

SENATE BILL NO. 304

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE BY REQUEST

Introduced: 4/4/00

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to state aid to municipalities and certain other recipients, and
2 for the village public safety officer program; relating to municipal dividends;
3 and relating to the public safety foundation program."

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) police, fire protection, emergency medical services, health services, and
9 roads 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) the village public safety officer program is designed to train and employ
 5 individuals residing outside of municipalities as the first responders to public safety
 6 emergencies, such as basic law enforcement, crime prevention, emergency medical assistance,
 7 fire protection, and search and rescue;

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

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

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

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

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

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

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

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

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

30 (7) upon 24-hour notice to the owner or occupant, conduct a prefire
 31 planning survey in all buildings, structures, or other places within the municipality or

1 the registered fire department's district, except the interior of a private dwelling, where
 2 combustible material is or may become dangerous as a fire menace to the building;

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

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

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

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

8 (b) Compliance with the provisions of this section is a prerequisite to receipt
 9 of **entitlements under the public safety foundation program (AS 29.60.700 -**
 10 **29.60.780)** [MUNICIPAL TAX RESOURCE EQUALIZATION ASSISTANCE
 11 UNDER AS 29.60.010 - 29.60.080 AND PRIORITY REVENUE SHARING FOR
 12 MUNICIPAL SERVICES UNDER AS 29.60.100 - 29.60.180]. If a municipality does
 13 not comply with this section, the department shall withhold the **entitlements**
 14 [ALLOCATIONS] until the required reports are filed.

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

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

18 "NOTICE TO TAXPAYER

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

22 PUBLIC SCHOOL FUNDING PROGRAM (AS 14.17) \$

23 STATE AID FOR RETIREMENT OF SCHOOL

24 CONSTRUCTION DEBT (AS 14.11.100) \$

25 **PUBLIC SAFETY FOUNDATION PROGRAM**

26 **(AS 29.60.700 - 29.60.780)** \$

27 [MUNICIPAL TAX RESOURCE EQUALIZATION

28 (AS 29.60.010 - 29.60.080) \$

29 PRIORITY REVENUE SHARING FOR

30 MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180) \$

31 REVENUE SHARING FOR SAFE COMMUNITIES

1 (AS 29.60.350 - 29.60.375) \$]
 2 TOTAL AID \$

3 The millage equivalent of this state aid, based on the dollar value of a mill in
 4 the municipality during the current assessment year and for the preceding
 5 assessment year, is:

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

- 22 Notice shall be provided by
- 23 (1) furnishing a copy of the notice with tax statements mailed for the
 - 24 fiscal year for which aid is received; or
 - 25 (2) publishing in a newspaper of general circulation in the municipality
 - 26 a copy of the notice once each week for a period of three successive weeks, with
 - 27 publication to occur not later than 45 days after the final adoption of the municipality's
 - 28 budget.
 - 29 (b) Compliance with the provisions of this section is a prerequisite to receipt
 - 30 of **entitlements under the public safety program (AS 29.60.700 - 29.60.780)**
 - 31 [MUNICIPAL TAX RESOURCE EQUALIZATION UNDER AS 29.60.010 -

1 29.60.080 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES
 2 UNDER AS 29.60.100 - 29.60.180]. The department shall withhold annual
 3 **entitlements** [ALLOCATIONS] under those sections until municipal officials
 4 demonstrate that the requirements of this section have been met.

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

6 (b) Compliance with the provisions of this section is a prerequisite to receipt
 7 of **entitlements under the public safety foundation program (AS 29.60.700 -**
 8 **29.60.780)** [MUNICIPAL TAX RESOURCE EQUALIZATION UNDER AS 29.60.010
 9 - 29.60.080 AND PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES
 10 UNDER AS 29.60.100 - 29.60.180]. The department shall withhold annual
 11 **entitlements** [ALLOCATIONS] under those sections until municipal officials
 12 demonstrate that the requirements of this section have been met.

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

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

15 **Sec. 29.60.660. Municipal dividend fund.** There is established in the
 16 department the municipal dividend fund consisting of municipal dividends appropriated
 17 and transferred to the fund under AS 37.13.145(e). Each fiscal year, the legislature
 18 may appropriate money in the municipal dividend fund for the public safety foundation
 19 program (AS 29.60.700 - 29.60.780). Any balance in the fund may be appropriated
 20 for capital project matching grants (AS 37.06.010 - 37.06.090).

21 **Sec. 29.60.700. Administration.** (a) The public safety foundation program
 22 is established in the department. Each fiscal year, the department shall distribute
 23 public safety foundation entitlements to eligible municipalities and other recipients
 24 under AS 29.60.710 - 29.60.780 from appropriations for the purpose from the
 25 municipal dividend fund. A municipality qualifies for a public safety foundation
 26 entitlement for a fiscal year if the municipality meets any eligibility requirements for
 27 the specific entitlement and

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

31 (2) regular meetings of the governing body were held in the

1 municipality during the preceding state fiscal year and a record of the proceedings was
2 maintained;

3 (3) a municipal budget has been adopted for the municipal fiscal year
4 during which payment of the entitlement is authorized, and an audit or financial
5 statement for the preceding municipal fiscal year has been furnished to the department;
6 and

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

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

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

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

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

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

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

27 (b) A municipality is eligible for a supplemental minimum entitlement if the
28 total amount of money the municipality receives for a fiscal year under the public
29 safety foundation program, excluding the entitlement under this subsection, is less than
30 \$45,000. The amount of an entitlement under this subsection is the amount necessary
31 to equal \$45,000 when added to other amounts received under the public safety

1 foundation program.

2 (c) A municipality is eligible for a supplemental minimum entitlement if the
3 total amount of money the municipality receives for the fiscal year under the public
4 safety foundation program, excluding the entitlement under this subsection, is less than
5 the total amount the municipality received for fiscal year 2000 under former
6 AS 29.60.010 - 29.60.375. The amount of an entitlement under this subsection is the
7 amount necessary to equal, when added to other amounts received under the public
8 safety foundation program, the amount the municipality received for fiscal year 2000
9 under former AS 29.60.010 - 29.60.375.

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

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

1 particular distribution.

2 (c) Each fiscal year, the department shall distribute a driver usage entitlement
3 to each municipality equal to \$10 for each person residing in the municipality. The
4 population of a municipality shall be as certified by the commissioner. In determining
5 the population of a borough, the populations of all cities in the borough shall be
6 subtracted from the total population of the borough.

7 (d) The governing body may by ordinance authorize the municipality to use
8 for education the portion of each entitlement received by the municipality under (a)
9 of this section that is designated in the ordinance. The amount that may be designated
10 in the ordinance may not exceed 55 percent of the entitlement.

11 **Sec. 29.60.730. Fire and emergency medical services entitlements.** (a)
12 Each fiscal year, the department shall pay to a municipality that has a fire department
13 registered with the state fire marshal or an organization certified by the state to provide
14 emergency medical services an entitlement to be used for fire or emergency medical
15 services except as provided in (c) of this section. The amount of the entitlement is
16 based on the number of individuals served as determined by the department. The
17 entitlement equals \$20 for each individual who receives fire protection services and
18 \$20 for each individual who receives emergency medical services.

19 (b) Each fiscal year, the department shall pay to a fire department registered
20 with the state fire marshal or to an organization certified by the state to provide
21 emergency medical services an entitlement to be used for fire or emergency medical
22 services if the area served by the fire department or organization is not also served by
23 a municipality. The amount of the entitlement is based on the number of individuals
24 served as determined by the department. The entitlement equals \$20 for each
25 individual who receives fire protection services and \$20 for each individual who
26 receives emergency medical services.

27 (c) The governing body may by ordinance authorize the municipality to use
28 for education the portion of each entitlement received by the municipality under (a)
29 of this section that is designated in the ordinance. The amount that may be designated
30 in the ordinance may not exceed 55 percent of the entitlement.

31 **Sec. 29.60.740. Police protection services entitlements.** Each fiscal year, the

1 department shall pay to a municipality that provides police protection services an
 2 entitlement to be used for police protection services. The amount of the entitlement
 3 is based on the number of individuals served as determined by the department. The
 4 entitlement equals \$20 for each individual who receives police protection services.

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

7 (1) to a municipality that has the power to provide hospital facilities
 8 and services and that exercises that power, \$167 a bed for each bed actually used for
 9 patient care, limited to the number of beds provided for in the construction design of
 10 the hospital, or \$45,000 a hospital for those hospitals with 10 or more beds, or \$9,000
 11 a hospital for those hospitals with less than 10 beds, as the municipality may elect;
 12 money received under this paragraph may be used only for hospitals and shall be
 13 apportioned among qualifying hospitals as the municipality determines;

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

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

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

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

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

5 (e) In this section,

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

10 (A) includes a public health center, maternity home, community
 11 mental health center, facility for the mentally or physically handicapped,
 12 nursing home, convalescent center, domestic violence or sexual assault shelter
 13 qualified to receive a grant or contract under AS 18.66, or alcohol or drug
 14 abuse facility that meets standards established under AS 47.37; but

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

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

20 **Sec. 29.60.760. State aid to unincorporated communities.** (a) The
 21 department shall pay to each unincorporated community \$10,000 as an entitlement
 22 each fiscal year to be used for a public purpose. The department with advice from the
 23 Department of Law shall determine whether there is in each unincorporated community
 24 an incorporated nonprofit entity or a Native village council that will agree to receive
 25 and spend the entitlement. If there is more than one qualified entity in an
 26 unincorporated community, the department shall pay the money under the entitlement
 27 to the entity that the department finds most qualified to receive and spend the money.
 28 The department may not pay money under an entitlement to a Native village council
 29 unless the council waives immunity from suit for claims arising out of activities of the
 30 council related to the entitlement. A waiver of immunity from suit under this
 31 subsection must be on a form provided by the Department of Law. If there is no

1 qualified incorporated nonprofit entity or Native village council in an unincorporated
 2 community that is willing to receive money under an entitlement, the entitlement for
 3 that unincorporated community may not be paid. Neither this subsection nor any
 4 action taken under it enlarges or diminishes the governmental authority or jurisdiction
 5 of a Native village council.

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

9 **Sec. 29.60.770. State aid for the village public safety officer program.** The
 10 Department of Community and Economic Development shall pay to the Department
 11 of Public Safety an entitlement each fiscal year to be used for the village public safety
 12 officer program (AS 18.65.670). The amount of the entitlement shall be calculated by
 13 multiplying \$15 by the number of permanent fund dividends paid by the Department
 14 of Revenue during the calendar year immediately preceding the year the entitlement
 15 is paid.

16 **Sec. 29.60.780. Applicability.** AS 29.60.700 - 29.60.750 apply to home rule
 17 and general law municipalities.

18 * **Sec. 8.** AS 37.06.020(b) is amended to read:

19 (b) The unincorporated community capital project matching grant fund is
 20 established in the department and consists of appropriations to the fund.
 21 Appropriations to the fund do not lapse except as provided in (h) of this section. The
 22 money in the fund is held by the department in custody under this subsection for each
 23 unincorporated community eligible for an allocation under this subsection. The
 24 department shall establish an individual grant account within the fund for each
 25 unincorporated community that was entitled to receive state aid under AS 29.60.760
 26 [AS 29.60.140] during the preceding fiscal year. As provided in this subsection, each
 27 fiscal year the department shall allocate, to the individual grant accounts,
 28 appropriations to the fund. An unincorporated community is eligible for an allocation
 29 in a fiscal year if the community was eligible to receive state aid under AS 29.60.760
 30 [AS 29.60.140] during the preceding fiscal year. The department shall credit interest
 31 earned on money in an individual grant account to that account. Except as provided

1 in (c) of this section, the amount allocated under this subsection to an individual grant
 2 account in a fiscal year is determined by dividing the total amount appropriated to the
 3 fund during that fiscal year by the number of unincorporated communities eligible for
 4 an allocation during that fiscal year.

5 * **Sec. 9.** AS 37.06.030(a) is amended to read:

6 (a) For each draw made by a municipality under AS 37.06.010, the
 7 municipality shall contribute a local share to the cost of the capital project for which
 8 the draw is made. The amount of the local share equals the local share percentage as
 9 calculated under (1) of this subsection, divided by the state share percentage as
 10 calculated under (2) of this subsection, multiplied by the amount of the draw. For
 11 purposes of this subsection,

12 (1) the local share percentage is

13 (A) 30 percent for a municipality with a population of 5,000 or
 14 more;

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

17 (i) 15 percent; or

18 (ii) the percentage obtained by dividing the amount that
 19 would be received by the municipality from a property tax levy of
 20 **1/1000** [1/1000TH] of a mill per \$1,000 of grant funds received by the
 21 sum of that first amount plus the amount of the grant or draw, but not
 22 more than 30 percent;

23 (C) for a municipality with a population of under 1,000, the
 24 greater of

25 (i) five percent; or

26 (ii) the percentage obtained by dividing the amount that
 27 would be received by the municipality from a property tax levy of
 28 **1/1000** [1/1000TH] of a mill per \$1,000 of grant funds received by the
 29 sum of that first amount plus the amount of the grant or draw, but not
 30 more than 30 percent;

31 (2) the state share percentage equals one minus the local share

1 percentage;

2 (3) the local share to be contributed by a municipality may be satisfied
 3 with (A) federal, municipal, or local money; (B) labor, materials, or equipment used
 4 directly in the construction of the project, or land, including land transferred by the
 5 state to the municipality; the department shall determine the value of a contribution
 6 under this subparagraph; (C) money from another nonstate source; (D) money received
 7 by the municipality under AS 29.60.660 - 29.60.780 [AS 29.60.010 - 29.60.375]; (E)
 8 state taxes refunded or reimbursed to the municipality whose use for the purposes of
 9 this subsection is not prohibited; (F) allocations of state aid for the costs of school
 10 construction debt under AS 14.11.100; and (G) money obtained from the sale or lease
 11 of land or other assets transferred by the state to the municipality; except as provided
 12 in this paragraph, the local share may not be satisfied with money from, or with the
 13 portion of an asset that was obtained with money from, an appropriation, allocation,
 14 entitlement, grant, or other payment from the state.

15 * **Sec. 10.** AS 37.06.030(b) is amended to read:

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

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

23 (2) the state share percentage equals one minus the local share
 24 percentage;

25 (3) the local share may be satisfied from (A) federal or local money;
 26 (B) labor, materials, or equipment used directly in the construction of the project, or
 27 land, including land transferred by the state; the department shall determine the value
 28 of a contribution under this subparagraph; (C) money from another nonstate source;
 29 (D) money received by the unincorporated community under AS 29.60.660 - 29.60.780
 30 [AS 29.60.010 - 29.60.375]; or (E) money obtained from the sale or lease of land or
 31 other assets transferred by the state; except as provided in this paragraph, the local

1 share may not be satisfied with money from, or with the portion of an asset that was
 2 obtained with money from, an appropriation, allocation, entitlement, grant, or other
 3 payment from the state.

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

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

9 (1) the amount calculated by multiplying \$150 by the number of
 10 permanent fund dividends paid by the Department of Revenue during the calendar year
 11 immediately preceding the year the transfer is made under this subsection; or

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

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

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

18 (1) home rule city, first class city, or second class city that exercises
 19 road powers, that is located within the unorganized borough and within a national
 20 forest or within 20 miles of a national forest, a share of the income from the roads
 21 allocation of the fund; a home rule city, first class city, or second class city's share
 22 shall be calculated as the proportion of the number of road miles within municipal
 23 boundaries over which the community exercises road powers plus the number of state
 24 road miles maintained by the municipality under agreement with the state compared
 25 to the total number of road miles maintained by state or local governments in the
 26 unorganized borough and within the national forest or within 20 miles of the national
 27 forest;

28 (2) municipality organized under federal law as an Indian reserve that
 29 existed before the enactment of 43 U.S.C. 1618(a) and is continued in existence under
 30 that subsection and that has formed a community development corporation under
 31 **former** AS 29.60.365, that exercises road powers, and that is located within the

1 unorganized borough and within the national forest or within 20 miles of the national
2 forest a share of the income from the roads allocation of the fund; the share due a
3 municipality organized under federal law that exercises road powers shall be calculated
4 as the proportion of the number of road miles within municipal boundaries over which
5 the community exercises road powers plus the number of state road miles maintained
6 by the municipality under agreement with the state compared to the total number of
7 road miles maintained by state or local governments in the unorganized borough and
8 within the national forest or within 20 miles of the national forest; however, the
9 commissioner may pay income from national forest receipts under this paragraph only
10 after the corporation has delivered a written waiver of sovereign immunity from legal
11 action by the state to recover all or a portion of the money distributed under this
12 section.

13 * **Sec. 13.** AS 29.10.200(55), 29.10.200(56); AS 29.60.010, 29.60.020, 29.60.030,
14 29.60.040, 29.60.050, 29.60.060, 29.60.070, 29.60.080, 29.60.100, 29.60.110, 29.60.120,
15 29.60.130, 29.60.140, 29.60.150, 29.60.160, 29.60.170, 29.60.180, 29.60.280, 29.60.290,
16 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
17 29.60.375 are repealed.

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

20 TRANSITION. Notwithstanding AS 37.06.020(b), as amended in sec. 8 of this Act,
21 an unincorporated community that was entitled to receive state aid for fiscal year 2000 under
22 former AS 29.60.140 is eligible for an allocation for fiscal year 2001 under AS 37.06.020(b).

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

25 REVISOR'S INSTRUCTION. In AS 37.06.010(g), 37.06.030(c), and AS 42.45.110(b),
26 the revisor of statutes shall change the statute reference from AS 29.60.020 to
27 AS 29.60.700(c).