

CS FOR HOUSE BILL NO. 46(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 2/11/05

Referred: Rules

Sponsor(s): REPRESENTATIVES HARRIS, COGHILL AND ROKEBERG, Holm, Kelly, Neuman

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to grants to certain public utilities for water quality enhancement
2 projects and water supply and wastewater systems."

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

4 * **Section 1.** AS 46.03.030(b) is amended to read:

5 (b) The department may grant to a municipality **or, to the extent allowed**
6 **under (i) of this section, to a public utility,** as funds are available, a grant for any of
7 the following:

- 8 (1) a water quality enhancement project;
9 (2) a public water supply, treatment, or distribution system;
10 (3) a wastewater collection, treatment, or discharge system;
11 (4) a solid waste processing, disposal, or resource recovery system.

12 * **Sec. 2.** AS 46.03.030(e) is amended to read:

13 (e) A grant under this section to a municipality **or public utility eligible**
14 **under (i) of this section** for a project funded by an appropriation made by the

1 legislature

2 (1) before July 1, 1994, may not exceed 50 percent of the eligible costs
3 of the project;

4 (2) after July 1, 1994, may not exceed

5 (A) 85 percent of the eligible costs for a utility serving
6 [MUNICIPALITY WITH] a population of 1,000 persons or less;

7 (B) 70 percent of the eligible costs for a utility serving
8 [MUNICIPALITY WITH] a population of 1,001 to 5,000 persons; and

9 (C) 50 percent of the eligible costs for a utility serving
10 [MUNICIPALITY WITH] a population greater than 5,000 persons; however,
11 if a utility serving [MUNICIPALITY WITH] a population greater than 5,000
12 persons seeks a grant for a project that relates to a solid waste processing or
13 disposal system that incorporates resource recovery, the department may
14 provide a grant for up to 60 percent of the eligible costs of the project.

15 * **Sec. 3.** AS 46.03.030 is amended by adding new subsections to read:

16 (i) A public water and sewer utility is eligible for a grant for projects described
17 in (b)(1) - (3) of this section if

18 (1) the rates of the public utility are regulated by the Regulatory
19 Commission of Alaska under AS 42.05; or

20 (2) the utility is owned or operated by a political subdivision of the
21 state that is a municipality.

22 (j) A grant must be repaid in full by a public utility that is not owned or
23 operated by a municipality if

24 (1) the public utility is sold within five years after receipt of the grant;
25 and

26 (2) the rates of the entity buying the public utility that is sold under (1)
27 of this subsection are not regulated by the Regulatory Commission of Alaska under
28 AS 42.05.