

**CS FOR SENATE BILL NO. 240(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 3/29/00  
Referred: Finance

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the establishment of and accounting for an administrative cost  
2 charge for the state's role in the community development quota program and to  
3 the appropriation of receipts from the charge; and providing for an effective  
4 date."

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

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

8 LEGISLATIVE PURPOSE. Nothing in this Act may be construed as an expression  
9 of the Alaska State Legislature either in support of or in opposition to the expansion of the  
10 federal community development quota program in Alaska.

11 \* **Sec. 2.** AS 37.05.146(b)(4) is amended by adding a new subparagraph to read:

12 (X) the administrative cost charge under AS 44.33.113 for the  
13 state's role in the federal community development quota program;

14 \* **Sec. 3.** AS 44.33 is amended by adding a new section to read:

**Sec. 44.33.113. Charges for community development quota program. (a)**

If the governor delegates duties as described in AS 44.33.020(11) to the department, the department shall determine and assess an annual administrative cost charge for the administration of the state's role in the federal community development quota program. The department shall by regulation establish the method for implementing the charge in accordance with the provisions of this section. The department shall assess the charges on community development quota groups with approved community development plans for the fiscal year for which the charge is applicable. The community development quota group shall pay the charge.

(b) The administrative cost charge under this section for a CDQ group shall be determined by the department no later than the June 30 immediately preceding the start of the applicable fiscal year. The department shall promptly notify the CDQ group of the amount of the charge. The CDQ group shall pay the charge no later than 45 days after the department provides notice to the CDQ group of the amount of the charge.

(c) The aggregate total of administrative cost charges to all CDQ groups for a fiscal year

(1) shall approximately equal, but may not exceed, the appropriations authorized for that fiscal year for the state's role under AS 44.33.020(11), less

(A) appropriations from sources of program receipts under AS 37.05.146(b) not collected under this section; and

(B) any reappropriations of charges collected under this section; and

(2) may not exceed \$400,000.

(d) Fifty percent of the aggregate total of administrative cost charges assessed on all CDQ groups for a fiscal year shall be recovered through the standard portion of the charges and 50 percent of the aggregate total shall be recovered through the variable portion of the charges. The administrative cost charge assessed on a CDQ group for a fiscal year shall consist of a standard portion and a variable portion. The CDQ group's standard portion is calculated by dividing the aggregate total amount to be recovered through this portion by the number of CDQ groups to be assessed a

1 charge. The CDQ group's variable portion is calculated by multiplying the aggregate  
2 total amount to be recovered through this portion by a percentage that represents the  
3 ratio of the value of the CDQ group's fisheries resource quota allocation to the total  
4 value of fisheries resources allocated under the CDQ program for the applicable year.

5 (e) Notwithstanding any contrary provision of this section, the department may  
6 adjust the administrative cost charge for a fiscal year to one or more CDQ groups if  
7 the department finds that an inequitable result will occur absent the adjustment, but the  
8 aggregate total of the charges to be paid by all CDQ groups after the adjustment must  
9 equal the amount originally calculated for that fiscal year under (c) of this section.

10 (f) The department may not assess or collect administrative charges under this  
11 section from a new CDQ group that represents communities that are not eligible for  
12 the CDQ program on June 30, 2000, for a period of two years from the actual award  
13 of a fisheries quota to that newly formed CDQ group.

14 (g) The department shall collect and enforce the administrative cost charge  
15 assessed under this section. The receipts from the charge assessed under this section  
16 shall be deposited in the community development quota program account in the state  
17 treasury. Under AS 37.05.146(b), receipts from charges collected under this section  
18 shall be accounted for separately, and appropriations from the account are not made  
19 from the unrestricted general fund. The legislature may appropriate money from the  
20 community development quota program account for expenditures by the department  
21 for necessary costs incurred by the department in implementing any assigned role  
22 under AS 44.33.020(11) or for any other public purpose.

23 (h) The Department of Administration shall identify the amount of the  
24 appropriations for the state's role under AS 44.33.020(11) that lapses into the general  
25 fund each year. The legislature may appropriate an amount equal to the lapsed amount  
26 to the community development quota program for its operating costs for the next fiscal  
27 year.

28 (i) The department may adopt regulations under AS 44.62 (Administrative  
29 Procedure Act) to interpret or implement its duties under this section.

30 (j) In this section,

31 (1) "CDQ group" or "community development quota group" means an

1 applicant under 16 U.S.C. 1855(i), or a successor program, with an approved  
2 community development plan;

3 (2) "CDQ program" or "community development quota program" means  
4 the federal community development quota program established under 16 U.S.C.  
5 1855(i), or a successor federal program approved by the United States Secretary of  
6 Commerce;

7 (3) "fiscal year" has the meaning given in AS 37.05.920;

8 (4) "value" has the meaning given in AS 43.75.290.

9 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section  
10 to read:

11 **APPLICABILITY.** This Act applies to administrative cost charges under  
12 AS 44.33.113, enacted by sec. 3 of this Act, applicable for state fiscal years beginning on or  
13 after July 1, 2000.

14 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section  
15 to read:

16 **TRANSITION: REGULATIONS.** The Department of Community and Economic  
17 Development may proceed to adopt regulations necessary to interpret or implement this Act.  
18 Regulations to interpret or implement a provision of this Act take effect under AS 44.62  
19 (Administrative Procedure Act), but not before the effective date of sec. 3 of this Act.

20 \* **Sec. 6.** Section 5 of this Act takes effect immediately under AS 01.10.070(c).

21 \* **Sec. 7.** Except as provided in sec. 6 of this Act, this Act takes effect June 30, 2000.