

CS FOR HOUSE BILL NO. 137(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE STATE AFFAIRS COMMITTEE

Offered: 3/29/00
Referred: Finance

Sponsor(s): REPRESENTATIVE MOSES

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state aid to municipalities and certain other recipients;
2 relating to municipal dividends; relating to the public safety foundation program;
3 and providing for an effective date."

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

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new
6 section to read:

7 FINDINGS. The legislature finds that

8 (1) roads, police, fire protection, emergency medical services, and health
9 services are top priorities of the citizens of the state;

10 (2) the public safety foundation program is a return to the historically
11 successful original "revenue sharing for services" concept used from 1969 to 1980 to promote
12 more effective local governments and stable or reduced local taxes;

13 (3) municipalities should be held accountable for providing specific public
14 safety services with state shared revenues;

1 (4) the public safety foundation program is a positive incentive to incorporate
2 or for a municipality to accept more responsibility for roads and other high priority public
3 services;

4 (5) fully funding the municipal dividend from a portion of the excess earnings
5 of the permanent fund, after funding permanent fund dividends and inflation-proofing, will not
6 change the current calculation for the permanent fund dividend, but will save the local
7 taxpayers an average of \$150 a year that would otherwise be required to support local public
8 services.

9 * **Sec. 2.** AS 18.70.075(a) is amended to read:

10 (a) A fire officer of a municipal fire department or a fire department registered
11 under AS 29.60.730 [AS 29.60.130], while providing fire protection or other
12 emergency services, has the authority to

13 (1) control and direct activities at the scene of a fire or emergency;

14 (2) order a person to leave a building or place in the vicinity of a fire
15 or emergency [,] for the purpose of protecting the person from injury;

16 (3) blockade a public highway, street, or private right-of-way
17 temporarily while at the scene of a fire or emergency;

18 (4) trespass upon property at or near the scene of a fire or emergency
19 at any time of the day or night;

20 (5) enter a building, including a private dwelling, or premises where
21 a fire is in progress, or where there is reasonable cause to believe a fire is in progress,
22 to extinguish the fire;

23 (6) enter a building, including a private dwelling, or premises near the
24 scene of a fire for the purpose of protecting the building or premises or for the purpose
25 of extinguishing the fire that is in progress in another building or premises;

26 (7) upon 24-hour notice to the owner or occupant, conduct a prefire
27 planning survey in all buildings, structures, or other places within the municipality or
28 the registered fire department's district, except the interior of a private dwelling, where
29 combustible material is or may become dangerous as a fire menace to the building;

30 (8) direct the removal or destruction of a fence, house, motor vehicle,
31 or other thing judged necessary to prevent the further spread of a fire.

1 * **Sec. 3.** AS 29.10.200 is amended by adding a new paragraph to read:

2 (60) AS 29.60.700 - 29.60.750 (public safety foundation program).

3 * **Sec. 4.** AS 29.20.640(b) is amended to read:

4 (b) Compliance with the provisions of this section is a prerequisite to receipt
 5 of **entitlements under the public safety foundation program (AS 29.60.700 -**
 6 **29.60.770)** [MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE
 7 UNDER AS 29.60.010 - 29.60.080 AND PRIORITY REVENUE SHARING FOR
 8 MUNICIPAL SERVICES UNDER AS 29.60.100 - 29.60.180]. If a municipality does
 9 not comply with this section, the department shall withhold the **entitlements**
 10 [ALLOCATIONS] until the required reports are filed.

11 * **Sec. 5.** AS 29.45.020 is amended to read:

12 **Sec. 29.45.020. Taxpayer notice.** (a) If a municipality levies and collects
 13 property taxes, the governing body shall provide the following notice:

14 "NOTICE TO TAXPAYER

15 For the current fiscal year the (city)(borough) has been allocated the following
 16 amount of state aid for school and municipal purposes under the applicable
 17 financial assistance Acts:

18	PUBLIC SCHOOL FUNDING PROGRAM (AS 14.17)	\$
19	STATE AID FOR RETIREMENT OF SCHOOL	
20	CONSTRUCTION DEBT (AS 14.11.100)	\$
21	<u>PUBLIC SAFETY FOUNDATION PROGRAM</u>	
22	<u>(AS 29.60.700 - 29.60.770)</u>	<u>\$</u>
23	[MUNICIPAL TAX RESOURCE EQUALIZATION	
24	(AS 29.60.010 - 29.60.080)	\$
25	PRIORITY REVENUE SHARING FOR	
26	MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
27	REVENUE SHARING FOR SAFE COMMUNITIES	
28	(AS 29.60.350 - 29.60.375)	\$]
29	TOTAL AID	\$

30 The millage equivalent of this state aid, based on the dollar value of a mill in
 31 the municipality during the current assessment year and for the preceding

1 assessment year, is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
4 PUBLIC SCHOOL FUNDING		
5 PROGRAM ASSISTANCE	. . . .MILLS	. . . .MILLS
6 STATE AID FOR RETIREMENT		
7 OF SCHOOL CONSTRUCTION		
8 DEBT	. . . .MILLS	. . . .MILLS
9 <u>PUBLIC SAFETY FOUNDATION</u>		
10 <u>PROGRAM</u>	. . . .MILLS	. . . .MILLS
11 [MUNICIPAL TAX RESOURCE		
12 EQUALIZATION	. . . .MILLS	. . . .MILLS
13 PRIORITY REVENUE SHARING		
14 FOR MUNICIPAL SERVICES	. . . .MILLS	. . . .MILLS
15 REVENUE SHARING FOR SAFE		
16 COMMUNITIES	. . . .MILLS	. . . .MILLS]
17 TOTAL MILLAGE EQUIVALENT	. . . .MILLS	. . . .MILLS"

18 Notice shall be provided by

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

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

25 (b) Compliance with the provisions of this section is a prerequisite to receipt
 26 of **entitlements under the public safety program (AS 29.60.700 - 29.60.770)**
 27 [MUNICIPAL TAX RESOURCE EQUALIZATION UNDER AS 29.60.010 -
 28 29.60.080 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES
 29 UNDER AS 29.60.100 - 29.60.180]. The department shall withhold annual
 30 **entitlements** [ALLOCATIONS] under those sections until municipal officials
 31 demonstrate that the requirements of this section have been met.

1 * **Sec. 6.** AS 29.45.660(b) is amended to read:

2 (b) Compliance with the provisions of this section is a prerequisite to receipt
 3 of **entitlements under the public safety foundation program (AS 29.60.700 -**
 4 **29.60.770)** [MUNICIPAL TAX RESOURCE EQUALIZATION UNDER AS 29.60.010
 5 - 29.60.080 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES
 6 UNDER AS 29.60.100 - 29.60.180]. The department shall withhold annual
 7 **entitlements** [ALLOCATIONS] under those sections until municipal officials
 8 demonstrate that the requirements of this section have been met.

9 * **Sec. 7.** AS 29.60 is amended by adding new sections to read:

10 **Article 9. Public Safety Foundation Program.**

11 **Sec. 29.60.660. Municipal dividend fund.** There is established in the
 12 department the municipal dividend fund consisting of municipal dividends appropriated
 13 and transferred to the fund under AS 37.13.145(e). Each fiscal year, the legislature
 14 may appropriate money in the municipal dividend fund for the public safety foundation
 15 program (AS 29.60.700 - 29.60.770). Any balance in the fund may be appropriated
 16 for capital project matching grants (AS 37.06.010 - 37.06.090).

17 **Sec. 29.60.700. Administration.** (a) The public safety foundation program
 18 is established in the department. Each fiscal year, the department shall distribute
 19 public safety foundation entitlements to eligible municipalities and other recipients
 20 under AS 29.60.710 - 29.60.770 from appropriations for the purpose from the
 21 municipal dividend fund. A municipality qualifies for a public safety foundation
 22 entitlement for a fiscal year if the municipality meets any eligibility requirements for
 23 the specific entitlement and

24 (1) the municipality has conducted a regular election during the
 25 preceding state fiscal year or when last required to do so by ordinance or charter and
 26 has reported the results of the election to the commissioner;

27 (2) regular meetings of the governing body were held in the
 28 municipality during the preceding state fiscal year and a record of the proceedings was
 29 maintained;

30 (3) a municipal budget has been adopted for the municipal fiscal year
 31 during which payment of the entitlement is authorized, and an audit or financial

1 statement for the preceding municipal fiscal year has been furnished to the department;
2 and

3 (4) all ordinances adopted by the municipality have been codified in
4 accordance with AS 29.25.050.

5 (b) The department shall adopt regulations necessary to implement the public
6 safety foundation program, which must include

7 (1) procedures and filing dates for submitting entitlement applications
8 and information relating to those applications;

9 (2) procedures by which the department shall notify a municipality or
10 other applicant in writing of the reasons for a proposed disallowance or adjustment of
11 any factor bearing on the determination of the applicant's eligibility for and amount
12 of entitlement.

13 (c) For purposes of the public safety foundation program, population shall be
14 determined by the latest figures of the United States Bureau of the Census or other
15 population data that in the judgment of the department is reliable.

16 (d) The department shall make payments under the public safety foundation
17 program no later than July 31, based on entitlement calculations made during the
18 preceding fiscal year.

19 **Sec. 29.60.710. Municipal minimum entitlements and supplemental**
20 **minimum entitlements.** (a) Each fiscal year, the department shall distribute
21 municipal minimum entitlements to each municipality. The amount of an entitlement
22 under this subsection is \$25,000.

23 (b) A municipality is eligible for a supplemental minimum entitlement if the
24 total amount of money the municipality receives for a fiscal year under the public
25 safety foundation program, excluding the entitlement under this subsection, is less than
26 \$45,000. The amount of an entitlement under this subsection is the amount necessary
27 to equal \$45,000 when added to other amounts received under the public safety
28 foundation program.

29 (c) A municipality is eligible for a supplemental minimum entitlement if the
30 total amount of money the municipality receives for the fiscal year under the public
31 safety foundation program, excluding the entitlement under this subsection, is less than

1 the total amount the municipality received for fiscal year 2000 under former
2 AS 29.60.010 - 29.60.375. The amount of an entitlement under this subsection is the
3 amount necessary to equal, when added to other amounts received under the public
4 safety foundation program, the amount the municipality received for fiscal year 2000
5 under former AS 29.60.010 - 29.60.375.

6 **Sec. 29.60.720. Road maintenance and driver usage entitlements.** (a) Each
7 fiscal year, the department shall distribute road maintenance entitlements to
8 municipalities to be used for road maintenance. A municipality is eligible for a road
9 maintenance entitlement under this section only if it has power to provide for road
10 maintenance and exercises that power. The road maintenance entitlement is equal to
11 \$2,000 for each mile of road, street, or highway maintained by the municipality and
12 used by automotive equipment, excluding (1) the official state highway system, (2)
13 roads, streets, or highways not dedicated to public use, (3) roads, streets, or highways
14 maintained under AS 19.30.111 - 19.30.251 (local service road program), and (4)
15 alleyways, as defined by regulations of the Department of Transportation and Public
16 Facilities.

17 (b) In addition to an entitlement under (a) of this section, a municipality may
18 receive an entitlement equal to \$1,000 for each mile of a frozen waterway and a
19 connection from an inhabited area to a frozen waterway that may be safely used for
20 public transportation by automotive equipment and is so used during a portion of the
21 year if the waterway and connection are maintained during the period of use by the
22 municipality. The Department of Community and Economic Development, after
23 consultation with the Department of Transportation and Public Facilities, shall
24 determine which waterways and connections qualify and, where the waterways or
25 connections lie outside the corporate limits of a municipality and are maintained by
26 a combination of municipalities, which municipalities shall receive the payments under
27 this subsection, unless the municipalities involved have agreed in writing to a
28 particular distribution.

29 (c) Each fiscal year, the department shall distribute a driver usage entitlement
30 to each municipality equal to \$10 for each person residing in the municipality. The
31 population of a municipality shall be as certified by the commissioner. In determining

1 the population of a borough, the populations of all cities in the borough shall be
2 subtracted from the total population of the borough.

3 **Sec. 29.60.730. Fire and emergency medical services entitlements.** (a)

4 Each fiscal year, the department shall pay to a municipality that has a fire department
5 registered with the state fire marshal or an organization certified by the state to provide
6 emergency medical services an entitlement to be used for fire or emergency medical
7 services. The amount of the entitlement is based on the number of individuals served
8 as determined by the department. The entitlement equals \$17 for each individual who
9 receives fire protection services and \$17 for each individual who receives emergency
10 medical services.

11 (b) Each fiscal year, the department shall pay to a fire department registered
12 with the state fire marshal or to an organization certified by the state to provide
13 emergency medical services an entitlement to be used for fire or emergency medical
14 services if the area served by the fire department or organization is not also served by
15 a municipality. The amount of the entitlement is based on the number of individuals
16 served as determined by the department. The entitlement equals \$17 for each
17 individual who receives fire protection services and \$17 for each individual who
18 receives emergency medical services.

19 **Sec. 29.60.740. Police protection services entitlements.** Each fiscal year, the
20 department shall pay to a municipality that provides police protection services an
21 entitlement to be used for police protection services. The amount of the entitlement
22 is based on the number of individuals served as determined by the department. The
23 entitlement equals \$17 for each individual who receives police protection services.

24 **Sec. 29.60.750. State aid to municipalities and other eligible recipients for**
25 **health facilities and hospitals.** (a) The department shall pay

26 (1) to a municipality that has the power to provide hospital facilities
27 and services and that exercises that power, \$167 a bed for each bed actually used for
28 patient care, limited to the number of beds provided for in the construction design of
29 the hospital, or \$45,000 a hospital for those hospitals with 10 or more beds, or \$9,000
30 a hospital for those hospitals with less than 10 beds, as the municipality may elect;
31 money received under this paragraph may be used only for hospitals and shall be

1 apportioned among qualifying hospitals as the municipality determines;

2 (2) on the basis set out in (1) of this subsection to a municipality for
3 a nonprofit hospital not operated by a municipality if the municipality first certifies to
4 the department that the nonprofit hospital is in compliance with all standards for
5 hospitals that have been adopted by the municipality; money may not be paid on
6 behalf of a nonprofit hospital without this certification; payments to the municipality
7 shall be transferred to the nonprofit hospital in accordance with the basis by which the
8 payment was generated by the hospital, and shall be applied to the annual cost of
9 operation and maintenance of the hospital or for the provision of health care service
10 at the hospital as the directors of the hospital determine;

11 (3) to a municipality in which a health facility is operated, \$360 a bed
12 for each bed actually used for patient care, limited to the number of beds provided for
13 in the construction design of the health facility, or \$1,600 a health facility as the
14 municipality determines.

15 (b) A hospital may not receive payment under both (a)(1) and (a)(2) of this
16 section.

17 (c) Money received by a municipality under (a)(3) of this section shall be used
18 for expenses of health services or operation and maintenance of health facilities as the
19 municipality determines.

20 (d) Before money may be distributed under this section, the commissioner of
21 health and social services shall certify to the commissioner of community and
22 economic development that any accumulation of assets by nonprofit corporations or
23 other recipients under this section is dedicated irrevocably to a public purpose.

24 (e) In this section,

25 (1) "health facility" means a health facility that is licensed or certified
26 by the state or approved under regulations adopted by the department and that is
27 owned or operated or both by a municipality or by a nonprofit corporation or other
28 nonprofit sponsor; in this paragraph, "facility"

29 (A) includes a public health center, maternity home, community
30 mental health center, facility for the mentally or physically handicapped,
31 nursing home, convalescent center, domestic violence or sexual assault shelter

1 qualified to receive a grant or contract under AS 18.66, or alcohol or drug
2 abuse facility that meets standards established under AS 47.37; but

3 (B) excludes a facility operated or wholly supported by the state
4 or the federal government;

5 (2) "hospital" means a licensed hospital determined by the Department
6 of Health and Social Services to be a general or special hospital; the term excludes a
7 facility operated or wholly supported by the state or the federal government, or both.

8 **Sec. 29.60.760. State aid to unincorporated communities.** (a) The
9 department shall pay to each unincorporated community \$5,000 as an entitlement each
10 fiscal year to be used for a public purpose. The department with advice from the
11 Department of Law shall determine whether there is in each unincorporated community
12 an incorporated nonprofit entity or a Native village council that will agree to receive
13 and spend the entitlement. If there is more than one qualified entity in an
14 unincorporated community, the department shall pay the money under the entitlement
15 to the entity that the department finds most qualified to receive and spend the money.
16 The department may not pay money under an entitlement to a Native village council
17 unless the council waives immunity from suit for claims arising out of activities of the
18 council related to the entitlement. A waiver of immunity from suit under this
19 subsection must be on a form provided by the Department of Law. If there is no
20 qualified incorporated nonprofit entity or Native village council in an unincorporated
21 community that is willing to receive money under an entitlement, the entitlement for
22 that unincorporated community may not be paid. Neither this subsection nor any
23 action taken under it enlarges or diminishes the governmental authority or jurisdiction
24 of a Native village council.

25 (b) In this section "unincorporated community" means a place in the
26 unorganized borough that is not incorporated as a city and in which 25 or more
27 persons reside as a social unit.

28 **Sec. 29.60.770. Applicability.** AS 29.60.700 - 29.60.750 apply to home rule
29 and general law municipalities.

30 * **Sec. 8.** AS 37.06.010(g) is amended to read:

31 (g) For purposes of this section, in calculating the population of a borough, the

1 population of each city in the borough is excluded. The determination of population
 2 shall be based upon data used by the Department of Community and Economic
 3 Development under AS 29.60.700(c) [AS 29.60.020].

4 * **Sec. 9.** 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.
 7 Appropriations to the fund do not lapse except as provided in (h) of this section. The
 8 money in the 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
 11 unincorporated community that was entitled to receive state aid under AS 29.60.760
 12 [AS 29.60.140] during the preceding fiscal year. As provided in this subsection, each
 13 fiscal year the department shall allocate, to the individual grant accounts,
 14 appropriations to the fund. An unincorporated community is eligible for an allocation
 15 in a fiscal year if the community was eligible to receive state aid under AS 29.60.760
 16 [AS 29.60.140] during the preceding fiscal year. The department shall credit interest
 17 earned on money in an individual grant account to that account. Except as provided
 18 in (c) of this section, the amount allocated under this subsection to an individual grant
 19 account in a fiscal year is determined by dividing the total amount appropriated to the
 20 fund during that fiscal year by the number of unincorporated communities eligible for
 21 an allocation during that fiscal year.

22 * **Sec. 10.** AS 37.06.030 is amended to read:

23 **Sec. 37.06.030. Local share requirements.** (a) For each draw made by a
 24 municipality under AS 37.06.010, the municipality shall contribute a local share to the
 25 cost of the capital project for which the draw is made. The amount of the local share
 26 equals the local share percentage as calculated under (1) of this subsection, divided by
 27 the state share percentage as calculated under (2) of this subsection, multiplied by the
 28 amount of the draw. For purposes of this subsection,

29 (1) the local share percentage is

30 (A) 30 percent for a municipality with a population of 5,000 or

31 more;

1 (B) for a municipality with a population of 1,000 **to and**
 2 **including** [-] 4,999, the greater of

3 (i) 15 percent; or

4 (ii) the percentage obtained by dividing the amount that
 5 would be received by the municipality from a property tax levy of
 6 **1/1000** [1/1000TH] of a mill per \$1,000 of grant funds received by the
 7 sum of that first amount plus the amount of the grant or draw, but not
 8 more than 30 percent;

9 (C) for a municipality with a population of under 1,000, the
 10 greater of

11 (i) five percent; or

12 (ii) the percentage obtained by dividing the amount that
 13 would be received by the municipality from a property tax levy of
 14 **1/1000** [1/1000TH] of a mill per \$1,000 of grant funds received by the
 15 sum of that first amount plus the amount of the grant or draw, but not
 16 more than 30 percent;

17 (2) the state share percentage equals one minus the local share
 18 percentage;

19 (3) the local share to be contributed by a municipality may be satisfied
 20 with (A) federal, municipal, or local money; (B) labor, materials, or equipment used
 21 directly in the construction of the project, or land, including land transferred by the
 22 state to the municipality; the department shall determine the value of a contribution
 23 under this subparagraph; (C) money from another nonstate source; (D) money received
 24 by the municipality under **AS 29.60.660 - 29.60.770** [AS 29.60.010 - 29.60.375]; (E)
 25 state taxes refunded or reimbursed to the municipality whose use for the purposes of
 26 this subsection is not prohibited; (F) allocations of state aid for the costs of school
 27 construction debt under AS 14.11.100; and (G) money obtained from the sale or lease
 28 of land or other assets transferred by the state to the municipality; except as provided
 29 in this paragraph, the local share may not be satisfied with money from, or with the
 30 portion of an asset that was obtained with money from, an appropriation, allocation,
 31 entitlement, grant, or other payment from the state.

1 (b) For each draw made by an entity or council under AS 37.06.020, the
 2 incorporated entity or Native village council that makes the draw shall contribute a
 3 local share of the cost of the capital project for which the draw is made. The amount
 4 of the local share equals the local share percentage as calculated under (1) of this
 5 subsection, divided by the state share percentage as calculated under (2) of this
 6 subsection, multiplied by the amount of the draw. For purposes of this subsection,

7 (1) the local share percentage is five percent;

8 (2) the state share percentage equals one minus the local share
 9 percentage;

10 (3) the local share may be satisfied from (A) federal or local money;
 11 (B) labor, materials, or equipment used directly in the construction of the project, or
 12 land, including land transferred by the state; the department shall determine the value
 13 of a contribution under this subparagraph; (C) money from another nonstate source;
 14 (D) money received by the unincorporated community under AS 29.60.660 - 29.60.770
 15 [AS 29.60.010 - 29.60.375]; or (E) money obtained from the sale or lease of land or
 16 other assets transferred by the state; except as provided in this paragraph, the local
 17 share may not be satisfied with money from, or with the portion of an asset that was
 18 obtained with money from, an appropriation, allocation, entitlement, grant, or other
 19 payment from the state.

20 (c) For purposes of (a) of this section, in calculating the population of a
 21 borough, the population of each city in the borough is excluded. The determination
 22 of population shall be based upon data used by the Department of Community and
 23 Economic Development under AS 29.60.700(c) [AS 29.60.020].

24 * **Sec. 11.** AS 37.13.145 is amended by adding a new subsection to read:

25 (e) At the end of the fiscal year, after the transfers under (b) and (c) of this
 26 section and subject to appropriation, the corporation shall transfer a municipal dividend
 27 from the earnings reserve account to the municipal dividend fund established under
 28 AS 29.60.660. The municipal dividend equals the lesser of

29 (1) the amount calculated by multiplying \$125 by the number of
 30 permanent fund dividends paid by the Department of Revenue for the calendar year
 31 immediately preceding the year the transfer is made under this subsection; or

1 (2) the balance of the earnings reserve account on the date of the
2 transfer under this subsection.

3 * **Sec. 12.** AS 41.15.180(d) is amended to read:

4 (d) From the percentage of the unorganized borough national forest receipts
5 fund allocated to public roads under (b) of this section, the commissioner shall pay to
6 each

7 (1) home rule city, first class city, or second class city that exercises
8 road powers, that is located within the unorganized borough and within a national
9 forest or within 20 miles of a national forest, a share of the income from the roads
10 allocation of the fund; a home rule city, first class city, or second class city's share
11 shall be calculated as the proportion of the number of road miles within municipal
12 boundaries over which the community exercises road powers plus the number of state
13 road miles maintained by the municipality under agreement with the state compared
14 to the total number of road miles maintained by state or local governments in the
15 unorganized borough and within the national forest or within 20 miles of the national
16 forest;

17 (2) municipality organized under federal law as an Indian reserve that
18 existed before the enactment of 43 U.S.C. 1618(a) and is continued in existence under
19 that subsection and that has formed a community development corporation under
20 **former** AS 29.60.365, that exercises road powers, and that is located within the
21 unorganized borough and within the national forest or within 20 miles of the national
22 forest a share of the income from the roads allocation of the fund; the share due a
23 municipality organized under federal law that exercises road powers shall be calculated
24 as the proportion of the number of road miles within municipal boundaries over which
25 the community exercises road powers plus the number of state road miles maintained
26 by the municipality under agreement with the state compared to the total number of
27 road miles maintained by state or local governments in the unorganized borough and
28 within the national forest or within 20 miles of the national forest; however, the
29 commissioner may pay income from national forest receipts under this paragraph only
30 after the corporation has delivered a written waiver of sovereign immunity from legal
31 action by the state to recover all or a portion of the money distributed under this

1 section.

2 * **Sec. 13.** AS 42.45.110(b) is amended to read:

3 (b) An eligible electric utility is entitled to receive power cost equalization

4 (1) for sales of power to local community facilities, calculated in the
5 aggregate for each community served by the electric utility, for actual consumption of
6 not more than 70 kilowatt-hours per month for each resident of the community; the
7 number of community residents shall be determined under AS 29.60.700(c)
8 [AS 29.60.020]; and

9 (2) for actual consumption of not more than 500 kilowatt-hours per
10 month sold to each residential customer.

11 * **Sec. 14.** AS 29.10.200(55), 29.10.200(56); AS 29.60.010, 29.60.020, 29.60.030,
12 29.60.040, 29.60.050, 29.60.060, 29.60.070, 29.60.080, 29.60.100, 29.60.110, 29.60.120,
13 29.60.130, 29.60.140, 29.60.150, 29.60.160, 29.60.170, 29.60.180, 29.60.280, 29.60.290,
14 29.60.300, 29.60.310, 29.60.350, 29.60.360, 29.60.365, 29.60.370, 29.60.372, 29.60.373, and
15 29.60.375 are repealed.

16 * **Sec. 15.** The uncodified law of the State of Alaska is amended by adding a new section
17 to read:

18 **TRANSITION.** Notwithstanding AS 37.06.020(b), as amended in sec. 9 of this Act,
19 an unincorporated community that was entitled to receive state aid for fiscal year 2000 under
20 former AS 29.60.140 is eligible for an allocation for fiscal year 2001 under AS 37.06.020(b).

21 * **Sec. 16.** This Act takes effect June 30, 2000.