

SENATE BILL NO. 247

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE BY REQUEST

Introduced: 1/23/06

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the revenue sharing program; and providing for an effective date."**

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

3 * **Section 1.** AS 29.60 is amended by adding new sections to read:

4 **Article 10. Revenue Sharing Program.**

5 **Sec. 29.60.800. Revenue sharing fund.** (a) There is established in the
6 department the revenue sharing fund consisting of money appropriated to the fund.
7 Each fiscal year, the legislature may appropriate to the revenue sharing fund from the
8 Alaska capital income fund (AS 37.05.565) an amount for revenue sharing payments.
9 Other appropriations may be made to the revenue sharing fund.

10 (b) Each fiscal year, the department shall distribute money appropriated to the
11 fund for revenue sharing payments.

12 **Sec. 29.60.810. Revenue sharing payments.** (a) The revenue sharing payment
13 for a fiscal year equals

14 (1) \$300,000 for each unified municipality;

15 (2) \$150,000 for each borough that is not a unified municipality;

1 (3) \$75,000 for each city and, subject to (b) of this section, for a
2 reserve; and

3 (4) subject to (b) of this section, \$25,000 for each community.

4 (b) The department, with advice from the Department of Law, shall determine
5 whether there is, in each reserve or community, an incorporated nonprofit entity or a
6 Native village council that will agree to receive and spend the revenue sharing
7 payment for the benefit of the reserve or community. If there is more than one
8 qualified entity in a reserve or community, the department shall make the payment to
9 the entity that the department finds most qualified to receive and spend the money.
10 The department may not make a payment for a reserve or community unless the
11 incorporated nonprofit entity or Native village council waives immunity from suit for
12 claims arising out of activities of the corporation or council related to the revenue
13 sharing payment. A waiver of immunity from suit under this subsection must be on a
14 form provided by the Department of Law. If there is not a qualified incorporated
15 nonprofit entity or Native village council in a reserve or community that is willing to
16 receive and spend the revenue sharing payment for the benefit of the reserve or
17 community, the payment may not be made.

18 (c) If the amount appropriated to the revenue sharing fund is not sufficient to
19 fully fund all payments for a fiscal year under (a) of this section, the department shall
20 reduce each payment on a pro rata basis.

21 **Sec. 29.60.820. Increased payments.** (a) If the amount appropriated to the
22 revenue sharing fund exceeds that which is sufficient to fully fund revenue sharing
23 payments under AS 29.60.810(a) for a fiscal year, the department shall increase each
24 payment to a municipality or reserve by an equal amount for each person who resides
25 in the municipality or reserve.

26 (b) For purposes of determining the amount of an increased payment, the
27 population of the municipality or reserve shall be determined by using the number of
28 permanent fund dividend recipients or other population data that the department
29 determines is reliable. In determining the population of a borough, the population of
30 each city in the borough shall be deducted from the total population of the borough.

31 **Sec. 29.60.829. Definitions.** In AS 29.60.800 - 29.60.829,

1 (1) "community" means a place that is not incorporated as a city, in
2 which 25 or more individuals reside as a social unit, and that is not in a unified
3 municipality or a home rule, first class, or second class borough;

4 (2) "reserve" means a place that is organized under federal law as an
5 Indian reserve that existed before enactment of 43 U.S.C. 1618(a) and is continued in
6 existence under that subsection.

7 * **Sec. 2.** This Act takes effect July 1, 2006.