

SENATE BILL NO. 287

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY SENATOR TORGERSON

Introduced: 2/9/96

Referred: CRA, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the unincorporated community capital project matching grant
2 program; and providing for an effective date."

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

4 * **Section 1.** AS 37.06.020(b) is amended to read:

5 (b) The unincorporated community capital project matching grant fund is
6 established in the department and consists of appropriations to the fund. Appropriations
7 to the fund do not lapse except as provided in (h) of this section. The money in the
8 fund is held by the department in custody under this subsection for each
9 unincorporated community eligible for an allocation under this subsection. The
10 department shall establish an individual grant account within the fund for each eligible
11 unincorporated community [THAT WAS ENTITLED TO RECEIVE STATE AID
12 UNDER AS 29.60.140 DURING THE PRECEDING FISCAL YEAR]. As provided
13 in this subsection, each fiscal year the department shall allocate, to the individual grant
14 accounts, appropriations to the fund. An unincorporated community is eligible for an

1 allocation in a fiscal year if the **requirements of (d) are met and the** community **(1)**
2 was eligible to receive state aid under AS 29.60.140 during the preceding fiscal year;
3 **or (2) is located in a borough, other than a unified municipality, and was a place**
4 **in which 25 or more individuals resided as a social unit during the preceding**
5 **fiscal year.** The department shall credit interest earned on money in an individual
6 grant account to that account. Except as provided in (c) of this section, the amount
7 allocated under this subsection to an individual grant account in a fiscal year is
8 determined by dividing the total amount appropriated to the fund during that fiscal year
9 by the number of unincorporated communities eligible for an allocation during that
10 fiscal year.

11 * **Sec. 2.** AS 37.06.020(d) is amended to read:

12 (d) The department shall designate, in each eligible unincorporated community,
13 an incorporated nonprofit entity or a Native village council that agrees to receive and
14 spend grant money allocated to the unincorporated community's individual grant
15 account under (b) of this section. **If the community is located in a borough, the**
16 **department may only designate an entity that has been approved by the assembly**
17 **and the department must have written evidence of that approval.** If there is more
18 than one qualified entity in a community, the department shall designate the entity that
19 the department finds most qualified to make draws from that unincorporated
20 community's individual grant account and spend the money. If there is no qualified
21 incorporated nonprofit entity or Native village council in an unincorporated community
22 that will agree to receive and spend money allocated to the community under (b) of
23 this section, draws may not be made from the unincorporated community's individual
24 grant account and the amount allocated to the account lapses into the general fund.

25 **An entity qualifies for designation under this subsection only if it**

26 **(1) was formed to serve a public or civic purpose;**

27 **(2) is registered and in good standing with the Department of**

28 **Commerce and Economic Development if it is a nonprofit corporation;**

29 **(3) agrees to use the grant money for a public purpose;**

30 **(4) provides the residents of the community with a public facility**

31 **or service;**

1 (5) has held a public meeting to give residents of the community the
2 opportunity to express their preferences and ideas for use of the grant money;
3 and

4 (6) agrees to make a facility provided with grant money available
5 to every person in the community.

6 * Sec. 3. AS 37.06.020(e) is amended to read:

7 (e) By October 1 of each fiscal year, the incorporated nonprofit entity or
8 Native village council designated by the department under (d) of this section shall
9 submit to the governor a prioritized list of capital projects and estimated costs to be
10 financed with money from the community's individual grant account established under
11 (b) of this section. The list must include the amount and source of the local share
12 required by AS 37.06.030. **If the community is located in a borough, the list is**
13 **subject to approval of the assembly and must be accompanied by written evidence**
14 **of that approval.** The governor shall include in the capital improvements program
15 presented to the legislature under AS 37.07.060 the projects submitted by designated
16 entities under this subsection that the governor recommends for funding. If, in the
17 capital improvements program, the governor includes projects in other than the priority
18 order submitted by a designated entity, the governor shall provide the legislature with
19 a written statement of the reasons for that action.

20 * Sec. 4. This Act takes effect July 1, 1996.