

**HOUSE BILL NO. 290**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

**BY REPRESENTATIVES AUSTERMAN, Joule, Thompson, Foster, Edgmon, Gara, Herron, Tuck,  
Peggy Wilson**

**Introduced: 1/18/12**

**Referred: Community and Regional Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act creating the endow Alaska grant program in the Department of Commerce,**  
2 **Community, and Economic Development to encourage community development."**

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

4 **\* Section 1.** AS 44.33 is amended by adding new sections to read:

5 **Article 2A. Endow Alaska Grant Program.**

6 **Sec. 44.33.150. Grants for community development.** The endow Alaska  
7 grant program is established in the Department of Commerce, Community, and  
8 Economic Development. To encourage community development in the state, the  
9 department may identify a lead philanthropic entity that meets the requirements of  
10 AS 44.33.160 and grant the entity state funds that the entity may annually award to  
11 community foundations and community affiliate organizations as endow Alaska  
12 grants.

13 **Sec. 44.33.160. Requirements for a lead philanthropic entity and a**  
14 **community foundation.** (a) To be eligible under AS 44.33.150, a lead philanthropic

1 entity must

2 (1) be a nonprofit entity exempt from federal income taxation under 26  
3 U.S.C. 501(c)(3) (Internal Revenue Code);

4 (2) be a statewide organization whose principal function is to make  
5 grants in the state, with member organizations including community, corporate, and  
6 private foundations.

7 (b) A community foundation that applies for a grant shall demonstrate  
8 substantial compliance with the national standards established by the national Council  
9 on Foundations in a manner determined by the department.

10 **Sec. 44.33.170. Ranking of applications and awarding of grants.** (a) When  
11 ranking applications for grants, the board of the lead philanthropic entity shall  
12 consider relevant factors including

13 (1) the need for financial assistance;

14 (2) the potential for future philanthropic activity in the community or  
15 geographic area that will benefit from the grant;

16 (3) the percentage of matching funding proposed;

17 (4) community needs and the manner in which additional funds will  
18 address those needs;

19 (5) the geographic diversity of the communities or geographic areas  
20 that will benefit from the grants; and

21 (6) if the applicant is a community affiliate organization, the need to  
22 create a community affiliate endowment fund in the community or geographic area  
23 that will benefit from the grant.

24 (b) The board of the lead philanthropic entity may award endow Alaska grants  
25 to community foundations and community affiliate organizations that

26 (1) provide all information the board requires including evidence that  
27 the foundation has substantially complied with the national standards established by  
28 the national Council on Foundations in the manner determined by the department;

29 (2) demonstrate, on a form approved by the board, the ability to match  
30 state funding dollar-for-dollar;

31 (3) provide a plan for distributing grant funds to organizations within

1 the community or geographic area as defined by the community foundation or the  
2 community affiliate organization; and

3 (4) if the entity is not a community foundation, identify a community  
4 foundation to hold all grant funds in the community or geographic area that will  
5 benefit from the grant.

6 **Sec. 44.33.180. Limitations on grant amounts, awards, and administrative**  
7 **costs.** (a) The use of funding for endow Alaska grants is limited as follows:

8 (1) grants may not exceed \$25,000 for each foundation or organization  
9 unless the grant will be used to benefit multiple boroughs or a region;

10 (2) a single borough may not receive more than five endow Alaska  
11 grants a year;

12 (3) only five percent of the grant funds received by the lead  
13 philanthropic entity may be used for administrative purposes by that entity.

14 **Sec. 44.33.190. Definitions.** In AS 44.33.150 - 44.33.190,

15 (1) "community affiliate organization" means a group of five or more  
16 community leaders or advocates organized for the purpose of increasing philanthropic  
17 activity in an identified community or geographic area in the state with the intention of  
18 establishing a community affiliate endowment fund;

19 (2) "community foundation" means a tax-exempt, nonprofit,  
20 autonomous, publicly supported, philanthropic institution composed primarily of  
21 permanent funds established by many separate donors for the long-term diverse,  
22 charitable benefit of the residents of a defined geographic area;

23 (3) "department" means the Department of Commerce, Community,  
24 and Economic Development;

25 (4) "lead philanthropic entity" means an entity identified by the  
26 department under AS 44.33.150 that meets the requirements of AS 44.33.160.