

**CS FOR SENATE BILL NO. 72(CRA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 2/26/07

Referred: Finance

Sponsor(s): SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

**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 all mineral lease rentals, royalties, royalty sale proceeds, 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 city or reserve eligible under (c) of this section; and

6 (3) \$25,000 for an unincorporated community eligible under (c) of this  
7 section.

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

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

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

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

30 **Sec. 29.60.870. Determination of population.** For purposes of determining  
31 the amount of a revenue sharing payment under AS 29.60.860(b)(2), the population of

1 the municipality or reserve shall be determined by using the numbers of permanent  
2 fund dividend recipients or other population data that the department determines is  
3 reliable. For purposes of determining the population of a borough, the population of  
4 each city and reserve in the borough shall be deducted from the total population of the  
5 borough. For purposes of determining the population of a unified municipality, the  
6 population of each reserve in the unified municipality shall be deducted from the total  
7 population of the unified municipality.

8 **Sec. 29.60.879. Definitions.** In AS 29.60.850 - 29.60.879,

9 (1) "reserve" means a place that is organized under federal law as an  
10 Indian reserve that existed before enactment of 43 U.S.C. 1618(a) and is continued in  
11 existence under that subsection;

12 (2) "unincorporated community" has the meaning given in  
13 AS 29.60.140.

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