

**CS FOR HOUSE BILL NO. 49(CRA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 4/6/05

Referred: Finance

Sponsor(s): REPRESENTATIVES ROKEBERG, Elkins

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to municipal aid grants for municipalities and certain unincorporated**  
2 **communities; and providing for an effective date."**

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

4 \* **Section 1.** AS 29.60 is amended by adding a new section to read:

5 **Article 10. Municipal Aid Grants.**

6 **Sec. 29.60.720. Municipal aid grants.** (a) Each fiscal year, the department  
7 shall pay a municipal aid grant of \$50,000 to every municipality. An application is not  
8 required for a municipality to be eligible for a grant under this subsection. Each fiscal  
9 year the department shall pay a municipal aid grant of \$3,500 to each community. The  
10 department with advice from the Department of Law shall determine whether there is  
11 in each community an incorporated nonprofit entity or a Native village council that  
12 will agree to receive and spend the grant for the benefit of the community. If there is  
13 more than one qualified entity in a community, the department shall pay the grant to  
14 the entity that the department finds most qualified to receive and spend the money.

1 The department may not pay the grant to a Native village council unless the council  
2 waives immunity from suit for claims arising out of activities of the council related to  
3 the grant. A waiver of immunity from suit under this subsection must be on a form  
4 provided by the Department of Law. If there is no qualified incorporated nonprofit  
5 entity or Native village council in a community that is willing to receive the grant, the  
6 grant for that community may not be paid. Neither this subsection nor any action  
7 taken under it enlarges or diminishes the governmental authority or jurisdiction of a  
8 Native village council.

9 (b) If appropriations are not sufficient to fully fund municipal aid grants for a  
10 fiscal year, the department shall calculate a reduced grant amount based on the  
11 available funding and distribute grants reduced by an equal percentage to all  
12 municipalities and eligible communities.

13 (c) In this section,

14 (1) "community" means a place in the unorganized borough that is not  
15 incorporated as a city and in which 25 or more persons reside as a social unit;

16 (2) "municipality" includes a municipality organized under federal law  
17 as an Indian reserve that existed before enactment of 43. U.S.C. 1618(a) and is  
18 continued in existence under that subsection.

19 \* **Sec. 2.** This Act takes effect July 1, 2005.