

## **Chapter 06. Alteration of Municipalities.**

### Article

1. Change of Name (Sec. 29.06.010)
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3. Merger and Consolidation (§§ 29.06.090 - 29.06.170)
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### **Article 1. Change of Name.**

#### Section

010. Change of municipal name

#### **Sec. 29.06.010. Change of municipal name.**

(a) A municipality may change its official 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 ordinance ratified by the voters, the lieutenant governor shall issue an order to the municipality changing its name. The name change shall become effective on a date fixed in the order and occurring within 45 days after receipt of the ordinance. A copy of the order shall be transmitted to the department.

(b) If an ordinance adopted under (a) of this section that results in a change of the municipal name is subsequently repealed, the lieutenant governor shall issue an order reinstating the former name within 45 days after the date of the order, unless a different name is adopted as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, application, petition, hearing or other proceeding 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 as changed by the order.

(d) This section applies to home rule and general law municipalities. (§ 5 ch 74 SLA 1985)

## Article 2. Annexation and Detachment.

### Section

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### Sec. 29.06.040. Local Boundary Commission.

(a) The Local Boundary Commission may consider any proposed municipal boundary change. The commission may amend the proposed change and may impose conditions on the proposed change. If the commission determines that the proposed change, as amended or conditioned if appropriate, meets applicable standards under the state constitution and commission regulations and is in the best interests of the state, it may accept the proposed change. Otherwise it shall reject the proposed change. A Local Boundary Commission decision under this subsection may be appealed under the AS 44.62 (Administrative Procedure Act).

(b) The Local Boundary Commission may present a proposed municipal boundary change to the legislature during the first 10 days of a regular session. The change 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) In addition to the regulations governing annexation by local action adopted under AS 44.33.812, the Local Boundary Commission shall establish procedures for annexation and detachment of territory by municipalities by local action. The procedures established under this subsection must include a provision that

(1) a proposed annexation must be approved by a majority of votes on the question cast by voters residing in the annexing municipality;

(2) a proposed annexation or detachment must be approved by a majority of votes on the question cast by voters residing in the area proposed to be annexed or detached;

(3) municipally owned property adjoining the municipality may be annexed by ordinance without voter approval; and

(4) an area adjoining the municipality may be annexed by ordinance without an election if all property owners and voters in the area petition the governing body.

(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. (§ 5 ch 74 SLA 1985; am § 14 ch 58 SLA 1994; am § 36 ch 30 SLA 1996; am § 29 ch 58 SLA 1999; am § 3 ch 86 SLA 1999; (§3 ch 46 SLA 2006) )

**Effect of amendments.** — The 2006 amendment, effective May 28, 2006, added a new subsection (c)(1) “a proposed annexation must be approved by a majority of votes on the question cast by voters residing in the annexing municipality;” renumbered subsection (c)(1) [now(c)(2)], renumbered subsection (c)(2) [now(c)(3)], renumbered subsection (c)(3) [now(c)(4)], and amended subsection (c)(2) to clarify annexation “or” detachment is subject to the provisions of (c)(2). The first 1999 amendment, effective July 1, 1999, substituted AS 44.33.812 for AS 44.47.567 in the first part of subsection (c) The second 1999 amendment,

effective September 28, 1999, made changes to subsection (a). The 1996 amendment, effective May 16, 1996, inserted “must” in the second sentence of subsection (c). The 1994 amendment, effective August 22, 1994, in subsection (a), in the second sentence, substituted “amend” for “alter the boundaries” and deleted “as altered” at the end.

**Sec. 29.06.050. Annexation of military reservations.**

A military reservation may be annexed to a municipality in the same manner as prescribed for other territory under AS 29.06.040. If a city in a borough annexes a military reservation under this section, the area encompassing the military reservation automatically is annexed to the borough in which the city is located. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.055. Property taxes in annexed or detached areas.**

(a) Unless the annexation takes effect on January 1, the annexing municipality may not levy property taxes in an annexed area before January 1 of the year immediately following the year in which the annexation takes effect. However, notwithstanding other provisions of law, the municipality may provide services in the annexed area that are funded wholly or partially with property taxes during the period before the municipality may levy property taxes in the annexed area.

(b) If an area is detached from a municipality, all property taxes that are levied by that municipality on property in the detached area based on an assessment that occurred before the effective date of the detachment remain valid. AS 29.45.290 - 29.45.500 apply to the enforcement of those taxes. (§ 2 ch 012 SLA 2004)

**Sec. 29.06.060. Application.**

AS 29.06.040 - 29.06.060 apply to home rule and general law municipalities. (§ 5 ch 74 SLA 1985)

**Article 3. Merger and Consolidation.**

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**Sec. 29.06.090. Merger and consolidation.**

(a) Two or more municipalities may merge or consolidate to form a single general law or home rule 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 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. (§ 5 ch 74 SLA 1985; am § 15 ch 58 SLA 1994)

**Effect of amendments.** — The 1994 amendment, effective August 22, 1994, inserted “general law or home rule” in subsection (a).

#### **Sec. 29.06.100. Petition.**

(a) Residents of two or more municipalities may file a merger or consolidation petition with the department. The petition must be signed by a number of voters of each existing municipality equal to at least 25 percent of the number of votes cast in each municipality's 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;

(4) maps, documents, and other information that shows that the proposed municipality meets the standards for municipal incorporation;

(5) for a home rule municipality, a proposed home rule charter. (§ 5 ch 74 SLA 1985; am § 16 ch 58 SLA 1994)

**Effect of amendments.** — The 1994 amendment, effective August 22, 1994, added paragraph (b)(5) and made a related stylistic change.

#### **Sec. 29.06.110. Review.**

(a) The department shall review a merger or consolidation 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 shall investigate the proposal.

(c) The department shall report its findings to the Local Boundary Commission with its recommendations regarding the merger or consolidation. (§ 5 ch 74 SLA 1985)

#### **Sec. 29.06.120. Hearing.**

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 petition, unless officials of the municipalities agree to a single hearing. (§ 5 ch 74 SLA 1985)

#### **Sec. 29.06.130. Decision.**

(a) The Local Boundary Commission may amend the petition and may impose conditions for the merger or consolidation. If the commission determines that the merger or consolidation, as amended or conditioned if appropriate, meets applicable standards under the state constitution and commission regulations, the municipality after the merger

or consolidation would meet the standards for incorporation under AS 29.05.011 or 29.05.031, and the merger or consolidation is in the best interests of the state, it may accept the petition. Otherwise, it shall reject the petition.

(b) A Local Boundary Commission decision under this section may be appealed under the AS 44.62 (Administrative Procedure Act). (§ 5 ch 74 SLA 1985; am § 17 ch 58 SLA 1994; am §4 ch 86 SLA 1999)

**Effect of amendments.** — The 1999 amendment, effective September 28, 1999, rewrote subsection (a). The 1994 amendment, effective August 22, 1994, in subsection (a), substituted “may accept the petition or amend” for “shall accept the petition” in the second sentence, deleted “If the commission determines that the proposed boundaries or the composition and apportionment of the governing body can be altered to meet the standards, it may alter the proposal” preceding “and accept the petition” in the former third sentence, and made a related stylistic change.

#### **Sec. 29.06.140. Election.**

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

(b) A home rule charter in a merger or consolidation petition submitted under AS 29.06.100(b)(5) is part of the merger or consolidation question. The charter is adopted if the voters approve the merger or consolidation. The director of elections shall supervise the election in the general manner prescribed by the AS 15 (Election Code). The state shall pay all election costs.

(c) The director of elections shall certify the election results. If merger or consolidation is approved, the director of elections shall, within 10 days, set a date for election of officials of the new municipality. The election date shall be not less than 60 or more than 90 days after the election order and it is the effective date for the merger or consolidation. (§ 5 ch 74 SLA 1985; am § 18 ch 58 SLA 1994)

**Effect of amendments.** — The 1994 amendment, effective August 22, 1994, added the present first and second sentences in subsection (b).

#### **Sec. 29.06.150. Succession to rights and liabilities.**

(a) When two or more municipalities merge, one 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. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.160. Transition.**

After merger or consolidation, the ordinances, resolutions, regulations, procedures, and orders of the former municipalities remain in force in their respective territories until superseded by the action of the new municipality. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.170. Application.**

AS 29.06.090 - 29.06.170 apply to home rule and general law municipalities. (§ 5 ch 74 SLA 1985)

**Article 4. Unification of Municipalities.****Section**

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**Sec. 29.06.190. Unification of municipalities authorized.**

(a) A borough and all cities in the borough may unite to form a single unit of home rule government by complying with AS 29.06.190 — 29.06.410.

(b) An area that is not incorporated as a borough, including any cities in the area, may incorporate as a unified municipality under AS 29.05.031. (§ 5 ch 74 SLA 1985; am § 19 ch 58 SLA 1994)

**Effect of amendments.** — The 1994 amendment, effective August 22, 1994, added subsection (b).

**Sec. 29.06.200. Unification petition.**

(a) Formation of a charter commission to prepare a unification charter shall be proposed by resolution of the assembly or by petition. The question of formation of a charter commission may be submitted to the voters not more often than once every 24 months.

(b) An assembly, a council, or a person living in the area proposed for unification may initiate a unification petition.

(c) In a general law borough, a unification petition shall be prepared by the borough clerk upon receipt of an application meeting the requirements of AS 29.26.110, except that instead of containing an ordinance or resolution the application shall contain the question under AS 29.06.210(a). The petition shall be prepared in accordance with

AS 29.26.120, except material required under (a)(1) and (2) of that section shall be replaced with the question under AS 29.06.210(a). The signature requirements of AS 29.26.130(a), (c), and (d) apply to a unification petition. The completed petition shall be submitted to the clerk who shall deliver it to the assembly with a report of the number of valid signatures determined by the clerk to be on the petition. (§ 5 ch 74 SLA 1985; am § 2 ch 80 SLA 1989; am § 1 ch 93 SLA 1989)

**Effect of Amendments.** — The first 1989 amendment, effective August 30, 1989, added subsection (c). The second 1989 amendment, effective September 1, 1989, substituted "The question of" for "A resolution to propose," "submitted to the voters" for "adopted," and "24 months" for "12 months" in the second sentence of subsection (a).

**Sec. 29.06.210. Petition requirements.**

(a) A unification 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 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 number of voters residing outside all home rule and first class cities in the borough equal to 25 percent of the votes cast in that area in the last regular borough election; and

(2) the number of voters residing in each home rule and first class city in the borough equal to 25 percent of the votes cast in each of these cities in the last regular borough election. (§ 5 ch 74 SLA 1985; am § 2 ch 93 SLA 1989)

**Effect of Amendments.** — The 1989 amendment, effective September 1, 1989, rewrote paragraph (2) of subsection (b).

**Sec. 29.06.220. Review of petition.**

The assembly shall review a unification petition within 15 days to determine whether it complies with AS 29.06.210. 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. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.230. Duties of charter commission.**

The charter commission shall prepare, adopt, and submit to the voters for approval or rejection a proposed home rule charter for the area to be unified. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.240. Composition of charter commission.**

The charter commission shall consist of 11 voters, three of whom are residents elected at large from the borough and eight of whom, proportionate to the population as determined by the department, are

(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 in the borough. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.250. Charter commission nominations.**

(a) If the assembly determines that a unification petition meets the requirements of AS 29.06.210, or the assembly by its resolution proposes an election on formation of a charter commission, the assembly shall issue a call for the nomination of commission candidates, specifying the filing deadline and the procedure for making nominations.

(b) Charter commission candidates shall be nominated by petition signed by at least 50 voters of the area from which the candidate seeks election, or by a number of 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, whichever is less.

(c) 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 assembly.

(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 an election on the question may not be held. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.260. Qualifications of candidates.**

A person is eligible to be nominated as a candidate for the charter commission if that person is a voter of the area from which election is sought and has been a voter of the area for at least one year immediately preceding the date the nomination petition is filed. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.270. 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, the assembly shall submit to the voters the question of whether a charter commission shall be formed to prepare a proposed unification charter. The vote shall be held at the next regular borough election

scheduled at least 90 days after receipt of the petition or adoption of the resolution. The ballot shall be worded exactly as in AS 29.06.210(a).

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

(c) All costs incurred in conducting an election under AS 29.06.190 - 29.06.410 shall be paid by the borough. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.280. Requirements for approval of formation and election of charter commission.**

(a) The votes on the question of formation of a charter commission shall be tabulated in separate classifications. If the question is approved by majority vote in each home rule and first class city in the borough and by a majority vote in the area of the borough outside of all home rule or first class cities, the question is approved. If the question is not approved by majority vote in each home rule and first class city, a favorable vote by at least 55 percent of all the voters voting on the question in home rule and first class cities and by a majority of the voters outside those cities constitutes approval of the question.

(b) If formation of a charter commission is approved, the candidates who received the highest number of votes from their respective areas shall serve as members of the commission. (§ 5 ch 74 SLA 1985; am § 3 ch 93 SLA 1989)

**Effect of amendments.** — The 1989 amendment, effective September 1, 1989, rewrote subsection (a).

**Sec. 29.06.290. Charter commission organization and procedure.**

(a) The charter commission shall hold its first meeting within 30 days after 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 decision of the commission is not valid or binding unless approved by the number of members necessary to constitute a quorum.

(c) The charter commission may elect other officials from among its membership, adopt rules governing its procedures that are consistent with AS 29.06.190 - 29.06.410 and hire and discharge employees.

(d) Meetings of the charter commission shall be open to the public at all times. A journal of commission proceedings shall be kept and made available for public inspection at the borough office. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.300. Vacancies.**

(a) 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 person who fills a vacancy on the charter commission must be a voter of the same area as the person succeeded and must have been a voter of that area for at least one year immediately preceding the date the vacancy is filled. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.310. Per diem.**

The assembly may grant a per diem allowance to members of the charter commission and may reimburse the members for travel expenses incurred in carrying out the duties prescribed by AS 29.06.190 - 29.06.410. Costs, fees, and other expenses incurred by the commission are a debt of the borough and shall be paid upon proper verification. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.320. Charter provisions.**

The charter must include

- (1) provision for
  - (A) the adjustment of existing bonded indebtedness and other obligations in a manner that will assure a fair and equitable burden of taxation for debt service, subject to AS 29.06.380;
  - (B) the establishment of service areas;
  - (C) if election of members of the governing 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;
  - (D) the reapportionment of districts if they are established;
  - (E) nonpartisan government, and the selection, organization, authority, and responsibilities of the governing body and its executive and administrator;
  - (F) the transfer or other disposition of property and other rights, claims, assets, and franchises of the municipalities to be unified under the charter;
  - (G) the exercise of the rights of initiative and referendum in accordance with AS 29.10.030;
  - (H) amending the charter in accordance with AS 29.10.100;
- (2) the date on which the charter, if approved at the charter election, is effective;
- (3) designation of the proposed unified municipality's official name; and
- (4) other charter provisions that may be included in a home rule charter. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.330. Public hearings.**

Both before and after drafting the proposed home rule charter, the charter commission shall hold a public hearing in each area represented on the assembly. Other public hearings may be held by the commission as it considers necessary. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.340. 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 the borough. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.350. Publication and posting of proposed charter.**

Within 10 days after filing the proposed home rule charter, the borough clerk shall have it published. In addition, the clerk shall have a copy of the proposed charter posted in at least three public places in each city and each unincorporated community in the borough. Copies of the proposed charter shall be made available by the assembly to the public at both the office of the borough clerk and the office of the clerk of each city in the borough. The clerk shall have notice of the publication, posting, and availability of the proposed charter published. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.360. 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. The borough clerk shall prepare the ballots for use in the election and shall give 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 voter of the borough may vote in the election on the proposed charter.

(c) If the charter is approved by a majority of the votes in each home rule and first class city in the borough and the charter is approved by a majority of all the votes in the area of the borough outside all home rule or first class cities, the charter is ratified. If the charter is not approved by a majority of the votes in each home rule and first class city, the charter is ratified only if at least 55 percent of all the voters voting on the question in home rule and first class cities approve it and if a majority of the voters outside those cities approve it. If the charter is ratified, election results shall be certified to the commission and two copies of the charter shall be filed with

- (1) the lieutenant governor;
- (2) the department;
- (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 proposed charter to the voters at a borough election 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 unification shall be treated as if it had never been proposed or approved. (§ 5 ch 74 SLA 1985; am § 4 ch 93 SLA 1989)

**Effect of amendments.** — The 1989 amendment, effective September 1, 1989, in subsection (c), rewrote the first sentence and added the second sentence.

**Sec. 29.06.370. Effect of the charter after ratification.**

Upon ratification, the home rule charter of a unified municipality operates to dissolve all municipalities in the area unified in accordance with the charter. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.380. Succession to assets and liabilities; bonded indebtedness.**

A unified municipality shall succeed to all the assets and liabilities of the municipalities it unified. A bonded indebtedness or other debt incurred before unification remains the tax obligation of the area that contracted the debt, except that by ordinance the tax obligation may be assumed by a larger area if the governing body determines that the asset for which the bonded indebtedness or other debt was incurred benefited the larger area before unification, or benefits the larger area after unification. However, bonded indebtedness or other debt for sewage collection systems, water distribution systems, and streets, even if determined to be benefiting a larger area than that which incurred the debt, remains the tax obligation of the area that incurred the debt. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.390. Transition.**

Within two years after ratification of the home rule charter, the unified municipality shall revise, repeal, or reaffirm all municipal ordinances, resolutions, and orders in effect in the area of the unified municipality on the date of unification. Each ordinance, resolution, regulation, or order in effect on the date of unification remains in effect until superseded by action of the unified municipality. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.400. Right to state and federal aid.**

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. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.410. Powers of a unified municipality.**

A municipality unified under AS 29.06.190 - 29.06.410 has all powers

- (1) not prohibited by law or charter; and
- (2) granted to a home rule borough. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.420. Application.**

AS 29.06.190 - 29.06.420 apply to home rule and general law municipalities. (§ 5 ch 74 SLA 1985)

## Article 5. Dissolution.

### Section

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### **Sec. 29.06.450. Methods of dissolution.**

- (a) Two petition methods may be used to initiate dissolution of a 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.
- (b) The department shall investigate a municipality that 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 art. X, sec. 12 of the state constitution.
- (c) A borough is dissolved when its entire territory is included in a home rule or first class city or cities. A city is dissolved when all its powers become areawide borough powers. (§ 5 ch 74 SLA 1985)

### **Sec. 29.06.460. Petition.**

- (a) Voters of a municipality may file a dissolution petition with the department in the form prescribed by the department. The petition must be signed by a number of voters equal to at least 25 percent of the number of votes cast in the last regular 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. (§ 5 ch 74 SLA 1985)

### **Sec. 29.06.470. Standards.**

- (a) Except as provided in (b) of this section, voters of a municipality may petition for dissolution when the municipality is free of debt, or, if in debt, each of its creditors is satisfied with a method of repayment and
- (1) the municipality no longer meets the minimum standards prescribed for incorporation by AS 29.05, or former AS 29.18.030 if it is a third class borough;
  - (2) the municipality ceases to use each of its mandatory powers; or
  - (3) the dissolution petition filed under AS 29.06.460 is signed by a number of voters of the municipality proposed to be dissolved greater than 50 percent of the number of votes cast in the last regular election in that municipality.

(b) Voters of a 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. (§ 5 ch 74 SLA 1985; am § 1 ch 35 SLA 1988; am § 20 ch 58 SLA 1994)

**Effect of Amendments.** — The 1994 amendment, effective August 22, 1994, substituted “last regular election” for “last general election” in paragraph (a)(3). The 1988 amendment, in subsection (a), substituted “the municipality” for “it” in paragraph (1), deleted “or” at the end of paragraph (1), added “or” at the end of paragraph (2), and added paragraph (3).

**Sec. 29.06.480. Review.**

(a) The department 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 shall investigate the proposal. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.490. Report and hearing.**

(a) The department 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 proposed to be dissolved. (§ 5 ch 74 SLA 1985)

**Sec. 29.06.500. Decision.**

(a) The Local Boundary Commission may amend the petition and may impose conditions for the dissolution. If the commission determines that the dissolution, as amended or conditioned if appropriate, meets applicable standards under the state constitution and commission regulations, meets the standards for dissolution under AS 29.06.470, and is in the best interests of the state, it may accept the petition. Otherwise it shall reject the petition.

(b) A Local Boundary Commission decision under this section may be appealed under AS 44.62 (Administrative Procedure Act). (§ 5 ch 74 SLA 1985; am § 2 ch 35 SLA 1988; am § 21 ch 58 SLA 1994; am § 5 ch 86 SLA 1999)

**Revisor's notes.** — In 1988, preceding the phrase “meets the standards” in the third sentence of (a) of this section, the word “petition” was substituted for “municipality” to correct a manifest error in ch. 35, SLA 1988.

**Effect of amendments.** — The 1999 amendment, effective September 28, 1999, rewrote subsection (a). The 1988 amendment, in subsection (a), inserted “under AS 29.06.470(a)(1) or (2)” in the second sentence and added the third sentence. The 1994 amendment, effective August 22, 1994, in subsection (a), deleted the former second sentence, relating to municipality standards under AS 29.06.470(a)(1) or (2), made a section reference substitution in the present second sentence, and added the last sentence.

**Sec. 29.06.510. Election.**

(a) The Local Boundary Commission shall immediately notify the director of elections of its acceptance of a dissolution petition. Within 30 days after notification, the director of elections shall order an election in the municipality to determine whether the voters desire dissolution. The election must be held at least 30 and not more than 90 days after the election order unless such timing would cause the election to be held between May 1 and November 1. If the director of elections receives notification after April 1, but before October 1, the election shall be held within 60 days after November 1. A person who is a voter of the municipality may vote in the dissolution election.

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

(c) The director of elections shall certify the election results. If dissolution is approved by a number of voters greater than 50 percent of the number of people registered to vote in the municipality, the director of elections shall declare that the municipality is dissolved effective on the date of certification. (§ 5 ch 74 SLA 1985; am §§ 3, 4 ch 35 SLA 1988)

**Effect of amendments.** — The 1988 amendment inserted "by a number of voters greater than 50 percent of the number of people registered to vote in the municipality" in the second sentence in subsection (c) and, in subsection (a), added "unless such timing would cause the election to be held between May 1 and November 1" at the end of the third sentence and inserted the fourth sentence.

**Sec. 29.06.520. Succession.**

A municipality succeeding to a dissolved municipality succeeds to all rights, powers, duties, assets, and liabilities of the dissolved municipality. Otherwise, the state succeeds to those rights, powers, duties, assets, and liabilities. If the state succeeds to a dissolved municipality, the state may enter into a contract for the performance of duties or powers in the area of the dissolved municipality. However, a contract with an organization for the performance of duties or powers entered into under this section does not constitute recognition by the state of governmental powers of that organization. (§ 5 ch 74 SLA 1985; am § 5 ch 35 SLA 1988; am § 22 ch 58 SLA 1994)

**Effect of amendments.** — The 1994 amendment, effective August 22, 1994, inserted "rights, powers, duties" in the first and second sentences and made related stylistic changes. The 1988 amendment added the last three sentences and rewrote the first sentence, which read "The government succeeding to a dissolved municipality succeeds to all its rights, powers, duties, assets, and liabilities."

**Sec. 29.06.530. Application.**

AS 29.06.450 - 29.06.530 apply to home rule and general law municipalities. (§ 5 ch 74 SLA 1985)