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**CS FOR HOUSE BILL NO. 290( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-SEVENTH LEGISLATURE - SECOND SESSION**

**BY**

**Offered:  
Referred:**

**Sponsor(s): REPRESENTATIVES AUSTERMAN, Joule, Thompson, Foster, Edgmon, Gara, Herron, Tuck,  
Peggy Wilson**

**A BILL**

**FOR AN ACT ENTITLED**

**"An Act creating the endow Alaska grant program in the Department of Commerce,  
Community, and Economic Development to encourage community development."**

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

**\* Section 1.** AS 44.33 is amended by adding new sections to read:

**Article 2A. Endow Alaska Grant Program.**

**Sec. 44.33.150. Grants for community development.** The endow Alaska grant program is established in the Department of Commerce, Community, and Economic Development. To encourage community development in the state, the department may identify a lead philanthropic entity that meets the requirements of AS 44.33.160 and grant the entity state funds that the entity may annually award to a community foundation or community foundation affiliate as endow Alaska grants for the purpose of increasing unrestricted endowed funds.

**Sec. 44.33.160. Eligibility requirements for lead philanthropic entities and grant recipients.** (a) To be eligible under AS 44.33.150, a lead philanthropic entity

1 must be

2 (1) a nonprofit entity exempt from federal income taxation under 26  
3 U.S.C. 501(c)(3) (Internal Revenue Code);

4 (2) an organization whose principal function is to make grants in the  
5 state; and

6 (3) a community foundation.

7 (b) Only a community foundation or a community foundation affiliate is  
8 eligible for a grant under AS 44.33.150 - 44.33.190.

9 **Sec. 44.33.170. Ranking of applications and awarding of grants.** (a) When  
10 ranking applications for grants, the board of the lead philanthropic entity shall  
11 consider relevant factors including

12 (1) the need for financial assistance;

13 (2) the potential for future philanthropic activity in the community or  
14 geographic area that will benefit from the grant;

15 (3) the percentage of matching funding proposed;

16 (4) the opportunity to establish new community foundations or  
17 community foundation affiliates; and

18 (5) the geographic diversity of the communities or geographic areas  
19 that will benefit from the grants.

20 (b) The board of the lead philanthropic entity may award endow Alaska grants  
21 to a community foundation or a community foundation affiliate that

22 (1) provides all information the board requires, including evidence of  
23 the existence of the community foundation or the community foundation affiliate;

24 (2) demonstrates, in a manner approved by the board, the ability to  
25 match state funding at a ratio of at least one-to-one; and

26 (3) provides a spending policy for distributing grant money to  
27 organizations within the community or geographic area as defined by the community  
28 foundation or the community foundation affiliate.

29 **Sec. 44.33.180. Limitations on grant amounts, awards, and administrative**  
30 **costs.** (a) Endow Alaska grants are limited as follows:

31 (1) grants may not exceed \$25,000 for each foundation or community

1 foundation affiliate unless the grant will be used to benefit multiple boroughs or a  
2 region;

3 (2) only five percent of the grant funds received by the lead  
4 philanthropic entity may be used for administrative purposes by the lead philanthropic  
5 entity.

6 **Sec. 44.33.190. Definitions.** In AS 44.33.150 - 44.33.190,

7 (1) "community foundation" means a tax-exempt, nonprofit,  
8 autonomous, publicly supported, philanthropic institution in the state composed  
9 primarily of permanent funds established by many separate donors for the long-term  
10 diverse, charitable benefit of the residents of a defined geographic area;

11 (2) "community foundation affiliate" means a group of five or more  
12 community leaders or advocates organized for the purpose of increasing philanthropic  
13 activity in an identified community or geographic area in the state who have  
14 established or intend to establish a community foundation affiliate endowment within  
15 an existing community foundation;

16 (3) "department" means the Department of Commerce, Community,  
17 and Economic Development;

18 (4) "lead philanthropic entity" means an entity identified by the  
19 department under AS 44.33.150 that meets the requirements of AS 44.33.160.