

FISCAL NOTE

STATE OF ALASKA
2007 LEGISLATIVE SESSION

Fiscal Note Number: 5
 Bill Version: HCS CSSB 72(CRA)
 (H) Publish Date: 5/11/07

Revision Date/Time (Note if correction): _____ Dept. Affected: Commerce
 Title Community Revenue Sharing RDU Revenue Sharing (217)
 Component New
 Sponsor Community & Regional Affairs
 Requester House Community & Regional Affairs Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Personal Services						
Travel						
Contractual	30.0	0.0	0.0	0.0	0.0	0.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims	49,100.0	50,000.0	50,000.0	50,000.0	50,000.0	50,000.0
Miscellaneous						
TOTAL OPERATING	49,130.0	50,000.0	50,000.0	50,000.0	50,000.0	50,000.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	49,130.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
New Community Revenue Sharing Fund	0.0	50,000.0	50,000.0	50,000.0	50,000.0	50,000.0
TOTAL	49,130.0	50,000.0	50,000.0	50,000.0	50,000.0	50,000.0

Estimate of any current year (FY2007) cost: 0.0

Check this box (X) if funding for this bill is included in the Governor's FY 2008 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation establishes a community revenue sharing fund with the lesser of \$50 million or three percent of all mineral lease rentals, royalties, royalty sale proceeds, federal mineral revenue sharing payments and bonuses received by the state during preceding fiscal year. Subject to an annual appropriation by the legislature from the fund, the department would provide community revenue sharing payments to municipalities, unincorporated communities and reserves. Seven percent of the amount appropriated would be available for unincorporated communities and the remaining 93% for municipalities and reserves. (continued)

Prepared by: Michael Black, Director Phone 907.269.4758
 Division: Community Advocacy Date/Time 5/10/07 6:38 PM
 Approved by: Emil Notti, Commissioner Date 5/10/2007
 Agency: Commerce, Community, and Economic Development

FISCAL NOTE #5

**STATE OF ALASKA
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BILL NO. HCS CSSB 72(CRA)

ANALYSIS CONTINUATION

The basic payment amount for unincorporated communities would be \$25,000, with the balance added on a per capita basis up to a maximum per capita payment of \$50,000 per community. The basic payment amount for each borough and unified municipality would be \$250,000 and \$75,000 for each city and reserve, with the balance allocated on a per capita basis.

Based on a percentage list provided in the legislation, certain municipalities would then be subject to a reduction of their per capita payment by the stated percentage amount. The total amount of the reductions would then be redistributed on a per capita basis among the remaining municipalities and reserves.

This legislation would require the population of each city, unincorporated community and reserve located within a borough be subtracted from the borough population. The division estimates there to be about 95 unincorporated communities within 12 organized boroughs. Contractual funds of \$30.0 would be needed for the division to contract to revise and refine current population estimates for unincorporated communities and boroughs, and to establish an appeals process to mitigate any potential lawsuits over the reliability of the population estimates used to allocate funds.