

**SENATE BILL NO. 147**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 4/15/99

Referred: Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to local contributions under the village safe water program; and  
2 providing for an effective date."

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

4 \* **Section 1.** AS 46.07.040(a) is amended to read:

5 (a) The commissioner shall provide for the construction of facilities under this  
6 chapter, and is authorized to provide for the construction by contract or through grants  
7 to public agencies or private nonprofit organizations, or otherwise. A **local**  
8 contribution **under AS 46.07.045** toward the cost of the construction of a facility **is**  
9 [MAY NOT BE] required from **the village that is benefited by the facility** [ITS  
10 USERS]. Construction under this section by contract is governed by AS 36.30 (State  
11 Procurement Code).

12 \* **Sec. 2.** AS 46.07 is amended by adding a new section to read:

13 **Sec. 46.07.045. Local contribution.** (a) A local contribution is required for  
14 each draw of money that the commissioner makes available for the cost of construction

1 of a facility.

2 (b) The local contribution for a village that is a first or second class city equals  
3 the local share percentage as calculated under (1) of this subsection, divided by the  
4 state share percentage as calculated under (2) of this subsection, multiplied by the  
5 amount of the draw. For purposes of this subsection,

6 (1) the local share percentage is the greater of

7 (A) five percent; or

8 (B) the percentage obtained by dividing the amount that would  
9 be received by the city from a property tax levy of 1/1000th of a mill per  
10 \$1,000 of state funds provided for the construction of the facility by the sum  
11 of that first amount plus the amount of the draw, but not more than 30 percent;

12 (2) the state share percentage equals one minus the local share  
13 percentage;

14 (3) except as provided in this paragraph, the local contribution may not  
15 be satisfied with money from, or with the portion of an asset that was obtained with  
16 money from, an appropriation, allocation, entitlement, grant, or other payment from the  
17 state; the local contribution may be satisfied with

18 (A) federal, municipal, or local money;

19 (B) labor, materials, or equipment used directly in the  
20 construction of the project, or land, including land transferred by the state to  
21 the city; the commissioner shall determine the value of a contribution under  
22 this subparagraph;

23 (C) money from another nonstate source;

24 (D) money received by the city under AS 29.60.010 -  
25 29.60.375;

26 (E) state taxes refunded or reimbursed to the city whose use for  
27 the purposes of this subsection is not prohibited; or

28 (F) money obtained from the sale or lease of land or other  
29 assets transferred by the state to the city.

30 (c) The local contribution for a village that is an unincorporated community  
31 equals the local share percentage as calculated under (1) of this subsection, divided by

1 the state share percentage as calculated under (2) of this subsection, multiplied by the  
2 amount of the draw. For purposes of this subsection,

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

4 (2) the state share percentage equals one minus the local share  
5 percentage;

6 (3) except as provided in this paragraph, the local contribution may not  
7 be satisfied with money from, or with the portion of an asset that was obtained with  
8 money from, an appropriation, allocation, entitlement, grant, or other payment from the  
9 state; the local contribution may be satisfied from

10 (A) federal or local money;

11 (B) labor, materials, or equipment used directly in the  
12 construction of the project, or land, including land transferred by the state; the  
13 commissioner shall determine the value of a contribution under this  
14 subparagraph;

15 (C) money from another nonstate source;

16 (D) money received by the unincorporated community under  
17 AS 29.60.010 - 29.60.375; or

18 (E) money obtained from the sale or lease of land or other  
19 assets transferred by the state.

20 \* **Sec. 3.** TRANSITION. Notwithstanding AS 46.07.040, as amended in sec. 1 of this Act,  
21 and AS 46.07.045, added in sec. 2 of this Act, if construction of a facility, excluding planning,  
22 was begun before the effective date of this Act, a local contribution is not required for the cost  
23 of the construction of the facility.

24 \* **Sec. 4.** This Act takes effect July 1, 1999.