or the rates or charges of a utility certificated under AS 42.05, the provisions of AS 42.05.641 apply.

p. 77, Sec. 29.35.070, add a new subsection

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

p. 195, line 22, add

*Sec. 62. AS 42.05.711 is amended by adding a new subsection (k) A public utility that is exempt or partially exempt under this section from the provisions of AS 42.05.010 - 42.05.721 may not be regulated by a municipality. This subsection does not apply to a public utility exempt under (b) of this section.

Renumber following sections accordingly.

p. 107, line 29, after "borough" delete [including...period;]

p. 61, line 10, after "(3) delete [is] and add "has been after "elections" add for at least 30 days immediately preceding the municipal election; and

p. 14, lines 17-26, after "action." add The standards and procedures established under this subsection that apply to detachment shall be the same as the standards and procedures that apply to annexation, except that the standards and procedures that apply to detachment must include provisions for equitable prorated payment of debts acquired by the municipality before the detachment.

p. 14, line 19 after (1) add, subject to (2) and (3) of this subsection,

p. 14, line 23 after "annexed" delete [by ordinance ...approval] and add or detached by ordinance without an election;

p. 14, line 24 after "annexed" add or detached

p. 14, after subsection (3) add a new subsection

(4) within 90 days after receipt of a petition for annexation or detachment, the Local Boundary Commission shall make a decision on the petition.

Senator Ferguson
Capital Rm 117

Alaska State Legislature



House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3870

TO: All Members of the 13th Legislature

FROM: Representative Mike W. Miller
Chairman, House Community and Regional Affairs Committee

SUBJ: CSHB172 (HC&RA)

DATE: May 7, 1984

Attached is an analysis, section by section, of CSHB172 that was asked for by some of the Representatives for a clearer understanding of the changes in Title 29. The HC&RA staff has taken CSHB172 (HC&RA) and merged it, to the best of their ability, with Title 29 so that the changes and reclarification in CSHB172 are readily discernible.

If you have any questions on this analysis, please feel free to contact my office at 465-3870.

Original sponsor: Rules/Governor

IN THE HOUSE

BY THE COMMUNITY AND
AND REGIONAL AFFAIRS
COMMITTEE

CS FOR HOUSE BILL NO. 172 (C&RA)

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE - SECOND SESSION
A BILL

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

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

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

EDITOR NOTE: This is added to the chapter dealing with the unorganized borough in order to cross reference the section authorizing the division of lands to act as the platting authority in the unorganized borough.

Sec. 29.03.030. PLATTING AUTHORITY. Subject to AS 40.15.075, the Department of Natural Resources is the platting authority in the unorganized borough in the area outside all cities.

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

CHAPTER 04. CLASSIFICATION OF MUNICIPALITIES.

EDITOR NOTE: This section is altered to allow a city of any class to adopt a home rule charter, whereas existing law allows only a first class city to adopt a charter. Unified municipalities are included within the definition of home rule municipality.

Sec. 29.04.010 [29.08.010]. HOME RULE. A home rule municipality is a municipal corporation and political subdivision. [AND] It is a city [OF THE FIRST CLASS] or [AN ORGANIZED] a borough that has adopted a home rule charter, or it is

a unified municipality. A home rule municipality [IT] has all legislative powers not prohibited by law or charter.

EDITOR NOTE: No change.

Sec. 29.04.020 [29.08.020]. GENERAL LAW. A general law municipality is a municipal corporation and political subdivision and is an unchartered borough or city. It has legislative powers conferred by law.

EDITOR NOTE: No change.

Sec. 29.04.030 [29.08.030]. CLASSES OF GENERAL LAW. General law municipalities are of five classes:

- (1) first class boroughs;
- (2) second class boroughs;
- (3) third class boroughs;
- (4) first class cities;
- (5) second class cities.

EDITOR NOTE: (a) The phrase "as provided in this subsection" is deleted as unnecessary. To reclassify as a first class city, a second class city must have 600 residents, whereas existing law requires only 400 residents for reclassification.

(b) No change.

(c) No change.

(d) Minor rewording, but no substantive change.

(e) "Department of Community and Regional Affairs" is altered to read "department". This bill adds "department" to the definitions section and uses that term throughout the title in place of "Department of Community and Regional Affairs".

Sec. 29.04.040 [29.08.040(a),(b),(c),(d),(e),(f)]. RECLASSIFICATION OF SECOND CLASS CITIES.

(a) A second class city may be reclassified as a first class city by holding an election on the question, [AS PROVIDED IN THIS SUBSECTION,] if the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] determines from the best figures available that the population of the city has reached 600 [400] permanent residents.

(b) An election on the question of reclassification may be initiated in two ways:

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

(2) the council may propose reclassification.

(c) The council shall hold at least one public hearing in [WITHIN] the city on the question of reclassification. The council shall then evaluate the ability of the city to assume first class status and make its findings public.

(d) The council shall, within 30 days after its findings have been made public, order an election [TO BE HELD] on the question of reclassification. The election shall be held at least 30 days after the order and not later than the next regular election occurring after the 30-day period. If more than one question is to be voted on at the election, each shall appear separately on the ballot.

(e) [(f)] The council shall certify the election results to the department [OF COMMUNITY AND REGIONAL AFFAIRS]. If the majority of votes cast [ON THE QUESTION] is favorable, the city shall be considered reclassified to first class status 30 days after certification of the election results.

EDITOR NOTE: This deletes the provision for reclassification of a second class borough to a third class borough. The material currently dealing with reclassification to third class status is deleted.

Sec. 29.04.050. [29.08.040(g)] RECLASSIFICATION OF SECOND CLASS BOROUGHs.

[(g)] A second class borough may reclassify as a first class [OR THIRD CLASS BOROUGH, AND A THIRD CLASS BOROUGH MAY RECLASSIFY AS A FIRST CLASS OR SECOND CLASS] borough in the manner provided by AS 29.35.320 - 29.35.330 [AS 29.33.270 - 29.33.290] for the addition of an areawide power by a first or second class borough, except the petition or proposal requests reclassification instead of requesting addition of a power [POWERS BY BOROUGHs, EXCEPT THE PETITION OR PROPOSAL REQUESTS RECLASSIFICATION INSTEAD OF REQUESTING ADDITION OF POWERS].

EDITOR NOTE: (a) Minor rewording, but no substantive change.

(b) Minor rewording, but no substantive change.

Sec. 29.04.060.[29.08.040(g),(h),(i)] RECLASSIFICATION OF THIRD CLASS BOROUGH.

[(H) AT THE TIME OF VOTING ON RECLASSIFICATION OF A SECOND CLASS BOROUGH TO THIRD CLASS STATUS, BOROUGH VOTERS IN CONFORMITY WITH AS 29.41 SHALL ELECT AN ASSEMBLY TO SERVE AS THE COMBINED ASSEMBLY AND SCHOOL BOARD OF THE THIRD CLASS BOROUGH IF RECLASSIFICATION IS APPROVED.]

(a) [(I)] [AT THE TIME OF VOTING ON RECLASSIFICATION OF] A third class borough may reclassify as a first or second class borough in the manner provided by AS 29.35.320 - 29.35.330 for the addition of an areawide power by a first or second class borough, except the petition or proposal requests reclassification instead of requesting addition of r power. At the time of voting on reclassification of a third class borough to first or second class status, [BOROUGH] voters shall vote also on whether the borough shall, on [UPON] reclassification, retain a combined assembly and school board or elect a separate assembly and board as otherwise provided for first and second class boroughs.

(b) [IF THE MAJORITY OF VOTES CAST ON THE QUESTION FAVORS RETENTION OF THE] If a combined assembly and school board[,] are approved at the reclassification election, the assembly serving at the time of the [RECLASSIFICATION] election continues to serve as the assembly and board on [UPON] voter approval of reclassification and until terms of assembly members [ASSEMBLYMEN] expire as provided before reclassification.

(c) If a separate [BOARD AND] assembly and school board are approved at the reclassification election, a school board shall be elected in conformity with AS 14.12.030 - 14.12.100 at the next regular [MUNICIPAL] election, if it occurs within 90 days of the date of the reclassification election, or otherwise at a special election within 90 days of the date of the reclassification election [THAT TIME CALLED BY THE ASSEMBLY WITH]. Expiration dates of terms of school board members elected at a [THE] special election must [TO] coincide with the date of the regular [MUNICIPAL] election. Until a board is elected and qualified, the assembly continues to serve as the board.

[(j) THE EFFECTIVE DATE OF RECLASSIFICATION OF A BOROUGH FOR WHICH RECLASSIFICATION IS APPROVED UNDER (H) OF THIS SECTION IS THE FIRST DAY OF THE BOROUGH'S FISCAL YEAR WHICH BEGINS AT LEAST SIX MONTHS AFTER THE DATE ON WHICH THE RECLASSIFICATION PROPOSITION HAS BEEN APPROVED BY THE VOTERS.]

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

CHAPTER 05 [18]. INCORPORATION.

ARTICLE 1. REQUIREMENTS.

EDITOR NOTE: (a) A community that meets certain standards may incorporate as a home rule or first class city, whereas existing law provides for incorporation of a first class city only.

(1) A community must have 600 residents to incorporate as a home rule or first class city, whereas existing law requires 400 residents for incorporation as a first class city.

(2) No change.

(3) The term "local services" is altered to "municipal services".

(4) The term "local government" is altered to "city government".

(5) The term "local government" is altered to "city government".

(b) No change.

Sec. 29.05.010 [29.18.011 FIRST CLASS CITIES.] INCORPORATION OF A CITY [CITIES].

(a) A community that [WHICH] meets the following standards may incorporate as a home rule or first class city:

(1) the community has 600 [400] or more permanent residents;

(2) the boundaries of the proposed city include all areas necessary to provide municipal services on an efficient scale;

(3) the economy of the community includes the human and financial resources necessary to provide municipal [LOCAL] services; in considering the economy of the community, the Local Boundary Commission shall consider property values [VALUATIONS], economic base, personal income, resource and commercial development, anticipated functions, and the expenses and income of the proposed city, including the ability of the community to generate local revenue;

(4) the population of the community is stable enough to support city [LOCAL] government;

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

(b) A community that [WHICH] meets all the standards under [ESTABLISHED IN] (a) of this section except (a)(1) may incorporate as a second class city.

EDITOR NOTE: (a) No change.

(b) The term "organized borough" is altered to "borough", which is defined for the title.

Sec. 29.05.020 [29.18.020(b), 29.18.021(a)] LIMITATIONS ON INCORPORATION OF A CITY [CITIES].

(a) A community in the unorganized borough may not incorporate as a city if the services to [MAY] be provided by the proposed city can be provided by annexation to an existing city.

(b) A community within a borough may not incorporate as a city if the services to [COULD] be provided by the proposed city can be provided on an areawide or nonareawide basis by the borough in which the proposed city is located, or by annexation to an existing city.

EDITOR NOTE: (a) This provides for incorporation of a home rule, first class, or second class borough, but not for incorporation of a third class borough. This section contains several technical changes. The term "organized borough" is replaced with "borough" since that is defined. The term "local services" is replaced by "municipal services". The term "local government" is replaced by "borough government" as being more precise since this section deals with the incorporation of boroughs and not cities.

(b) This is new and provides that an area may not incorporate as a third class borough.

Sec. 29.05.030 [29.18.030]. INCORPORATION OF A BOROUGH [ORGANIZED BOROUGH].

(a) An area that meets the following standards may incorporate as a home rule, first class, or second class borough [AN ORGANIZED BOROUGH IF IT CONFORMS TO THE FOLLOWING STANDARDS]:

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

(2) the boundaries of the proposed borough conform generally to

natural geography and include all areas necessary for full development of municipal services;

(3) the economy of the area includes the human and financial resources capable of providing municipal services; evaluation of an area's economy includes land use, property values [VALUATIONS], total economic base, total personal income, resource and commercial development, anticipated functions, expenses, and income of the proposed borough;

(4) land, water, and air transportation facilities allow the communication and exchange necessary for the development of integrated borough [LOCAL] government.

(b) An area may not incorporate as a third class borough.

ARTICLE 2. PROCEDURES.

EDITOR NOTE: "Department of Community and Regional Affairs" is replaced by the word "department" which is defined for the title. The paragraphs are reorganized so that the most general requirements precede the most specific requirements for incorporation.

(7) Signature requirements apply to home rule and first class cities as a unit and then to the rest of the voters in the area of the proposed borough as another unit. Under existing law only first class cities are treated as a special unit for the purpose of gathering signatures.

(11) Signature requirements for incorporation of a first class city must also be complied with for incorporation of a home rule city.

(13) A new provision for incorporation of a home rule municipality requiring that a proposed home rule charter be filed with the incorporation petition.

Sec. 29.05.060 [29.18.050, 29.05.060(8)]. PETITION. Municipal incorporation is proposed by filing a petition with the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS]. The petition shall include the following information about the proposed municipality:

- (1) class;
- (2) name;
- (3) boundaries;
- (4) maps, documents, and other information required by the department; [(EFFECTIVE JANUARY 1,1981) COMPOSITION AND APPORTIONMENT OF THE ASSEMBLY OR COUNCIL;]

(5) composition and apportionment of the governing body; [FOR A FIRST CLASS BOROUGH, A DESIGNATION OF AREAWIDE POWERS TO BE EXERCISED;]

(6) a proposed operating budget for the municipality projecting sources of income and items of expenditure through the first full fiscal year of operation; [FOR A SECOND CLASS BOROUGH, A DESIGNATION OF AREAWIDE AND NONAREAWIDE POWERS TO BE EXERCISED;]

(7) for a borough, based on the number who voted in the respective areas in the last general election, the signature and resident address of 15 percent of the voters in

(a) home rule and first class cities in the area of the proposed borough; and

(b) the area of the proposed borough outside home rule and first class cities; [MAPS, DOCUMENTS, AND OTHER INFORMATION REQUIRED BY THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS;]

(8) for a first class borough, a designation of areawide powers to be exercised; [FOR FIRST CLASS CITY INCORPORATION, THE SIGNATURES AND RESIDENT ADDRESS OF 50 PERMANENT RESIDENT VOTERS OR OF 15 PER CENT OF THE PERMANENT RESIDENT VOTERS WITHIN THE PROPOSED MUNICIPALITY, WHICHEVER IS GREATER BASED ON THE NUMBER WHO VOTED IN THE AREA IN THE LAST GENERAL ELECTION;]

(9) for a second class borough, a designation of areawide and nonareawide powers to be exercised; [FOR A SECOND CLASS CITY INCORPORATION, THE SIGNATURE AND RESIDENT ADDRESS OF 25 PERMANENT RESIDENT VOTERS OR OF 15 PER CENT OF THE PERMANENT RESIDENT VOTERS WITHIN THE PROPOSED MUNICIPALITY, WHICHEVER IS GREATER BASED ON THE NUMBER WHO VOTED IN THE AREA IN THE LAST GENERAL ELECTION;]

(10) for a first or second class city, a designation of the powers to be exercised; [FOR BOROUGH INCORPORATION, THE SIGNATURE AND RESIDENT ADDRESS OF 15 PER CENT OF THE PERMANENT RESIDENT VOTERS IN EACH FIRST CLASS CITY AND 15 PER CENT OF VOTERS IN THE AREA OUTSIDE FIRST CLASS CITIES BASED ON THE NUMBER WHO VOTED IN THE RESPECTIVE AREAS IN THE LAST GENERAL ELECTION;]

(11) for a home rule or first class city, based on the number who voted in the area in the last general election, the signatures and resident address of 50 voters in the proposed city or of 15 percent of the voters in the proposed city, whichever is greater; [FOR A CITY, A DESIGNATION OF THE POWERS PROPOSED BY THE PETITIONERS TO BE EXERCISED;]

(12) for a second class city, based on the number who voted in the area in the last general election, the signature and resident address of 25 voters in the proposed city or of 15 percent of the voters in the proposed city, whichever is greater; [A PROPOSED OPERATING BUDGET FOR THE MUNICIPALITY

PROJECTING SOURCES OF INCOME AND ITEMS OF EXPENDITURE THROUGH THE FIRST FULL FISCAL YEAR OF OPERATION.]

(13) for a home rule municipality, a proposed home rule charter.

EDITOR NOTE: Minor rewording, but no substantive change.

Sec. 29.05.070 [29.18.060]. REVIEW. The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall review an incorporation petition[S] for content and signatures and shall return a deficient petition[S] for correction and completion.

EDITOR NOTE: (a) Combines material currently found in two subsections. Adds requirement that notice of the meeting be published. "Published" is defined for the title.

(b) No change.

(c) No substantive change.

Sec. 29.05.080 [29.18.070(a),(b),(c), 29.18.080(a)]. INVESTIGATION.

(a) If an incorporation [THE] petition contains the required information and signatures, the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall investigate the proposal and shall hold at least one public informational meeting in the area proposed for incorporation. The department shall publish notice of the meeting.

(b) The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] may combine incorporation petitions from the same general area.

(c) The department shall report its findings to the Local Boundary Commission with its recommendations regarding the incorporation.

EDITOR NOTE: Department of Community and Regional Affairs" is altered to "department".

Sec. 29.05.090 [29.18.080(b)]. [REPORT AND] HEARING. The Local Boundary Commission shall hold at least one public hearing in the area proposed to be incorporated for the purpose of receiving testimony and evidence on the proposal.

[(a) THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS SHALL REPORT ITS FINDINGS TO THE LOCAL BOUNDARY COMMISSION WITH ITS RECOMMENDATIONS REGARDING THE INCORPORATION.]

EDITOR NOTE: No substantive change.

Sec. 29.05.100 [29.18.090]. DECISION.

(a) If the Local Boundary Commission determines that a proposed municipality fails to meet the standards for incorporation, it shall reject the petition. If the commission determines that the proposed municipality meets the standards, it shall accept the petition. If the commission determines that the proposed municipal boundaries can be altered to meet the standards, it may alter the boundaries and accept the petition.

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

EDITOR NOTE: This section contains a few minor changes, so that the use of language is consistent throughout the bill. The word "officer" is changed to "official" and that is the term used throughout. Currently, Title 29 uses the terms municipal "officer" and "official" interchangeably. Effective January 1, 1981, the director of elections became responsible for conducting state elections rather than the lieutenant governor and here the responsibility for the election is conferred on the director of elections.

Sec. 29.05.110 [29.18.110]. INCORPORATION ELECTION.

(a) The Local Boundary Commission shall immediately notify the director of elections [LIEUTENANT GOVERNOR] of elections of its acceptance of an incorporation petition. Within 30 days after notification, the director of elections [LIEUTENANT GOVERNOR] shall order an election in the proposed municipality to determine whether the voters desire incorporation and, if so, to elect the initial municipal officials [OFFICERS IN THE SAME ELECTION]. If incorporation is rejected, no officials are elected. The election must be [IS] held not less than 30 [N]or more than 90 days after the date of the election order. The election order must specify the dates during which nomination petitions for election of initial officials [OFFICERS] may be filed.

(b) A [AN ALASKAN] voter who has been a resident of the area within the proposed municipality for 30 days before the date of the election order may vote.

(c) Areawide borough powers included in an [THE] incorporation petition are considered to be part of the incorporation question. In an election for the incorporation of a second class borough, each non-areawide power to be exercised [OUTSIDE CITIES ONLY] is placed separately on the ballot. Adoption of a non-areawide power requires a majority of the votes cast on the question, and the

vote is limited to the voters residing in the proposed borough but outside all cities in the proposed borough [OUTSIDE CITIES].

(d) A home rule charter included in an incorporation petition under AS 29.05.060(13) is considered to be part of the incorporation question. The home rule charter is adopted if the voters approve incorporation of the municipality. [THE LIEUTENANT GOVERNOR SHALL SUPERVISE THE ELECTION IN THE GENERAL MANNER PRESCRIBED BY THE ALASKA ELECTION CODE (AS 15.05 - 15.60). THE STATE SHALL PAY ALL ELECTION COSTS UNDER THIS SECTION.]

(e) The director of elections shall supervise the election in the general manner prescribed by the Alaska Election Code (AS 15). The state shall pay all election costs under this section.

EDITOR NOTE: This section is reorganized. Current references to the lieutenant governor are changed to the director of elections.

- (a) Contains material currently found in AS 29.18.120(b).
- (b) Contains material currently found in AS 29.18.120(b).
- (c) Contains material currently found in AS 29.18.120(b).
- (d) Contains material currently found in AS 29.18.120(c).
- (e) Contains material currently found in AS 29.18.120(d).
- (f) Contains material currently found in AS 29.18.120(e).

Sec. 29.05.120 [29.18.120]. ELECTION OF INITIAL OFFICIALS [OFFICERS.]

(a) Nominations for initial municipal officials are made by petition. The petition shall be [IS] in the form prescribed by the director of elections and shall include[S] the name and address of the nominee and a statement of the nominee that the nominee [HE] is qualified under the provisions of this title for the office that is sought [HE SEEKS]. A person may file for and occupy more than one office, but [HE] may not serve simultaneously as

(1) borough mayor and as a member of the [BOROUGH] assembly; or
(2) [AS] city mayor and as a member of the council in a [OF A HOME RULE OR] first class city.

(b) Except for a proposed second class city, [PETITIONS TO NOMINATE OFFICERS OF A SECOND CLASS CITY MUST INCLUDE THE SIGNATURE AND RESIDENT ADDRESS OF 10 VOTERS IN THE AREA OF THE PROPOSED CITY.] petitions to nominate initial officials [ELECTED MUNICIPAL OFFICERS] must include the signature and resident address of 50 voters in the area of the proposed municipality, or that area of the proposed municipality from which the officials [OFFICERS] are to be elected under the composition and apportionment set out in the accepted incorporation

petition.

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

(d) The director of elections [LIEUTENANT GOVERNOR] shall supervise the election in the general manner prescribed by the Alaska Election Code (AS 15[.05 - 15.60]). The state shall pay all election costs [UNDER (a) - (c) OF THIS SECTION].

(e) The initial elected [MUNICIPAL] officials take office on the first Monday following certification of their election.

(f) The initial elected [BOROUGH ASSEMBLY AND CITY COUNCIL] members of the governing body shall determine by lot the length of their terms of office so that a proportionate number of terms expire each year, resulting in staggered terms of office for members subsequently elected.

EDITOR NOTE: The phrase "borough assembly or city council" is replaced by the phrase "governing body" which is defined for the title. The last line of the current section is dropped as no longer necessary. The provisions of this section apply to all organized boroughs whether incorporated or organized before or after September 10, 1972.

Sec. 29.05.130 [29.18.130]. INTEGRATION OF SPECIAL DISTRICTS AND SERVICE

(a) A service area[S] in a newly incorporated municipality [BOROUGH OR CITY] shall be integrated into the municipality [BOROUGH OR CITY] within two years after the date of incorporation. On integration the municipality [BOROUGH OR CITY] succeeds to all the rights, powers, duties, assets and liabilities of the service area[S]. On integration all property in the service area subject to taxation to pay the principal and interest on bonds at the time of integration remains subject to taxation for that purpose.

(b) After integration, the municipality [BOROUGH ASSEMBLY OR CITY COUNCIL] may exercise [WITHIN] in a former service area all of the rights and powers exercised by the service area at the time of integration, and, as successor to the service area, may levy and collect special charges, taxes, or assessments to amortize bonded indebtedness incurred by the service area or by a municipality in which the service area was formerly located [BOROUGH OR CITY].

EDITOR NOTE: Minor wording changes are made to improve readability and to insure that terms are used consistently throughout the title.

Sec. 29.05.140 [29.18.140]. TRANSITION.

(a) The powers and duties exercised by [HOME RULE OR GENERAL LAW] cities and service areas that [WHICH] are succeeded to by a newly incorporated municipality continue to be [BOROUGH OR CITY ARE] continue to be exercised by the[M] cities and service areas until the new municipality [BOROUGH OR CITY] assumes the powers and functions, which may not exceed two years after the date of incorporation. Ordinances, rules, resolutions, procedures, and orders in effect before the transfer remain in effect until superseded by the action of the new municipality [BOROUGH OR CITY].

(b) Before the assumption, the new municipality [BOROUGH OR CITY] shall give written notice of its assumption of the rights, powers, duties, assets, and liabilities under this section and AS 29.05.130 [AND OTHER ITEMS ENUMERATED IN §§ 130 - 140 OF THIS CHAPTER] to the city or [AND] service area concerned. Municipal [BOROUGH OR CITY] officials shall consult with the officials of the city or service area concerned[,] and arrange an orderly transfer.

(c) After the incorporation of a new municipality[BOROUGH OR CITY], no service area in [WITHIN] it may assume new bonded indebtedness, make a [ANY] contract, or transfer an [ANY] asset[S] without the consent of the governing body [COUNCIL].

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

EDITOR NOTE: No substantive change.

Sec. 29.05.150 [29.18.150]. CHALLENGE OF LEGALITY.

A [NO] person may not challenge the formation of a municipality except within six months after [OF] the date of its incorporation.

ARTICLE 3. TRANSITIONAL ASSISTANCE.

EDITOR NOTE: This section now applies only to organization grants for cities. A new section has been added to the bill to deal with organization grants for boroughs. A newly incorporated city or a second class city that reclassifies shall be entitled to a first year organization grant of \$50,000 and to a second organization grant of \$25,000. Under existing law, a municipality is entitled to receive \$10 for every voter or \$25,000 minimum, and the municipality receives no

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

EDITOR NOTE: Minor wording changes are made to improve readability and to insure that terms are used consistently throughout the title.

Sec. 29.05.140 [29.18.140]. TRANSITION.

(a) The powers and duties exercised by [HOME RULE OR GENERAL LAW] cities and service areas that [WHICH] are succeeded to by a newly incorporated municipality continue to be [BOROUGH OR CITY ARE] continue to be exercised by the[M] cities and service areas until the new municipality [BOROUGH OR CITY] assumes the powers and functions, which may not exceed two years after the date of incorporation. Ordinances, rules, resolutions, procedures, and orders in effect before the transfer remain in effect until superseded by the action of the new municipality [BOROUGH OR CITY].

(b) Before the assumption, the new municipality [BOROUGH OR CITY] shall give written notice of its assumption of the rights, powers, duties, as-sets, and liabilities under this section and AS 29.05.130 [AND OTHER ITEMS ENUMERATED IN §§ 130 - 140 OF THIS CHAPTER] to the city or [AND] service area concerned. Municipal [BOROUGH OR CITY] officials shall consult with the officials of the city or service area concerned[,] and arrange an orderly transfer.

(c) After the incorporation of a new municipality[BOROUGH OR CITY], no service area in [WITHIN] it may assume new bonded indebtedness, make a [ANY] contract, or transfer an [ANY] asset[S] without the consent of the governing body [COUNCIL].

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

EDITOR NOTE: No substantive change.

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EDITOR NOTE: This section now applies only to organization grants for cities. A new section has been added to the bill to deal with organization grants for boroughs. A newly incorporated city or a second class city that reclassifies shall be entitled to a first year organization grant of \$50,000 and to a second organization grant of \$25,000. Under existing law, a municipality is entitled to receive \$10 for every voter or \$25,000 minimum, and the municipality receives no

grant the second year.

Sec. 29.05.180 [29.18.180]. ORGANIZATION GRANTS TO CITIES.

(a) To [FOR THE PURPOSE OF] defray[ING] the cost of transition to [BOROUGH OR] city government and [IN ORDER] to provide for [DEVELOPMENT AND] interim government[AL] operations, each [BOROUGH AND] city incorporated after July [JANUARY] 1, 1984 [1968, OTHER THAN A UNIFIED MUNICIPALITY INCORPORATED UNDER THE PROVISIONS OF AS 29.85, OR A MUNICIPALITY OTHERWISE INCORPORATED BY CONSOLIDATION,] is entitled to an organization grant of \$50,000 for the first full or partial fiscal year after incorporation. [EQUAL TO \$10 FOR EVERY VOTER WHO VOTED IN THE BOROUGH OR CITY INCORPORATION ELECTION. HOWEVER, EACH INCORPORATED BOROUGH AND EACH FIRST CLASS CITY INCORPORATED OR ESTABLISHED BY RECLASSIFICATION OUTSIDE AND ORGANIZED BOROUGH IS ENTITLED TO AT LEAST \$25,000.]

(b) To defray the cost of reclassification, each second class city in the unorganized borough incorporated before July 1, 1984 that reclassifies as a home rule or first class city after July 1, 1984 is entitled to an organization grant equal to \$50,000 for the first full or partial fiscal year after reclassification. [WITHIN 30 DAYS AFTER THE DATE OF INCORPORATION OF A BOROUGH OR CITY AFTER SEPTEMBER 10, 1972, THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS SHALL DETERMINE THE NUMBER OF VOTERS IN THE BOROUGH OR CITY WHO VOTED IN THE INCORPORATION ELECTION.]

(c) The department [OF COMMUNITY AND REGIONAL AFFAIRS] shall disburse an organization grant under (a) or (b) of this section within 30 days after certification of the incorporation election or the reclassification election, or as soon after certification as money is appropriated and available for the purpose. [WITHIN 30 DAYS AFTER THE COMPLETION OF ITS FINDINGS, OR AS SOON THEREAFTER AS MONEY IS APPROPRIATED TO IT FOR THE PURPOSE, THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS SHALL TRANSMIT TO THE BOROUGH OR CITY THE TOTAL AMOUNT OF MONEY TO WHICH THE BOROUGH OR CITY IS ENTITLED.]

(d) A city entitled to an organization grant under (a) or (b) of this section is entitled to a second organization grant of \$25,000. The department [OF COMMUNITY AND REGIONAL AFFAIRS] shall disburse the second organization grant within 30 days after the beginning of the city's second fiscal year after incorporation or reclassification, or as soon after that time as money is appropriated and available for the purpose.

EDITOR NOTE: This section deals with organization grants to boroughs only and applies to boroughs incorporated after July 1, 1984. A borough shall be entitled

to a first year organization grant of \$300,000; a second year grant of \$200,000; and a third year grant of \$100,000. Under existing law, a borough receives \$10 for every voter or a minimum \$25,000 grant.

Sec. 29.05.190 [29.18.180]. ORGANIZATION GRANTS TO BOROUGHES

(a) For the purpose of defraying the cost of transition to borough government and to provide for interim governmental operations, each borough in incorporated after July 1, 1984, is entitled to organization grants as follows:

- (1) \$300,000 for the borough's first full or partial fiscal year;
- (2) \$200,000 for the borough's second fiscal year; and
- (3) \$100,000 for the borough's third fiscal year.

(b) The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall disburse the first organization grant to a borough within 30 days after certification of the incorporation election favoring incorporation of a borough, or as soon after that as money is appropriated and available for the purpose. The second grant shall be disbursed within 30 days after the beginning of the borough's second fiscal year, or as soon after that as money is appropriated and available for the purpose. The third grant shall be disbursed within 30 days after the beginning of the borough's third fiscal year, or as soon after that as money is appropriated and available for the purpose.

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

Sec. 29.05.200. ORGANIZATION GRANT FUND.

(a) The organization grant fund is established in the department. An appropriation made to the fund shall be used for organization grants to municipalities that [WHICH] qualify under AS 29.05.180 or 29.05.190.

(b) Before August 31 of each fiscal year the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall submit a report to the Department of Administration indicating

(1) each municipality expected to qualify to receive an organization grant during the next fiscal year;

(2) the amount of money needed to cover all organization grants expected to be awarded during the next fiscal year.

EDITOR NOTE: This is new material which requires the Department of Community and Regional Affairs to determine the population of a newly incorporated borough, help the borough establish an initial assessment and collection department if it

has adopted a sales or use tax; and help the borough to determine the initial assessment roll if the borough has adopted a property tax.

Sec. 29.05.210. TRANSITIONAL ASSISTANCE TO BOROUGHES.

(a) Within 30 days after the date of incorporation of a borough incorporated after July 1, 1984, the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall determine the population of the borough.

(b) The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall provide assistance to each borough incorporated after July 1, 1984, in

(1) establishing the initial sales and use tax assessment and collection department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] if the borough has adopted a sales or use tax;

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

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

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

CHAPTER 06. ALTERATION OF MUNICIPALITIES.

ARTICLE 1. CHANGE OF NAME.

EDITOR NOTE: The phrase "qualified voters voting on the question at a regular or special election" is replaced by "voters after an election". Both "voters" and "election" are defined for the title. References to the lieutenant governor are changed to the director of elections.

Sec. 29.06.010 [29.73.050]. CHANGE OF MUNICIPAL NAME.

(a) A [THE GOVERNING BODY OF A HOME RULE OR GENERAL LAW] municipality may change its [THE] official [MUNICIPAL] name by adopting an ordinance for the purpose that is ratified by the voters and filing the ordinance with the office of the lieutenant governor. Upon receipt of an [A LEGALLY ADOPTED] ordinance ratified by the [QUALIFIED] voters, [VOTING ON THE QUESTION AT A REGULAR OR SPECIAL ELECTION,] the lieutenant governor shall issue an [APPROPRIATE] order to the municipality changing its [EXISTING] name. The name change shall become effective on a date fixed in the order and occurring within 45 days after [OF] receipt of the ordinance. A copy of the order shall be transmitted to the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS].

(b) If an ordinance adopted under (a) of this section that [WHICH] results in a change of [AN ORDER CHANGING] the municipal name is subsequently repealed, the lieutenant governor shall issue an [A FURTHER] order reinstating the former [MUNICIPAL] name within 45 days after [OF] the date of the order, unless a different [MUNICIPAL] name is adopted [BY ORDINANCE TRANSMITTED TO THE LIEUTENANT GOVERNOR FOR IMPLEMENTATION] as provided in (a) of this section.

(c) When a municipal name change takes effect by means of an order issued under (a) or (b) of this section, a civil or criminal suit[S], application[S], petition[S], hearing[S] or [AND] other proceeding[S] to which the municipality is a party and that is pending at or brought after the date the name change takes effect shall proceed in the municipal name [NAME OF THE MUNICIPALITY] as changed by the order.

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

ARTICLE 2 [1]. ANNEXATION AND DETACHMENT [EXCLUSION].

EDITOR NOTE: This section contains only minor word changes so that language used in Title 29 which is defined is uniformly used throughout the title.

Sec. 29.06.040 [29.68.010]. LOCAL BOUNDARY COMMISSION.

(a) The Local Boundary Commission may consider any proposed municipal boundary change. It may reject the proposed change, accept the proposed change, or alter the boundaries and accept the proposal as altered. A Local Boundary Commission decision under this subsection may be appealed under the Administrative Procedure Act (AS 44.62).

(b) [(A)] The Local Boundary Commission may present a [CONSIDER ANY] proposed municipal [LOCAL GOVERNMENT] boundary change[. IT MAY PRESENT PROPOSED CHANGES] to the legislature during the first 10 days of a [ANY] regular session. The change [SHALL] becomes effective 45 days after presentation or at the end of the session, whichever is earlier, unless disapproved by a resolution concurred in by a majority of the members of each house.

(c) [(B)] In addition to the regulations governing annexation by local action adopted under AS 44.47.567 [AS 44.19.260], the Local Boundary Commission shall[, WITHIN 90 DAYS OF SEPTEMBER 10, 1972,] establish procedures for annexation and detachment [EXCLUSION] of territory by municipalities [CITIES AND BOROUGH] by local action. The procedures established under this subsection [SHALL] include a provision that

(1) [A PROVISION REQUIRING THAT] a proposed annexation and detachment [EXCLUSION] must be approved by a majority of votes [THE VOTERS VOTING] on the question cast by voters residing in [WITHIN] the area proposed to be annexed or detached [EXCLUDED];

(2) [PROVISIONS THAT] municipally owned property adjoining the municipality may be annexed by ordinance without voter approval; and

(3) [PROVISIONS THAT] an area adjoining the municipality may be annexed by ordinance without an election if all property owners and voters in [WITHIN] the area petition the governing body [ASSEMBLY OR COUNCIL].

(d) A boundary change effected under (a) and (b) of this section prevails over a boundary change initiated by local action, without regard to priority in time.

EDITOR NOTE: No substantive change.

Sec. 29.06.050 [29.68.020]. ANNEXATION OF MILITARY RESERVATIONS. A military reservation may be annexed to a municipality [CITY OR BOROUGH] in the same manner as prescribed for [ANY] other territory under AS 29.06.040[AS 29.68.010]. If a city in a [WITHIN AN ORGANIZED] borough annexes a military reservation under this section, the area [TERRITORY] encompassing the military reservation automatically is annexed to the borough in [OF] which the city is located [A PART].

EDITOR NOTE: This is new material specifically applying all sections dealing with annexation as home rule limitations. The material contained in sec. 29.06.040 of this bill is currently a limitation on home rule municipalities.

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

ARTICLE 3. MERGER AND CONSOLIDATION.

EDITOR NOTE: Adds a provision that a third class borough may not be formed through merger or consolidation.

Sec. 29.06.090 [29.68.030]. [METHODS OF] MERGER AND CONSOLIDATION.

(a) Two or more municipalities may merge or consolidate to form a single municipality, except a third class borough may not be formed through merger or consolidation.

(b) Two methods may be used to initiate merger or consolidation of [HOME RULE AND GENERAL LAW] municipalities:

(1) petition to the Local Boundary Commission under regulations adopted by the commission; or

(2) the local option method specified in AS 29.06.100 - 29.06.160 [§§ 40 - 110 OF THIS CHAPTER].

EDITOR NOTE: The word "existing" is added to make it clear that some requirements refer to an existing municipality and some to a proposed municipality.

Sec. 29.06.100 [29.68.040]. PETITION.

(a) Residents of two or more municipalities may file a merger or consolidation petition with the department [DEPARTMENT OF COMMUNITY AND REGIONAL

AFFAIRS]. The petition must be signed by a number of [MUNICIPAL] voters of each existing municipality equal to at least 25 percent of the number of votes cast in each municipality's [ITS] last regular election.

(b) The petition includes

- (1) the name and class of each existing municipality;
- (2) the name and class of the proposed municipality;
- (3) the proposed composition and apportionment of the governing body [ASSEMBLY OR COUNCIL];
- (4) maps, documents, and other information that [WHICH] shows that the proposed municipality meets the standards for municipal incorporation.

EDITOR NOTE: "Department of Community and Regional Affairs" is changed to "department".

Sec. 29.06.110 [29.68.050, 29.68.060, 29.68.070(a)]. REVIEW.

(a) The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall review a merger or consolidation petition for content and signatures and shall return a deficient petition for correction or completion.

(b) [29.68.060 INVESTIGATION.] If the petition contains the required information and signatures, the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall investigate the proposal.

(c) [29.68.070. REPORT AND HEARING] The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall report its findings to the Local Boundary Commission with its recommendations regarding the merger or consolidation.

EDITOR NOTE: No substantive change.

Sec. 29.06.120 [29.68.070(b)]. HEARING. [(B)] After receipt of the report by the department on a merger or consolidation petition, the Local Boundary Commission shall hold at least one public hearing in each of the existing municipalities included in the [MERGER OR CONSOLIDATION] petition, unless officials of the municipalities agree to a single hearing.

EDITOR NOTE: "Assembly or council" is changed to "governing body". Material contained in the last sentence under current law is placed into a new subsection (b).

Sec. 29.06.130 [29.68.080]. DECISION.

(a) If the Local Boundary Commission determines that the proposed municipality fails to meet the standards for incorporation, it shall reject the merger or consolidation petition. If the commission determines that the proposed municipality meets these standards, it shall accept the petition. If the commission determines that the proposed boundaries or the composition and apportionment of the governing body [ASSEMBLY OR COUNCIL] can be altered to meet the standards, it may alter [CHANGE] the proposal and accept the petition.

(b) A Local Boundary Commission [THE] decision under this section may be appealed [UNDER THIS SECTION] under the Administrative Procedure Act (AS 44.62).

EDITOR NOTE: Material currently contained in AS 29.68.090(a) and (b) is combined into (a). The statutory reference in AS 29.68.090(d) is eliminated as unnecessary. References to "lieutenant governor" are changed to "director of elections".

Sec. 29.06.140 [29.68.090]. ELECTION.

(a) The Local Boundary Commission shall immediately notify the director of elections [LIEUTENANT GOVERNOR] of its acceptance of a merger or consolidation petition. Within 30 days after notification, the director of elections [LIEUTENANT GOVERNOR] shall order an election in [WITHIN] the area to be included in the new municipality to determine whether the voters desire merger or consolidation. The election must be [IS] held not less than 30 [N]or more than 90 days after the election order. [(B)] A voter who is a resident of the area to be included in the proposed municipality may vote.

(b) [(C)] The director of elections [LIEUTENANT GOVERNOR] shall supervise the election in the general manner prescribed by the Alaska Election Code (AS 15) [(AS 15.05 - 14.60)]. The state shall pay all election costs.

(c) The director of elections [LIEUTENANT GOVERNOR] shall certify the election results. If merger or consolidation is approved, the director of elections [HE] shall, within 10 days, set a date for election of officials [OFFICERS] of the new municipality [UNDER AS 29.18 - 120.]. The election date must be [IS] not less than 60 [N]or more than 90 days after the election order[. THIS DATE] and it is the effective date for the merger or consolidation.

EDITOR NOTE: No substantive change.

Sec. 29.06.150 [29.68.100]. ASSETS AND LIABILITIES.

(a) When two or more municipalities merge, one [MUNICIPALITY] succeeds to the rights, powers, duties, assets, and liabilities of the others.

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

EDITOR NOTE: No substantive change.

Sec. 29.06.160 [29.68.110]. TRANSITION [ORDINANCES]. After merger or consolidation, the ordinances, resolutions, [RULES,] regulations, procedures, and orders of the former municipalities remain in force in their respective territories until superseded by the action of the new [SUCCESSOR] municipality.

EDITOR NOTE: This is a new section providing that the article on merger and consolidation applies to home rule municipalities. These sections are currently applied to home rule municipalities under AS 29.13.100.

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

ARTICLE 4 [3]. UNIFICATION OF MUNICIPALITIES [LOCAL GOVERNMENTS].

EDITOR NOTE: No substantive change.

Sec. 29.06.190 [29.68.240]. UNIFICATION OF MUNICIPALITIES AUTHORIZED. A [AN ORGANIZED] borough and all cities in [WITHIN] the borough may unite to form a single unit of home rule [LOCAL] government by complying with AS 29.06.190 - 29.06.410 [THIS CHAPTER].

EDITOR NOTE: No substantive change.

Sec. 29.06.200 [29.68.250]. UNIFICATION [TO BE] PROPOSED [BY PETITION].

(a) Formation of a charter commission to prepare [PROPOSE] a unification charter shall be proposed by resolution of the assembly or by petition. A [AN ASSEMBLY] resolution to propose formation of a charter commission [FOR THE

PURPOSE] may be adopted not more often than once every 12 months.

(b) An [THE BOROUGH] assembly, a [CITY] council, or a person living in [WITHIN] the area [OF] proposed for unification may initiate a unification [THE] petition.

EDITOR NOTE: "Unification" is added to make it clear that this is a special type of petition. (b)(1) and (2) are slightly rewritten for clarity.

Sec. 29.06.210 [29.68.260]. PETITION REQUIREMENTS.

(a) A unification [THE] petition shall read:

"PETITION FOR ELECTION OF CHARTER COMMISSION TO PROPOSE UNIFICATION CHARTER. We, the undersigned, qualified voters of the borough do hereby petition that the following proposition be placed before the voters as provided by law:

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

	Inside First	Outside First
	Class or	Class or
Signature	Address	Home Rule City [] Home Rule City []"

(b) The petition shall be signed by at least

(1) the [THAT] number of [QUALIFIED] voters residing [OF THE BOROUGH LIVING] outside all home rule [FIRST CLASS] and first class [HOME RULE] cities in the borough equal to 25 percent of the votes cast [QUALIFIED VOTERS WHO VOTED] in that area in the last regular borough election; and

(2) the [THAT] number of [QUALIFIED] voters residing in home rule or first class cities [EACH FIRST CLASS AND HOME RULE CITY] in the borough equal to 25 percent of the votes cast [QUALIFIED VOTERS WHO VOTED] in all home rule and first class cities in the borough in the last regular borough election [IN EACH CITY].

EDITOR NOTE: No substantive change.

Sec. 29.06.220 [29.68.270]. REVIEW OF PETITION. [UPON RECEIPT OF A PETITION,] The [BOROUGH] assembly shall review a unification [THE] petition within 15 [AFTER ITS RECEIPT] days to determine whether it complies with AS 29.06.210 [§ 260 OF THIS CHAPTER]. If the petition does not meet the designated requirements, it shall be immediately returned to the person who

initiated the petition with a statement indicating which requirements have not been satisfied.

EDITOR NOTE: New section setting out duties of charter commission.

Sec. 29.06.230 [29.68.350(a)]. DUTIES OF CHARTER COMMISSION [PREPARATION]. The [A] charter commission [ESTABLISHED UNDER THIS CHAPTER] shall prepare, adopt, and submit to the voters for approval or rejection a proposed home rule charter for the area to be unified. [TO THE VOTERS FOR APPROVAL OR REJECTION AT A REGULAR OR SPECIAL BOROUGH ELECTION CALLED BY THE BOROUGH ASSEMBLY HELD WITHIN 60 DAYS OF THE DATE OF PUBLICATION AND POSTING OF THE PROPOSED CHARTER AS REQUIRED IN AS 29.68.380. THE CHARTER SHALL INCLUDE AMONG ITS PROVISIONS:

(1) PROVISIONS FOR ADJUSTMENT OF EXISTING BONDED INDEBTEDNESS AND OTHER OBLIGATIONS IN A MANNER WHICH WILL RESERVE A FAIR AND EQUITABLE BURDEN OF TAXATION FOR DEBT SERVICE, SUBJECT TO AS 29.68.410;

(2) PROVISIONS FOR

(A) THE ESTABLISHMENT OF SERVICE AREAS: AND

(B) THE ESTABLISHMENT OF DISTRICTS OR SECTIONS FOR THE ELECTION OF MEMBERS OF THE LEGISLATIVE BODY OF THE UNIFIED MUNICIPALITY, IF ELECTION OF MEMBERS OF THE LEGISLATIVE BODY IS NOT AREA-WIDE, AND PROCEDURES BY WHICH TO REAPPORTION THE ELECTION DISTRICTS OR SECTIONS;

(C) REAPPORTIONMENT OF THE SECTIONS, IF ESTABLISHED;

(3) PROVISION FOR NONPARTISAN GOVERNMENT AND PROVISION FOR THE SELECTION, ORGANIZATION, AUTHORITY AND RESPONSIBILITIES OF THE GOVERNING BODY AND ITS EXECUTIVE AND ADMINISTRATOR;

(4) THE TRANSFER OR OTHER DISPOSITION OF PROPERTY AND OTHER RIGHTS, CLAIMS, ASSETS AND FRANCHISES OF THE LOCAL GOVERNMENT TO BE UNIFIED UNDER THE CHARTER;

(5) PROVISION FOR EXERCISE OF THE RIGHTS OF INITIATIVE AND REFERENDUM AS REQUIRED BY AS 29.13.050;

(6) A METHOD OF AMENDING THE CHARTER;

(7) THE DATE ON WHICH THE CHARTER, IF APPROVED AT THE CHARTER ELECTION REQUIRED BY AS 29.68.390, IS EFFECTIVE;

(8) DESIGNATION OF THE NEW MUNICIPALITY'S OFFICIAL NAME, SUBJECT TO THE PROVISIONS OF (b) OF THIS SECTION;

(9) OTHER CHARTER PROVISIONS WHICH THE CHARTER COMMISSION ELECTS TO INCLUDE AND WHICH MAY BE INCLUDED IN A HOME RULE CHARTER UNDER THIS CHAPTER AND THE STATE CONSTITUTION.

(b) THE AREA TO BE UNIFIED SHALL BE KNOWN AS A BOROUGH OR A CITY OR BY SOME OTHER DESIGNATION CONSISTENT WITH EXISTING LAW.

EDITOR NOTE: This is rewritten for clarity. Under existing law membership is divided between the area outside cities and the area inside cities. This approach is altered so that membership is divided between the area outside home rule and first class cities and the area inside home rule and first class cities in the borough.

Sec. 29.06.240 [29.68.310]. COMPOSITION OF CHARTER COMMISSION. The charter commission [MEMBERS SHALL BE QUALIFIED VOTERS AND] shall consist of 11 voters [MEMBERS], three of whom are [SHALL BE] residents elected at large from the [AREA OF THE] borough and eight of whom, proportionate to the population as determined by the department, are [SHALL BE]

(1) residents of and elected from the area outside all home rule and first class cities in the borough; or,

(2) residents of and elected from home rule or first class cities [A CITY OR CITIES] in the borough. [THE NUMBER REPRESENTING EACH OF THESE AREAS SHALL BE PROPORTIONATE TO THE RESPECTIVE POPULATIONS AS DETERMINED BY THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS.]

EDITOR NOTE: (a) No substantive change.

(b) No substantive change.

(c) No substantive change.

(d) This is new material providing that a resolution or petition for unification is void if insufficient nominations are received for the charter commission.

Sec. 29.06.250 [29.68.280, 29.68.29(a),(b)]. [CALL FOR] CHARTER COMMISSION NOMINATIONS.

(a) If the assembly determines [ONCE IT IS DETERMINED BY THE BOROUGH ASSEMBLY] that a unification petition meets the requirements of AS 29.06.210 [§ 260 OF THIS CHAPTER], or the assembly by its resolution proposes an election on formation of a charter commission [TO PROPOSE A UNIFICATION CHARTER], the assembly shall issue a call for the nomination of [CHARTER] commission candidates, specifying the filing deadline and [OUTLINING] the procedure [DESCRIBED] for making nominations [UNDER § 290 OF THIS CHAPTER].

(b) [29.68.290. NOMINATION OF CHARTER COMMISSION CANDIDATES. (A)] Charter commission candidates shall be nominated by petition signed by at least 50 [QUALIFIED] voters of the area from which the candidate seeks election, or by a number of [QUALIFIED] voters from that area equal to at least 10 percent of the number of votes cast from that area in the last regular borough election, which ever is less.

(c) [(B)] Nomination petitions shall be filed with the borough clerk at least 30 days after notice of the call for nominations has been given and on or before a date fixed by the [BOROUGH] assembly[, WHICH DATE SHALL NOT BE LESS THAN 30 DAYS AFTER NOTICE OF THE CALL FOR NOMINATIONS HAS BEEN GIVEN THROUGH THE BOROUGH].

(d) If at least one nomination of a qualified charter commission candidate for each available seat is not filed, the unification petition or resolution to propose formation of a charter commission is void and no election on the question shall be held.

EDITOR NOTE: No substantive change.

Sec. 29.06.260 [29.68.300]. QUALIFICATIONS OF [CHARTER COMMISSION] CANDIDATES. A person is eligible to be nominated as a candidate for the charter commission if that person is a [HE HAS BEEN A QUALIFIED] voter of the area from which [HE SEEKS] election is sought and has been a voter of the area for at least one year immediately preceding the date the [HIS] nomination petition is filed [WITH THE BOROUGH CLERK].

EDITOR NOTE: (a) The question submitted is whether a charter commission shall be formed, not whether unification shall take place.

(b) No substantive change.

(c) No substantive change.

Sec. 29.06.270 [29.68.320(a),(b),(c),(d)]. ELECTION OF CHARTER COMMISSION.

(a) After receipt of a valid unification petition or adoption of an assembly resolution to propose formation of a charter commission [FOR THE PURPOSE], the [BOROUGH] assembly shall submit to the voters the question of whether a charter commission shall be formed to prepare a proposed unification charter [THAT BOROUGH AND ALL CITIES WITHIN IT SHALL UNITE TO FORM A SINGLE UNIT OF HOME RULE GOVERNMENT]. The vote shall be held at the next regular borough election scheduled at least 90 days after receipt of the [VALID] petition or adoption of

the resolution. [(B)] The ballot shall be worded exactly as in AS 29.06.210(a) [§ 260 (A) OF THIS CHAPTER].

(b) [(C)] The election of charter commission members shall take place at the same time as the election on the question of formation of the commission [UNIFICATION].

(c) [(D)] All costs incurred in conducting an election under AS 29.06.190 - 29.06.410 [THIS CHAPTER] shall be paid by the borough.

EDITOR NOTE: Reworded to clarify that formation of a charter commission is being considered, not unification.

Sec. 29.06.280 [29.68.330]. REQUIREMENTS FOR APPROVAL OF FORMATION [UNIFICATION] AND ELECTION OF CHARTER COMMISSION.

(a) The votes on the question of formation of a charter commission [UNIFICATION] shall be tabulated in two separate classifications. One classification [SHALL] consists of all votes cast in first class and home rule cities in [CF] the borough. The other classification [SHALL] consists of all votes cast in the remaining area of the borough. In order for formation of a charter commission [UNIFICATION] to be approved, [IT IS NECESSARY THAT] a majority of the votes in each classification must favor formation of the commission [UNIFICATION].

(b) If formation of a charter commission [UNIFICATION] is approved, the [THOSE CHARTER COMMISSION] candidates who received the highest number of votes from their respective areas shall serve as members of the commission.

EDITOR NOTE: No substantive change.

Sec. 29.06.290 [29.68.340(a)-(d)]. CHARTER COMMISSION ORGANIZATION AND PROCEDURE.

(a) The charter commission [AUTHORIZED BY THIS CHAPTER] shall hold its first meeting within 30 days after [OF THE DATE OF] certification of its election. The commission shall elect from among its members a chairman and a deputy chairman.

(b) A majority of the total membership of the charter commission constitutes a quorum. A [NO] decision of the commission is not valid or binding unless approved by the [THAT] number of members necessary to constitute a quorum.

(c) The charter commission may elect other officials [OFFICERS] from among its membership, adopt rules governing its procedures that are consistent

with AS 29.06.190 - 29.06.410 and hire and discharge [COMMISSION] employees.
[RULES ADOPTED MUST CONFORM WITH THE PROVISIONS OF THIS CHAPTER.]

(d) Meetings of the charter commission shall be open to the public at all times. A journal of commission proceedings shall be kept and [SHALL BE] made available for public inspection at the borough office.

EDITOR NOTE: No substantive change.

Sec. 29.06.300 [29.68.340 (e), 29.68.390(e)] VACANCIES.

(a) [EXCEPT AS PROVIDED IN § 390 (E) OF THIS CHAPTER,] Vacancies on the charter commission shall be filled by a majority vote of the commission, except the assembly shall appoint members to fill vacancies if, after a proposed charter is rejected by the voters, more than one-half of the members resign.

(b) A [THE] person who fills, [APPOINTED TO FILL] a vacancy on the charter commission must be a [QUALIFIED] voter of the same area as the person succeeded [WHOM HE SUCCEEDS] and must have been a voter of that area for at least one year immediately preceding the date the vacancy is filled [OF HIS APPOINTMENT].

EDITOR NOTE: No substantive change.

Sec. 29.06.310 [29.68.340(f)]. PER DIEM [CHARTER COMMISSION ORGANIZATION AND PROCEDURE. (F)]. The [BOROUGH] assembly may grant a per diem allowance to members of the charter commission [MEMBERS] and may reimburse the members for travel expenses incurred in carrying out the duties prescribed by AS 29.06.190 - 29.06.410 [THIS CHAPTER]. [(G)] Costs, fees, and other expenses incurred by the [CHARTER] commission are a debt of the borough and shall be paid upon proper verification.

EDITOR NOTE: The language "at a regular or special borough election called by the borough assembly held within 60 days of the date of publication and posting of the proposed charter as required in sec. 380 of this chapter" is deleted since this appears elsewhere. Parts have been slightly rewritten for clarification and statutory references to other sections in AS 29.68.350(a)(5) and (7) are deleted as unnecessary.

Sec. 29.06.320 [29.68.350]. CHARTER PROVISIONS [PREPARATION]. [(A) A CHARTER COMMISSION ESTABLISHED UNDER THIS CHAPTER SHALL PREPARE, ADOPT AND SUBMIT A PROPOSED HOME RULE CHARTER FOR THE REGULAR OR SPECIAL BOROUGH ELECTION CALLED BY THE BOROUGH ASSEMBLY HELD WITHIN 60 DAYS OF THE DATE OF PUBLICATION AND POSTING OF THE PROPOSED CHARTER AS REQUIRED IN AS 29.68.380.] The charter shall include [AMONG ITS PROVISIONS:]

(1) provision for (A) the adjustment of existing bonded indebtedness and other obligations in a manner that [WHICH] will assure [RESERVE] a fair and equitable burden of taxation for debt service, subject to AS 29.06.380 [AS 29.68.410];

[(2) [EFFECTIVE JANUARY 1,1981] PROVISIONS FOR]

(B) [(A)] the establishment of service areas; [AND]

(C) [THE ESTABLISHMENT OF DISTRICTS OR SECTIONS FOR THE ELECTION OF MEMBERS OF THE LEGISLATIVE BODY OF THE UNIFIED MUNICIPALITY,] if election of members of the governing [LEGISLATIVE] body is not areawide, the establishment of districts for the election of members of the governing body of the proposed unified municipality and procedures by which to reapportion the election districts [OR SECTIONS];

(D) [(C)] the reapportionment of districts [THE SECTIONS,] if they are established;

(E) [(3)] [PROVISIONS FOR] nonpartisan government, and [PROVISION FOR] the selection, organization, authority, and responsibilities of the governing body and its executive and administrator;

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

(G) [(5)] [PROVISIONS FOR] the exercise of the rights of initiative and referendum in accordance with AS 29.10.030 [AS REQUIRED BY AS 29.13.050];

(H) [(6)] [A METHOD OF] amending the charter in accordance with AS 29.10.100;

(2) [(7)] the date on which the charter, if approved at the charter election, [REQUIRED BY AS 29.68.390] is effective;

(3) [(8)] designation of the proposed unified [NEW] municipality's official name [SUBJECT TO THE PROVISIONS OF (B) OF THIS SECTION]; and

(4) [(9)] other charter provisions [WHICH THE CHARTER COMMISSION ELECTS TO INCLUDE AND] that [WHICH] may be included in a home rule charter [UNDER THIS CHAPTER AND THE STATE CONSTITUTION].

[(B) THE AREA TO BE UNIFIED SHALL BE KNOWN AS A BOROUGH OR A CITY OR BY SOME OTHER DESIGNATION CONSISTENT WITH EXISTING LAW.]

EDITOR NOTE: Some excessive verbage is eliminated.

Sec. 29.06.330 [29.68.360]. PUBLIC HEARINGS. Both before and after drafting the proposed home rule charter, the charter commission shall hold a public hearing in each area [OF THE BOROUGH] represented on the [BOROUGH] assembly. Other public hearings may be held by the [CHARTER] commission as it considers [WHENEVER AND WHEREVER IT BELIEVES] necessary [AND APPROPRIATE].

EDITOR NOTE: No substantive change.

Sec. 29.06.340 [29.68.370]. FILING OF PROPOSED CHARTER. Upon the adoption of a proposed home rule charter by the charter commission, the charter shall be signed by at least a majority of the total membership of the commission and shall be filed with the borough clerk. A copy of the charter with signatures affixed shall also be filed with the clerk of each city in [WITHIN] the borough.

EDITOR NOTE: The language "once in at least one newspaper having general circulation distributed within the borough, if there is a newspaper having general circulation distributed in the borough" is eliminated as unnecessary since "published" is defined for the title.

Sec. 29.06.350 [29.68.380]. PUBLICATION AND POSTING OF PROPOSED CHARTER. Within 10 days after filing the proposed home rule charter, the borough clerk shall have it published [ONCE IN AT LEAST ONE NEWSPAPER HAVING GENERAL CIRCULATION DISTRIBUTED WITHIN THE BOROUGH]. In addition, the clerk shall have a copy of the proposed charter posted in at least three public places in [WITHIN] each city [OF THE BOROUGH] and each unincorporated community in the borough [AREA OUTSIDE CITIES]. Copies of the proposed charter shall be made available by the [BOROUGH] assembly to the public at both the office of the borough clerk and the office of the clerk of each city in [WITHIN] the borough. The clerk shall have [PUBLISH] notice [BY RADIO AND TELEVISION] of the publication, posting, and

availability of the proposed charter published [IN A MANNER INTENDED TO APPRISE THE ENTIRE BOROUGH POPULATION OF THE EXISTENCE OF THE PROPOSED CHARTER.].

- EDITOR NOTE:
- (a) No substantive change.
 - (b) No substantive change.
 - (c) No substantive change.
 - (d) No substantive change.

Sec. 29.06.360 [29.68.390(a),(b),(c),(d), 29.68.635(a)]. ELECTION ON CHARTER.

(a) The proposed home rule charter adopted by the charter commission shall be submitted to the voters at a borough election held within 60 days of the date of publication and posting of the proposed charter [FOR RATIFICATION OR REJECTION AT THE BOROUGH ELECTION SPECIFIED IN § 350 OF THIS CHAPTER]. The borough clerk shall prepare the ballots for use in the election and shall give [PUBLISHED] notice of the election by radio and television in a manner intended to apprise the entire borough population of the election.[AND OTHERWISE CONDUCT THE ELECTION IN THE MANNER IN WHICH REGULAR MUNICIPAL ELECTIONS ARE CONDUCTED. IN ADDITION, THE CLERK SHALL PUBLISH NOTICE OF THE ELECTION BY RADIO AND TELEVISION IN A MANNER INTENDED TO APPRISE THE ENTIRE BOROUGH POPULATION OF THE ELECTION.] The election shall be conducted under procedures applicable to regular elections.

(b) A person who is a [QUALIFIED] voter of the borough may vote in the election on the proposed charter.

(c) If a majority of the votes [CAST] in the area of the borough outside all home rule or first class cities [FIRST CLASS AND HOME RULE CITIES], and a majority of the votes [CAST IN THE REMAINING AREA OF THE BOROUGH] in [COMPOSED OF] all home rule [FIRST CLASS] and first class [HOME RULE] cities in the borough are cast in favor of the proposed charter, the charter is ratified. If the charter is ratified, election results shall be certified to the commission and two copies of the charter shall be filed with [EACH OF THE FOLLOWING AUTHORITIES:]

- (1) the lieutenant governor;
- (2) the [COMMISSIONER OF THE] department [OF COMMUNITY AND REGIONAL AFFAIRS];
- (3) the district recorder for the area of the borough;
- (4) the clerk of the borough;
- (5) the clerk of each city in the borough.

(d) If a proposed charter is rejected, the charter commission shall

prepare, adopt, and submit another [A] proposed charter to the voters at a [GENERAL OR SPECIAL] borough election [CALLED BY THE BOROUGH AND] held within one year after [OF] the date of the first charter election. If the second proposed charter is also rejected, the charter commission shall be dissolved and the question of unification shall be treated as if it had never been proposed or approved.

[(e) IF AFTER THE REJECTION OF THE FIRST PROPOSED CHARTER, MORE THAN ONE-HALF OF THE CHARTER COMMISSION MEMBERS RESIGN FROM THE COMMISSION, THE BOROUGH ASSEMBLY SHALL APPOINT NEW MEMBERS TO FILL THE VACANCIES IN ACCORDANCE WITH § 110(E) OF THIS CHAPTER.]

EDITOR NOTE: The statutory reference to the article on unification is eliminated as unnecessary.

Sec. 29.06.370 [29.68.400]. EFFECT OF THE CHARTER AFTER RATIFICATION. Upon ratification, the home rule charter of a unified municipality [ORGANIZED UNDER §§ 240 - 440 OF THIS CHAPTER] operates to dissolve all municipalities [LOCAL GOVERNMENTS] in [WITHIN] the area unified [OF UNIFICATION] in accordance with the charter.

EDITOR NOTE: This section is slightly reworded for clarity.

Sec. 29.06.380 [29.68.410]. ASSETS AND LIABILITIES. A unified municipality [CREATED BY UNIFICATION SHALL] shall succeed to all the assets and liabilities of the municipalities [LOCAL GOVERNMENTS] it unified. A bonded indebtedness or other debt incurred before unification [SHALL] remains the tax obligation of the area that [WHICH] contracted the debt, except that by ordinance the tax obligation may be assumed by [SPREAD OVER] a larger area [BY ORDINANCE] if the governing body determines that the asset for which the bonded indebtedness or other debt was incurred benefited [WAS USED FOR THE BENEFIT OF] the larger area before unification, or benefits the larger area [BEFORE UNIFICATION, OR IS SO USED] after unification. However, [PREUNIFICATION] bonded indebtedness or other debt for sewage collection systems, water distribution systems, and streets, even if determined to be benefiting [USED FOR THE BENEFIT] a larger area than that which incurred the debt, [SHALL] remain[s] the tax obligation of the area that [WHICH] incurred the debt.

EDITOR NOTE: This section is slightly reworded for clarity.

Sec. 29.06.390 [29.68.420]. TRANSITION [ORDINANCES]. Within two years after ratification of the home rule charter, the [GOVERNING BODY OF THE] unified municipality shall revise, repeal, or reaffirm all municipal [BOROUGH AND CITY] ordinances, resolutions, and orders in effect in the area of the unified municipality on the date [FORCE WITHIN THE BOROUGH AT THE TIME] of unification. Each ordinance, resolution, regulation, or order in effect on the date [FORCE AT THE TIME] of unification [SHALL] remains in effect [FORCE] until superseded by action of the unified municipality [NEW GOVERNING BODY].

EDITOR NOTE: This is reworded for clarity and the statutory reference to the unification article is deleted as unnecessary.

Sec. 29.06.400 [29.68.430]. RIGHT TO STATE AND FEDERAL AID [FUNDS PRESERVED]. All provisions of law authorizing aid from the state or federal government to a former municipality that was in the area of a unified municipality remain in effect after unification [CONTRIBUTIONS OF ANY KIND, IN MONEY OR OTHERWISE, FROM THE STATE OR FEDERAL GOVERNMENT TO BOROUGHS AND CITIES SHALL REMAIN IN FULL FORCE AND EFFECT WITH RESPECT TO A UNIFIED MUNICIPALITY ORGANIZED UNDER §§ 240 - 440 OF THIS CHAPTER].

EDITOR NOTE: (2) is changed so that it is clear that a unified municipality has the powers of a home rule borough, since a unified municipality is a home rule unit of government.

Sec. 29.06.410 [29.68.440]. POWERS OF A UNIFIED MUNICIPALITY. A municipality unified [ORGANIZED] under AS 29.06.190 - 29.06.410 [§§ 240 - 440 OF THIS CHAPTER] has [SHALL HAVE] all powers

- (1) not prohibited [IT] by law or charter; and
- (2) granted to a home rule [ORGANIZED] borough[S] AND [FIRST CLASS CITIES].

EDITOR NOTE: This is a new section making the provisions dealing with unification applicable to home rule municipalities. Although annexation, merger and consolidation, and dissolution are currently home rule limitations, the sections dealing with unification are not applicable to home rule municipalities as limitations under existing law.

Sec. 29.06.420. APPLICATION. AS 29.06.190 - 29.06.420 apply to home rule and general law municipalities.

ARTICLE 5 [4]. DISSOLUTION.

EDITOR NOTE: No changes other than changes in terminology used consistently throughout in this bill.

Sec. 29.06.450 [29.68.500]. METHODS OF DISSOLUTION. (a) Two petition methods may be used to initiate dissolution of a [HOME RULE AND GENERAL LAW MUNICIPALITIES:] municipality;

(1) petition to the Local Boundary Commission under regulations adopted by the commission; or

(2) the local option method specified in AS 29.06.460 - 29.06.510 [§§ 510 - 580 OF THIS CHAPTER].

(b) [(C)] The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall investigate a municipality that [WHICH] it considers to be inactive and shall report to the Local Boundary Commission on the status of the municipality. The commission may submit its recommendation to the legislature that the municipality be dissolved in the manner provided for submission of boundary changes in [§ 12,] art. X, sec. 12 of the state constitution.

(c) [(B)] A [HOME RULE OR GENERAL LAW] borough is dissolved when its entire territory is included in [WITHIN] a home rule or first class city or cities. A city is dissolved when all its powers become areawide borough powers.

EDITOR NOTE: No changes except for minor rewording for clarity.

Sec. 29.06.460 [29.68.510]. PETITION.

(a) Voters of a municipality [MUNICIPAL RESIDENTS] may file a dissolution petition with the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] in the form prescribed by the department. The petition must be signed by a number of [MUNICIPAL] voters equal to at least 25 percent of the number of votes cast in the last regular [MUNICIPAL] election in that municipality.

(b) The petition must include

(1) the name of the municipality;

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

EDITOR NOTE: No changes except for minor rewording for clarity.

Sec. 29.06.470 [29.68.520]. STANDARDS.

(a) Except as provided in (b) of this section, voters of a municipality may petition for dissolution when [(1)] the municipality [IT] is free of debt, or, if in debt, each of its creditors is satisfied with a method of repayment [;] and

(1) [(2) EITHER] it no longer meets the minimum standards prescribed for incorporation by AS 29.05, or former AS 29.18.030 [CH. 18 OF THIS TITLE, OR IT CEASES TO USE EACH AND EVERY ONE OF ITS MANDATORY POWERS.] if it is a third class borough; or

(2) the municipality ceases to use each of its mandatory powers.

(b) Voters of a [HOME RULE OR GENERAL LAW] city in a borough may petition for dissolution of the city if the borough consents to assume the city's rights, powers, duties, assets, and liabilities. The consent must be ratified by a majority of borough voters voting on the question.

EDITOR NOTE: "Department of Community and Regional Affairs" is altered to "department".

Sec. 29.06.480 [29.68.530, 29.68.540]. REVIEW.

(a) The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall review a dissolution petition for content and signatures, and shall return a deficient petition for correction or completion.

(b) If the petition contains the required information and signatures, the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall investigate the proposal.

EDITOR NOTE: No changes except for minor rewording for clarity.

Sec. 29.06.490 [29.68.550]. REPORT AND HEARING.

(a) The department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall report its findings to the Local Boundary Commission with its recommendation regarding the dissolution of a municipality.

(b) The Local Boundary Commission shall hold at least one public hearing in the municipality [AREA] proposed to be dissolved.

EDITOR NOTE: (a) No change.

(b) Provides for an administrative appeal of a Local Boundary Commission decision.

Sec. 29.06.500 [29.68.560]. DECISION.

(a) If the Local Boundary Commission determines that a [THE] municipality fails to meet the standards for dissolution, it shall reject the petition. If the commission determines that the municipality meets the standards, it shall accept the petition.

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

EDITOR NOTE: Material contained in AS 29.68.570(a) and (b) is consolidated into (a). References to the "lieutenant governor" are changed to the "director of elections", who is now in charge of state elections.

Sec. 29.06.510 [29.68.570]. ELECTION.

(a) The Local Boundary Commission shall immediately notify the director of elections [LIEUTENANT GOVERNOR] of its acceptance of a dissolution petition. Within 30 days after notification, the director of elections [LIEUTENANT GOVERNOR] shall order an election in [WITHIN] the municipality to determine whether the voters desire dissolution. The election must be held [IS] at least 30 and not more than 90 days after the election order. [(B) A person who is a [QUALIFIED] voter of the municipality may vote in the dissolution election.

(b) [(C)] The director of elections shall supervise the election in the general manner prescribed by the Alaska Election Code (AS 15) [(AS 15.05 - 15.60)]. The state shall pay all election costs.

(c) [(D)] The director of elections [LIEUTENANT GOVERNOR] shall certify the election results. If dissolution is approved, the director of elections [(E)] shall declare that the municipality is dissolved effective on the date of certification.

EDITOR NOTE: The statutory reference contained in existing law is deleted as unnecessary.

Sec. 29.06.520 [29.68.580]. SUCCESSION. The government succeeding to a dissolved municipality succeeds to all its rights, powers, duties, assets, and liabilities [AS PROVIDED IN AS 29.18.130 - 29.18.140.].

EDITOR NOTE: This is a new section providing that the article dealing with dissolution applies to home rule municipalities. AS 29.13.100 makes these sections applicable to home rule municipalities under current law.

Sec. 29.06.530. APPLICATION. AS 29.06.450 - 29.06.530 apply to home rule and general law municipalities.

* Section 5. AS 29 is amended by adding a new chapter to read:

CHAPTER 10. HOME RULE MUNICIPALITIES.

ARTICLE 1. CHARTERS.

EDITOR NOTE: A city or borough of any class may adopt a home rule charter, but a second class city must have at least 600 residents before it may adopt a charter. This is a significant change from existing law which allows first class boroughs and cities, and second class boroughs to adopt a charter, but does not authorize a second class city to adopt a charter.

(b) This is new and allows an unincorporated community with at least 600 residents to adopt a charter and incorporate as a home rule city.

(c) This is new and allows an area in the unorganized borough to adopt a charter and incorporate as a home rule borough.

(e) This is new and requires the proposed charter for an unincorporated community or area to be filed with the incorporation petition.

Sec. 29.10.010 [29.13.010]. MUNICIPAL CHARTER ADOPTION.

(a) A general law borough or first class city [MUNICIPALITY OR SECOND CLASS BOROUGH] may adopt a charter for its own government. A second class city may adopt a charter for its own government if the department determines from the best figures available that the population of the city is at least 600 permanent residents.

(b) At an election to incorporate as a city, an unincorporated community with at least 600 permanent residents may adopt a charter for its own government and incorporate as a home rule municipality.

(c) At an election for borough incorporation, an area in the unorganized borough may adopt a charter for its own government and incorporate as a home rule municipality.

(d) A home rule municipality may [AMEND ITS CHARTER OR]adopt a new charter.

(e) A proposed charter for an existing municipality is prepared [FRAMED] by a charter commission of seven elected members [CHOSEN BY THE MUNICIPAL VOTERS AT A REGULAR OR SPECIAL ELECTION]. A charter commission election is called by filing a petition with the governing body [BOROUGH ASSEMBLY OR THE CITY COUNCIL] or by resolution of the governing body [BOROUGH ASSEMBLY OR CITY COUNCIL]. The petition shall be signed by a number of [MUNICIPAL] voters equal to 15 percent of the votes cast in the last regular election in [OF] the municipality.

filed with the municipal clerk on or before a date fixed by the governing body.

(c) If at least seven nominations for qualified charter commission candidates are not filed, the petition or resolution calling for a charter commission is void and no election on the question may be held.

EDITOR NOTE: Changed to reflect the fact that a charter commission is elected only in an existing municipality considering the question of home rule. For incorporation of a home rule municipality, the charter is prepared and filed by the petitioners with the incorporation petition.

Sec. 29.10.050 [29.13.030]. CHARTER COMMISSION ELECTION. At a [THE] charter commission election the voters of an existing municipality shall consider the question "Shall a charter commission be elected to prepare [FRAME] a proposed [NEW] charter?" and shall elect [SELECT] the members of the commission. If the question is approved, the seven candidates receiving the highest number of votes shall immediately organize as a charter commission.

EDITOR NOTE: The clerk shall have the charter published, which is defined, and shall make copies available. Under existing law, the governing body is responsible for publishing a charter.

Sec. 29.10.060 [29 J.040]. PREPARATION OF CHARTER BY CHARTER COMMISSION. The charter commission shall, within one year, prepare a proposed home rule [MUNICIPAL] charter for an existing municipality. The proposed charter shall be signed by a majority of the members of the commission [CHARTER COMMISSIONERS] and filed in the office of the municipal clerk. Within 15 days, the clerk [BOROUGH ASSEMBLY OR CITY COUNCIL] shall have the proposed charter published [ONCE IN A NEWSPAPER OF GENERAL CIRCULATION IF DISTRIBUTED WITHIN THE MUNICIPALITY] and make copies available. [THE CLERK SHALL POST COPIES OF THE PROPOSED CHARTER IN AT LEAST THREE PUBLIC PLACES AND MAKE COPIES AVAILABLE AT THE OFFICE OF THE CLERK.] The commission shall give published notice of and hold at least one public hearing on the proposed charter before the signing and filing of the charter.

EDITOR NOTE: "Municipal" is deleted as no longer necessary as "voter" is defined. "Regular or special" is deleted since "election" incorporated community or area shall be voted on at the incorporation election.

(f) The proposed charter for an unincorporated community or an area of the unorganized borough shall be prepared by the petitioners and filed under AS 29.05.060 with the petition to incorporate a home rule municipality.

EDITOR NOTE: This is new and requires the Department of Community and Regional Affairs to prepare model charters to be available to persons interested in filing a petition to incorporate a home rule municipality.

Sec. 29.10.020. MODEL CHARTERS. The department shall prepare at least one model home rule charter for a borough and at least one model home rule charter for a city. The model charters shall be made available to persons interested in filing a petition to incorporate a home rule municipality under AS 29.05.060.

EDITOR NOTE: No substantive change.

Sec. 29.10.030 [29.13.050]. INITIATIVE AND REFERENDUM.

(a) A home rule [MUNICIPAL] charter[s] shall provide [THE] procedures for [THE] initiative and referendum.

(b) charter may not require an initiative or referendum petition to have a number of signatures greater than 25 percent of the total votes cast in the municipality at the last regular [MUNICIPAL] election.

(c) A charter may not permit the initiative and referendum to be used for a purpose prohibited by art. XI, sec. 7 of the state constitution.

EDITOR NOTE: (a) This has been reworded slightly, but contains no significant changes.

(b) No substantive change.

(c) This is new material providing that if enough nominations for candidates are not filed no election is held on the question of forming a charter commission.

Sec. 29.10.040 [29.13.010, 29.13.020]. CHARTER COMMISSION CANDIDATES.

(a) A candidate for a [THE] charter commission shall be a [QUALIFIED] voter of an [THE] existing municipality [AND A RESIDENT OF THE MUNICIPALITY] for three years immediately preceding the charter commission election.

(b) A charter commission candidate[s] is [ARE] nominated by a petition[s] signed by at least 50 voters or the number of [QUALIFIED MUNICIPAL] voters equal to 10 percent of the number of votes cast in the municipality during the last regular election, whichever is less. A nomination petition shall be

Sec. 29.10.070 [29.13.060]. CHARTER ELECTION. The proposed home rule charter for an existing municipality shall be submitted to the [MUNICIPAL] voters at [A REGULAR OR SPECIAL] an election held not less than 30 days or more than 90 days after [FROM THE PUBLICATION OF] the proposed charter is published. The proposed home rule charter for an unincorporated community or for an area in the unorganized borough shall be submitted to the voters at an incorporation election held under AS 29.05.110.

EDITOR NOTE: (a) The provision that the charter becomes effective on the date the election is certified has been added.

(b) This is new and authorizes voters to determine if a combined assembly and school board should be retained when voting on adoption of a home rule charter in a third class borough.

Sec. 29.10.080 [29.13.070]. CHARTER ADOPTION.

(a) If a majority of those voting [ON THE QUESTION] in an existing municipality favor the proposed charter or if a majority of those voting in an unincorporated community or in an area in the unorganized borough favor incorporation of a home rule municipality, the proposed charter [IT] becomes the organic law of the municipality effective on the date the election is certified. Thereafter, a [THE] court shall take judicial notice of the charter. The new home rule municipality shall file the indicated number of copies of the charter with [THE]

- (1) the lieutenant governor -- two copies;
- (2) the department [DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] -- two copies;
- (3) the district recorder -- one copy;
- (4) the municipal clerk -- one copy.

(b) At the time of voting on the proposed charter in a third class borough, voters shall vote also on whether the borough shall, on adoption of the charter, retain a combined assembly and school board or elect a separate assembly and board as otherwise provided for home rule boroughs. If a combined assembly and school board are approved at the charter election, the assembly serving at the time of the election continues to serve as the assembly and board on voter approval of the charter and until terms of assembly members expire as provided before adoption of the charter. If a separate board and assembly are approved at the charter election, a school board shall be elected in conformity with AS 14.12.030 - 14.12.100 at the next regular election, if it occurs within 90

days of the date of the charter election, or otherwise at a special election within 90 days of the date of the charter election. Expiration dates of terms of school board members elected at a special election must coincide with the date of the regular election. Until a board is elected and qualified, the assembly continues to serve as the board.

EDITOR NOTE: (a) No substantive change.

(b) This is new material providing that if incorporation of a home rule municipality is rejected, the proposed charter is rejected as well.

Sec. 29.10.090 [29.13.070 (b)]. CHARTER REJECTION.

(a) If a proposed charter for an existing municipality is rejected, the charter commission shall prepare another proposed charter to be submitted to the voters at [A REGULAR OR SPECIAL] an election to be held within one year after the date of the first charter election. If the second proposed charter is also rejected, the charter commission shall be dissolved and the question of adoption of a charter shall be treated as if it had never been proposed or approved.

(b) If incorporation of a home rule municipality is rejected by the voters in an unincorporated community or area in the unorganized borough, the proposed charter is rejected.

EDITOR NOTE: The provision that a charter may be amended by initiative referendum has been deleted. The charter is amended as provided in the charter itself.

Sec. 29.10.100 [29.13.080]. CHARTER AMENDMENT.

(a) A home rule [MUNICIPAL] charter may be amended as provided in the charter [OR BY INITIATIVE REFERENDUM AS PROVIDED IN AS 29.28.110=29.28.110], except that no amendment is [SHALL BE] effective unless ratified by the voters.

(b) This section applies to home rule municipalities.

ARTICLE 2. HOME RULE LIMITATIONS.

EDITOR NOTE: The following paragraphs contain sections which are added to the limitations of home rule powers:

- (5) unification of municipalities;
- (10) legislative power;
- (11) assembly composition and apportionment (only one section on assembly, composition and reapportionment, AS 29.23.021 which is, now sec.

29.60.060, is a limitation under existing law), however, AS 29.20.033 provides that the other section might apply to some home rule municipalities;

- (12) qualifications of members of governing bodies;
- (14) executive power;
- (27) alcoholic beverages;
- (31) assessment and collection of taxes;
- (32) land use regulation;
- (36) title to vacated areas;
- (38) property taxes (this adds sec. 29.45.450 - 500 and sec. 29.45.550 to the limitations listed under existing law);
- (42) construction;
- (46) general grant land;

The following paragraphs under AS 29.13.100 no longer appear as limitations:

- (4) election and term of mayor;
- (8) municipal elections (material now contained in AS 29.28.010 is not a limitation under this bill; material in AS 29.28.020(b) is expanded so that the notice requirement covers both regular and special elections and the requirement is a limitation under this bill);
- (15) borough building code jurisdiction within cities (the material is deleted from this bill);
- (20) expenditures of borough revenue;
- (25) bond attorneys (the material is deleted from this bill);
- (35) bonded debt for school construction (the material is deleted from this bill);
- (37) zoning of state land for homesite entry (this was repealed in 1979);
- (39) applicability of local platting regulations (this material was deleted from this bill);
- (40) expulsion of borough assembly men (this material is substantially rewritten and not made applicable as a home rule limitation);
- (41) removal of borough mayor from office (this material is substantially rewritten and not made applicable as a home rule limitation);
- (42) expulsion of city councilmen (this material is substantially rewritten and not made applicable as a home rule limitation);
- (43) removal of mayor from office (this material is substantially rewritten and not made applicable as a home rule limitation);
- (44) expulsion, removal from office (this material is substantially rewritten and not made applicable as home rule limitation).

Sec. 29.10.200 [29.13.100]. LIMITATION OF HOME RULE POWERS. Only the following provisions of this title apply to home rule municipalities as prohibitions on acting otherwise than as provided. These provisions [THEY] supersede existing and prohibit future home rule enactments that [WHICH] provide otherwise:

- (1) AS 29.05.140 [AS 29.13.080] (transition) [(CHARTER AMENDMENT)]
- (2) AS 29.06.010 [AS 29.18.140] (change of municipal name) [(BOROUGH TRANSITION)]
- (3) AS 29.06.040 - 29.06.060 [AS 29.23.020 - 29.23.050] (annexation and detachment) [(BOROUGH ASSEMBLY REPRESENTATION) AS 29.23.021 (BOROUGH ASSEMBLY COMPOSITION AND APPORTIONMENT), AND AS 29.23.040 - 29.23.050 (BOROUGH ASSEMBLY MEMBERS)]
- (4) AS 29.06.090 - 29.06.170 [AS 29.23.250] (merger and consolidation) [(A) (ELECTION AND TERM OF MAYOR)]
- (5) AS 29.06.190 - 29.06.420 [AS 29.23.540] (unification of municipalities) [(PROHIBITIONS RESPECTING APPOINTMENT AND REMOVAL OF PERSONNEL)]
- (6) AS 29.06.450 - 29.06.530 [AS 29.23.560] (dissolution) [(MUNICIPAL REPORTS)]
- (7) AS 29.10.100 [AS 29.23.580] (charter amendment) [(MEETINGS PUBLIC)]
- (8) AS 29.20.010 [AS 29.28.010, 29.28.020] (conflict of interest) [(MUNICIPAL ELECTIONS)]
- (9) AS 29.20.020 [AS 29.28.130 - 29.28.250] (meetings public) [(RECALL)]
- (10) AS 29.23.010 (legislative [AREAWIDE BOROUGH] power[S])
- (11) AS 29.20.060 - 29.20.120 [AS 29.33.290(c)] (assembly composition and apportionment) [(ACQUISITION OF ADDITIONAL AREAWIDE POWERS)]
- (12) AS 29.20.140 [29.43.020 - 29.43.040] (qualifications of members of governing bodies) [(POWERS OF CITIES OUTSIDE BOROUGHS)]
- (13) AS 29.20.150 [AS 29.48.033] (term of office) [(GARBAGE AND SOLID WASTE SERVICES)]
- (14) AS 29.20.220 [AS 29.48.035(b)] (executive power) [(EFFECT OF AREAWIDE EXERCISE OF BOROUGH POWER)]
- (15) AS 29.20.630 [AS 29.48.035(c)] (prohibitions) [(BOROUGH BUILDING CODE JURISDICTION WITHIN CITIES)]
- (16) AS 29.20.640 [AS 29.48.037] (reports) [(EXTRATERRITORIAL JURISDICTION)]

- (17) AS 29.25.010(a)(10) [AS 29.48.040 - 29.48.100] (municipal exemption on contractor bond requirements) [(UTILITIES)]
- (18) AS 29.25.050 [AS 29.48.180] (codification)
- (19) AS 29.25.060 (resolutions)
- (20) AS 29.26.030 [AS 29.48.210] (notice of elections) [(EXPENDITURE OF BOROUGH REVENUE)]
- (21) AS 29.26.050 [AS 29.48.220] (voter qualification) [(POST AUDIT)]
- (22) AS 29.26.250 - 29.26.360 [AS 29.53.400] (recall) [(BOROUGH AND CITY PROPERTY TAXES)]
- (23) AS 29.35.020 [AS 29.53.4i5(d)] (extraterritorial jurisdiction) [(INTEREST ON SALES TAX)]
- (24) AS 29.35.030 [AS 29.58.180(b)] (eminent domain) [SECURITY FOR BONDS]
- (25) AS 29.35.050 [AS 29.58.315] (garbage and solid waste services) [(BOND ATTORNEYS, BOND AND FINANCIAL CONSULTANTS)]
- (26) AS 29.35.070 [AS 29.68.010] (public utilities) [(ANNEXATION AND EXCLUSION)]
- (27) AS 29.35.080 [AS 29.68.030 - 29.68.110] (alcoholic beverages) [(MERGER AND CONSOLIDATION)]
- (28) AS 29.35.120 [AS 29.68.500 - 29.68.580] (post audit) [(DISSOLUTION)]
- (29) AS 29.35.160 [AS 29.73.020] (education) [(EMINENT DOMAIN)]
- (30) AS 29.35.170(b) AS 29.73.030] (assessment and collection of taxes) [(ADVERSE POSSESSION)]
- (31) AS 29.35.180(b) [AS 29.73.040] (land use regulation) [(TAXATION OF MUNICIPALITIES)]
- (32) AS 29.35.250 [AS 29.73.050] (cities inside boroughs) [(MUNICIPAL NAME CHANGES)]
- (33) AS 29.35.260 [AS 29.23.555] (cities outside boroughs) [(CONFLICT OF INTEREST)]
- (34) AS 29.35.340 [AS 29.33.050, AS 29.41.010(a), AS 14.12.020(a)] (acquisition of areawide power) [(RESPONSIBILITY FOR EDUCATION ON MILITARY RESERVATIONS)]
- (35) AS 29.40.160(a) - (c) [AS 29.58.345 - 29.58.350] (title to vacated areas) [(BONDED DEBT FOR SCHOOL CONSTRUCTION)]
- (36) AS 29.40.200 [AS 29.63.065] (subdivisions of state land) [(EXEMPTION FROM SPECIAL ASSESSMENT)]

- (37) AS 29.53.010 - 29.53.400 [AS 29.33.090(d)] (property taxes)
[(ZONING OF STATE LAND FOR HOMESITE ENTRY)]
- (38) AS 29.53.415(d) [AS 29.48.130(a)(12)] (sales and use tax)
[(MUNICIPAL EXEMPTION ON CONTRACTOR BOND REQUIREMENTS)]
- (39) AS 29.46.090 [AS 29.33.150(b)] (exemption from special assessment) [(APPLICABILITY OF LOCAL PLATTING REGULATIONS TO STATE LAND IN A MUNICIPALITY)]
- (40) AS 29.47.200(b) [AS 29.23.060(c)] (security for bonds)
[(EXPULSION OF BOROUGH ASSEMBLYMAN)]
- (41) AS 29.47.260 [AS 29.23.130(f)] (construction) [(REMOVAL OF BOROUGH MAYOR FROM OFFICE)]
- (42) AS 29.60.050(a) [AS 29.23.210(b)] (limitation on computation and use of payment) [(EXPULSION OF CITY COUNCILMAN FROM OFFICE)]
- (43) AS 29.60.120(a) and (c) [AS 29.23.255] (state aid for health facilities and hospitals) [(REMOVAL OF MAYOR FROM OFFICE)]
- (44) AS 29.60.230 [AS 29.28.050(f)] (state aid for hospital and health facility construction) [(EXPULSION, REMOVAL FROM OFFICE)]
- (45) AS 29.65.010 - 29.65.140 [AS 29.73.070]
(general grant land) [(TAXPAYER NOTICE)]
- [(46) AS 29.88 (MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE)]
- [(47) AS 29.89 (STATE AID FOR MISCELLANEOUS MUNICIPAL SERVICES)]

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

CHAPTER 20. MUNICIPAL OFFICERS AND EMPLOYEES.

ARTICLE 1. CONFLICT OF INTEREST AND PUBLIC MEETINGS.

EDITOR NOTE: Each municipality must adopt a conflict of interest ordinance. A member of the governing body shall declare a financial interest he has in an official action and ask to be excused. The presiding officer rules on the question and his decision may be overridden. Under existing law an officer or employee is required to disqualify himself from participating in an official action in which he has a substantial financial interest.

Sec. 29.20.010 [29.23.555]. CONFLICT OF INTEREST [S].

(a) Each [HOME RULE AND GENERAL LAW] municipality shall adopt a conflict of interest[s] ordinance that [WHICH OTHER PROVISIONS OF THIS CHAPTER NOTWITHSTANDING, INCLUDES PROVISION THAT AN OFFICER] provides that

(1) a member of the governing body shall declare a substantial financial interest the member has in an official action and ask to be excused from a vote on the matter;

(2) the presiding officer shall rule on a request by a member of the governing body to be excused from a vote;

(3) the decision of the presiding officer on a request by a member of the governing body to be excused from a vote may be overridden by the majority vote of the governing body; and

(4) a municipal employee or official, other than a member of the governing body, [SHALL DISQUALIFY HIMSELF FROM PARTICIPATING] may not participate in an official action in which the employee or official [HE] has a substantial financial interest.

(b) If a [HOME RULE OR GENERAL LAW] municipality fails to adopt a conflict of interest[s] ordinance within 180 [90] days after [FROM] July 1, 1984 [SEPTEMBER 10, 1972], the [CONFLICT OF INTEREST] provisions of this section are [IS] automatically applicable to and binding upon that municipality.

(c) This section applies to home rule and general law municipalities.

EDITOR NOTE: "Assembly and council" is altered to "governing body" and the section is divided into subsections for ease of use.

Sec. 29.20.020 [29.23.580]. MEETINGS PUBLIC.

(a) Meetings of all municipal bodies shall be public as provided in AS 44.62.310. The governing body [ASSEMBLY AND COUNCIL] shall provide reasonable opportunity for the public to be heard at regular and special meetings.

(b) This section applies to home rule and general law municipalities.

ARTICLE 2. GOVERNING BODIES.

EDITOR NOTE: The second sentence is new material, however it does not substantively change existing law since it can be implied that the legislative power of a city is vested in the council. This is made applicable as a home rule limitation.

Sec. 29.20.050 [29.23.010]. LEGISLATIVE [GENERAL] POWER.

(a) The legislative power of a borough is vested in the assembly. The legislative power of a city is vested in the council.

(b) This section applies to home rule and general law municipalities.

[29.23.020 COMPOSITION, APPORTIONMENT AND REAPPORTIONMENT - REPEALED BY SEC. 24 CH 83 SLA 1979, EFFECTIVE JANUARY 1, 1981]

EDITOR NOTE: No substantive change. This is made specifically applicable to home rule municipalities, but is a home rule limitation now under AS29.13.100(3).

Sec. 29.20.060 [29.23.100(3), 29.23.021]. ASSEMBLY COMPOSITION AND APPORTIONMENT.

(a) Assembly composition and apportionment shall be consistent with the equal representation standards of the Constitution of the United States.

(b) The assembly of a newly incorporated borough is, after incorporation and until the adoption of an ordinance providing for a change in composition or apportionment, composed of the number of members and apportioned as set out in the incorporation petition approved by the voters. If the borough is already incorporated, the assembly shall be composed and apportioned in a manner that is consistent with the requirements of this section and prescribed by charter or ordinance.

(c) An assembly may not provide for weighted voting.

(d) A member of the assembly [OF A BOROUGH] may not be elected or appointed by and from the council of a city in the borough.

(e) This section applies to home rule and general law municipalities.

EDITOR NOTE: "Borough" is dropped before the word "assembly" when it appears and "assembly" is defined for the title. The statutory reference contained in AS 29.23.023 (e)(1) is deleted as unnecessary since "unified municipality" is defined.

Sec. 29.20.070 [29.23.023]. ASSEMBLY COMPOSITION AND FORM OF REPRESENTATION.

(a) The [BOROUGH] assembly shall provide for its composition and for the form of its representation.

(b) Not later than the first regular election that occurs after the report of a federal decennial census, the assembly shall propose and submit to the voters of the borough, at that regular election or at a special election called for the purpose, one or more forms of [BOROUGH] assembly representation. The forms of representation that [WHICH] the assembly may submit to the voters are:

(1) election of members of the [BOROUGH] assembly at large by the [QUALIFIED] voters throughout the borough;

(2) election of members of the [BOROUGH] assembly by district, including

(A) election at large by the [QUALIFIED] voters throughout the borough, but with a requirement that a candidate live [WITH] in an election district established by the borough for election of assembly members; or

(B) election from election districts established by the borough for the election of assembly members by the [QUALIFIED] voters of a district;

(3) election of members of the [BOROUGH] assembly both at large and by district.

(c) A form of [BOROUGH] assembly representation that [WHICH] includes election of [BOROUGH] assembly members under (b)(2) or (b)(3) of this section shall be submitted to the voters of the borough with a plan of apportionment as required by AS 29.20.080 [29.23.025(a)].

(d) The [BOROUGH] assembly shall, within 30 days after certification of the results of the election held [ON A PROPOSED FORM OF REPRESENTATION] under this section, adopt an ordinance providing for [ITS]

(1) composition [AND THE FORM] of the assembly;

(2) the form of assembly representation that received the most votes; and

(3) if applicable, the apportionment of assembly seats in accordance [WHICH CORRESPONDS TO] with the [PROPOSED] form of representation that [WHICH] received the most votes [AT THE ELECTION].

(e) This section applies [DOES NOT APPLY] to home rule and general law municipalities, except it does not apply to a

(1) [TO A] unified municipality [INCORPORATED UNDER AS 29.68.240-29.68.440];

(2) [TO A] home rule borough if the home rule [BOROUGH] charter contains procedures for changing assembly composition and form of representation.

EDITOR NOTE: "Borough" is deleted as unnecessary when it appears before the word "assembly". In (e) "of the Department of Community and Regional Affairs" is deleted since "commissioner" is defined for the title. Statutory references are altered to reflect new numbering.

Sec. 29.20.080 [29.23.025]. ASSEMBLY RECOMPOSITION AND REAPPORTIONMENT.

(a) Not later than two months after the official report of a federal decennial census, the [BOROUGH] assembly shall determine and declare by resolution whether the existing apportionment of the [BOROUGH] assembly meets the standards of AS 29.20.060 [29.23.021]. If the [BOROUGH] assembly submits to the voters a form of representation that [WHICH] includes election of assembly members under AS 29.20.070(b)(2) or (b)(3) [29.23.021(b)(2)], the assembly shall submit with the proposition a proposed plan of apportionment that [WHICH] corresponds to the form of representation proposed. The assembly shall describe the plan of apportionment in the ballot proposition, and may present the plan in any manner that [WHICH] it believes accurately describes the apportionment that [WHICH] is proposed under the form of representation. If the [BOROUGH] assembly determines that [WHICH] its existing apportionment meets the standards of AS 29.20.060 [29.23.021], the assembly may include the existing apportionment as a proposed plan of apportionment of assembly seats that corresponds to a form of representation that [WHICH] is proposed.

(b) The [BOROUGH] assembly shall provide, by ordinance, for a change in an existing apportionment of the [BOROUGH] assembly whenever it determines that the apportionment does not meet the standards of AS 29.20.060 [29.23.021]. At the same time, the [BOROUGH] assembly may, by ordinance, change the composition of the assembly.

(c) If a petition signed by not less than 50 [REGISTERED] voters [WHO ARE RESIDENTS OF THE BOROUGH] requests the assembly to determine whether the

existing apportionment meets the standards for apportionment in AS 29.20.060 [29.23.021], and the petition contains evidence that the existing apportionment does not meet those standards, the assembly may make the determination requested. The [BOROUGH] assembly shall make a determination required by this subsection within two months of receipt of a petition that [WHICH] meets the requirements of this subsection.

(d) An ordinance adopted by the assembly under (b) or (c) of this section shall be submitted to the voters for approval. In order for the ordinance to be approved it must receive the approval of a majority of the votes cast.

(e) Within six months after a determination by the [BOROUGH] assembly under (b) or (c) of this section that the current apportionment does not meet the standards of AS 29.20.060 [29.23.061] the [BOROUGH] assembly shall adopt an ordinance providing for reapportionment and submit the ordinance to the voters. If, at the end of the six-month time period, an ordinance providing for reapportionment has not been approved by the voters, the commissioner [OF THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS] shall provide for the reapportionment in accordance with the standards of AS 29.20.060 [29.23.021] by preparing an order of reapportionment and delivering the order to the borough mayor.

[(f) REPEALED BY SEC. 13 CH 128 SLA 1980.]

[(g) REPEALED BY SEC. 13 CH 128 SLA 1980.]

EDITOR NOTE: "Borough" is deleted as unnecessary when it appears before "assembly". "Of Community and Regional Affairs" appearing several times in this section, is deleted since "commissioner" is defined for the title. Statutory references are altered to reflect new numbering.

Sec. 29.20.090 [29.23.027]. APPORTIONMENT APPEALS.

(a) A reapportionment ordinance approved by the voters, or a decision of the [BOROUGH] assembly that the standards of AS 29.20.060 [29.23.021] do not require a change in apportionment, may be appealed to the commissioner [OF THE DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS]. Fifty [REGISTERED] voters [WHO ARE RESIDENTS OF THE BOROUGH] may submit a petition to the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] requesting the commissioner to determine whether the proposed reapportionment ordinance approved by the voters meets the standards of AS 29.20.060 [29.23.021] or whether a decision of the [BOROUGH] assembly that the standards of AS 29.20.060 [29.23.021] do not require a change of apportionment is correct. If the petition asks the commissioner [OF COMMUNITY

AND REGIONAL AFFAIRS] to review an ordinance approved by the voters under AS 29.20.080(e) [29.23.025(e)], the petition shall be delivered to the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] not later than 20 days after certification of the election. If the petition asks the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] to review a decision of the [BOROUGH] assembly under AS 29.20.080(c) [29.23.025(c)], the petition shall be delivered to the commissioner within 20 days of the decision of the [BOROUGH] assembly.

(b) The commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] shall review the petition and may make the determination requested. The commissioner shall provide copies of the [HIS] determination to the persons petitioning for appeal and to borough officials not later than 60 days after the commissioner [HE] receives the petition.

(c) If the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] determines that [WHICH] the proposed reapportionment ordinance approved by the voters does not meet the standards of AS 29.20.060 [29.23.021], or if the commissioner [HE] determines that the decision of the [BOROUGH] assembly that the standards of AS 29.20.060 [29.23.021] do not require a change of apportionment is not correct, the commissioner shall, by order, direct the [BOROUGH] assembly to prepare a reapportionment ordinance that [WHICH] meets the standards of AS 29.20.060 [29.23.021] and submit the ordinance to the voters.

(d) When the [BOROUGH] assembly has been directed by the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] to prepare a reapportionment ordinance under (c) of this section, the [BOROUGH] assembly shall, within two months after its receipt of the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS]'s order, adopt an ordinance providing for reapportionment. The [BOROUGH] assembly shall submit an ordinance adopted under this subsection to the voters at an [REGULAR] election [OR SPECIAL ELECTION] held within 60 days after [OF] the date of adoption of the reapportionment ordinance.

(e) If at the end of the time period provided under (d) of this section an ordinance providing for reapportionment has not been approved by the voters, the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] shall provide for the reapportionment of the [BOROUGH] assembly in accordance with the standards of AS 29.20.060 [29.23.021] by preparing an order of reapportionment and delivering the order to the borough mayor.

EDITOR NOTE: "Borough" is deleted where it appears before "assembly". "Of Community and Regional Affairs" is deleted since "commissioner" is defined for the title. Statutory references are altered to reflect new numbering.

Sec. 29.20.100 [29.23.029]. JUDICIAL REVIEW AND RELIEF.

(a) The commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] may request the superior court to enforce a reapportionment order issued under AS 29.20.090(e) [29.23.027(e)].

(b) Each of the following is subject to judicial review:

(1) a plan of reapportionment approved by the voters under AS 29.20.080(a) [29.23.025(a)];

(2) a determination by the [BOROUGH] assembly under AS 29.20.080 [29.23.025(c)] that the standards of AS 29.20.060 [29.23.021] do not require a change in apportionment;

(3) a reapportionment ordinance approved by the voters under AS 29.20.080(d) [29.23.025(d)];

(4) a reapportionment order of the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] made under AS 29.20.090(c) [29.23.027(c)];

(5) a reapportionment ordinance approved by the voters under AS 29.20.090(d) [29.23.027(d)]; and

(6) a reapportionment order of the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] made under AS 29.20.090(e) [29.23.027(e)].

[29.23.030. ELECTION AND APPOINTMENT. REPEALED BY SEC. 16 CH 118 SLA 1972.]

EDITOR NOTE: Statutory references are altered to reflect new numbering.

Sec. 29.20.110 [29.23.031]. EFFECTIVE DATE OF APPORTIONMENT.

(a) A change in [BOROUGH] assembly apportionment or composition under AS 29.20.080 [29.23.025] or 29.20.090 [29.23.027] is effective beginning with the first regular election for members of the [BOROUGH] assembly that [WHICH] is held more than 60 days after the later of

(1) approval of a reapportionment ordinance by the voters under AS 29.20.080(a) [29.23.025(a)], 29.20.080(e) [29.23.025 (e)], or 29.20.090(d) [29.23.027(d)]; or

(2) the delivery to the mayor of a reapportionment order of the commissioner [OF COMMUNITY AND REGIONAL AFFAIRS] under AS 29.20.090(d) [29.23.027(e)].

(b) The provisions of (a) of this section do not apply to a borough in which a change in assembly composition or apportionment is subject to review and approval or determination of nonobjection by the Attorney General of the United States under the Voting Rights Act of 1965, as amended (42 U.S.C. 1971 - 1974).