

HOUSE BILL NO. 202

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Introduced: 3/14/07

Referred: Community and Regional Affairs, Finance

A BILL

FOR AN ACT ENTITLED

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

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

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

5 **Article 11. Community Revenue Sharing Program.**

6 **Sec. 29.60.850. Community revenue sharing fund.** (a) The community
7 revenue sharing fund is established in the general fund. By August 1 of each fiscal
8 year, the Department of Revenue shall transfer to the fund an amount equal to six
9 percent of the money received by the state during the immediately preceding fiscal
10 year from mineral lease rentals, royalties, royalty sale proceeds, and federal mineral
11 revenue sharing payments and bonuses.

12 (b) Each fiscal year, the legislature may appropriate money in the community
13 revenue sharing fund to the department for community revenue sharing payments or
14 appropriate it for other public purposes.

1 (c) Nothing in this section creates a dedicated fund.

2 **Sec. 29.60.860. Amount of community revenue sharing payments.** (a) The
3 basic community revenue sharing payment for a fiscal year equals

4 (1) \$250,000 for a borough or unified municipality;

5 (2) \$75,000 for a reserve eligible under AS 29.60.870(a) or a city;

6 (3) \$25,000 for an unincorporated community in a borough or unified
7 municipality eligible under AS 29.60.870; and

8 (4) \$25,000 for an unincorporated community in the unorganized
9 borough eligible under AS 29.60.870(a).

10 (b) If the amount appropriated for a fiscal year

11 (1) is not sufficient to fully fund all the basic payments, the amount
12 paid to each recipient shall be reduced on a pro rata basis so that the entire amount
13 appropriated is distributed;

14 (2) exceeds the amount needed to fully fund all the basic payments, the
15 balance shall be distributed on a per capita basis to each recipient of a basic payment
16 under (a)(1) or (2) of this section.

17 **Sec. 29.60.870. Unincorporated community eligibility.** (a) The department,
18 with advice from the Department of Law, shall determine whether there is, in each
19 reserve or unincorporated community, an incorporated nonprofit entity or a Native
20 village council that will agree to receive and spend the community revenue sharing
21 payment for the benefit of the reserve or unincorporated community. The department
22 may make the payment for an unincorporated community located in a borough or
23 unified municipality only to the municipality as provided in (b) of this section. If there
24 is more than one qualified entity in a reserve or unincorporated community located in
25 the unorganized borough, the department shall pay the dividend to the entity that the
26 department finds most qualified to receive and spend the money. The department may
27 not make a payment for a reserve or an unincorporated community unless the
28 incorporated nonprofit entity or Native village council waives immunity from suit for
29 claims arising out of activities of the corporation or council related to the payment. A
30 waiver of immunity from suit under this subsection must be on a form provided by the
31 Department of Law. If there is not a qualified incorporated nonprofit entity or Native

1 village council in a reserve or unincorporated community that is willing to receive and
 2 spend the community revenue sharing payment for the benefit of the reserve or
 3 unincorporated community, that reserve or unincorporated community is not eligible
 4 for the payment, and the payment may not be made.

5 (b) The department may make a community revenue sharing payment on
 6 behalf of an unincorporated community in a borough or unified municipality only to
 7 the municipality for payment by the municipality to an incorporated nonprofit entity or
 8 Native village council that has been approved by the assembly. The department must
 9 have written evidence of the assembly approval. The assembly may only approve an
 10 incorporated nonprofit entity or Native village council that provides at least three of
 11 the following services within the unincorporated community that are generally
 12 available to all residents of the unincorporated community:

- 13 (1) fire protection;
- 14 (2) emergency medical;
- 15 (3) water and sewer;
- 16 (4) solid waste management;
- 17 (5) public road or ice road maintenance;
- 18 (6) public health;
- 19 (7) search and rescue.

20 **Sec. 29.60.880. Determination of population.** For purposes of determining
 21 the amount of a revenue sharing payment under AS 29.60.860(b)(2), the population of
 22 the municipality, reserve, or unincorporated community in a borough or unified
 23 municipality shall be determined by using the numbers of permanent fund dividend
 24 recipients or other population data that the department determines is reliable. For
 25 purposes of determining the population of a borough, the population of each city in the
 26 borough shall be deducted from the total population of the borough.

27 **Sec. 29.60.889. Definitions.** In AS 29.60.850 - 29.60.889,

- 28 (1) "reserve" means a place that is organized under federal law as an
 29 Indian reserve that existed before enactment of 43 U.S.C. 1618(a) and is continued in
 30 existence under that subsection;
- 31 (2) "unincorporated community" means a place that is not incorporated

1 as a city, is not a reserve, and in which 25 or more persons reside as a social unit.

2 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).