

Original sponsor: Rules Committee by  
request of the Governor

Offered: 6/18/74  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act providing emergency financial assistance for  
7 oil-development-impacted municipalities; and providing  
8 for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. DECLARATION OF PURPOSE. It is the intention of the legis-  
11 lature to provide temporary emergency financial assistance to municipalities  
12 for the purpose of meeting certain extraordinary operating expenditures  
13 resulting from oil-development construction. It is the further intention of  
14 the legislature that the state respond promptly to the oil-development related  
15 impact needs of municipalities.

16 \* Sec. 2. DISCRETIONARY GRANTS. (a) The department may make grants to  
17 an oil-development-impacted municipality demonstrating extraordinary municipal  
18 and educational operating expenditures, including the purchase of relocatable  
19 classrooms, which are beyond its reasonable capability to meet from growth  
20 in receipts from current municipal revenue sources. Grants made under this  
21 section may be expended only for municipal and educational operating ser-  
22 vices, including the purchase of relocatable classrooms.

23 (b) Grants may also be made to facilities qualified under AS 43.18.010(f)  
24 if previously approved by the Municipal Comprehensive Health Planning Agency  
25 not to exceed the maximum amount set out in AS 43.18.010(j).

26 (c) Grants may be made under this section to a municipality receiving  
27 a direct pipeline impact grant under ch. 147 SLA 1974, only after the munic-  
28 ipality certifies as to the use or intended use of its direct pipeline impact  
29 grant and only if after application of that grant a further grant is considered

1 necessary by the department.

2 (d) Grants made under this section may not be used directly or indirectly  
3 to reduce current municipal tax rates.

4 \* Sec. 3. APPLICATIONS. Grants under this Act may be made only upon  
5 application by the municipality to the department. Each grant application  
6 shall state the intended use for which the grant will be expended.

7 \* Sec. 4. ACCOUNTABILITY FOR GRANTS. (a) A municipality receiving a  
8 direct pipeline impact grant under ch. 147, SLA 1974 shall submit a financial  
9 report covering the expenditure of the direct pipeline impact grant before a  
10 grant may be received under this Act.

11 (b) A municipality shall submit a financial report covering the expendi-  
12 ture of any grant already received under this Act to the department before  
13 another grant may be received under this Act.

14 (c) A municipality receiving grants under this Act shall

15 (1) maintain a separate account for the grants received under  
16 this Act;

17 (2) provide for an annual independent audit of the separate account  
18 for grants received under this Act; and

19 (3) submit a copy of the independent audit report to the department.

20 \* Sec. 5. POPULATION. A municipality shall submit estimated population  
21 and population growth figures to the department. These population and  
22 population growth figures are subject to review and approval by the depart-  
23 ment. The decisions of the department as to population and population growth  
24 figures are final.

25 \* Sec. 6. REGULATIONS. The department may adopt regulations necessary  
26 to carry out the purpose of this Act.

27 \* Sec. 7. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND LOANS. When  
28 the federal government or an agency or officer of the federal government  
29 offers to the state, or through the state to a municipality, services,

1 equipment, supplies, materials, or funds by way of gift, grant, or loan,  
2 for the purpose of alleviating the social or economic impact resulting from  
3 oil development construction, the state acting through the director, or the  
4 municipality acting through its executive officer or governing body, may  
5 accept the offer subject to the terms of the offer and the rules and regu-  
6 lations of the agency making the offer.

7 \* Sec. 8. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW COMMITTEE. There  
8 is established the Special Legislative Oil-development Impact Review  
9 Committee composed of three members of the senate appointed by the president  
10 of the senate and three members of the house appointed by the speaker of the  
11 house. The committee shall select its own chairman.

12 \* Sec. 9. TERM OF MEMBERSHIP. The committee shall be organized within  
13 15 days after the organization of each legislature. Members serve for the  
14 duration of the legislature during which they are appointed. If they are  
15 reelected or their term of office extends into the next succeeding legis-  
16 lature, they continue to serve until reappointed or the appointment of their  
17 successor. The first committee shall be appointed within 15 days of the  
18 adjournment of the Second Special Session, Eighth Legislature.

19 \* Sec. 10. MEETINGS. (a) The committee may meet during sessions of  
20 the legislature and during the interim between sessions at such times and  
21 places in the state as the chairman may determine. Members may receive,  
22 for the minimum time required to get to and from meetings and for the period  
23 while attending meetings, the same travel and per diem allowances provided  
24 by law for members of the legislature when attending sessions, except that  
25 members of the committee receive no per diem during legislative sessions  
26 other than the per diem allowance paid to other members of the legislature.

27 (b) A majority of the members of the committee constitutes a quorum  
28 for the purpose of carrying out its duties under this Act.

29 \* Sec. 11. DUTIES OF COMMITTEE. Grants under this Act shall be made by

1 the Department of Community and Regional Affairs at the direction of the  
2 governor subject to approval of the Special Legislative Pipeline Impact  
3 Review Committee.

4 \* Sec. 12. DIVISION OF LEGISLATIVE FINANCE ASSISTANCE. The division of  
5 legislative finance shall cooperate with the committee and shall furnish  
6 technical assistance and personnel, if available, upon request.

7 \* Sec. 13. DEFINITIONS. In this Act

8 (1) "department" means the Department of Community and Regional  
9 Affairs;

10 (2) "municipality" means a home rule or general law city or  
11 borough, including but not limited to a unified municipality established  
12 under AS 29.68;

13 (3) "operating expenditures" means personal services, contractual  
14 services, travel, commodities, and up to \$20,000 per item of equipment,  
15 except that the term does not include any of these items if part of a capital  
16 improvement expenditure; relocatable classrooms are not subject to the  
17 \$20,000 limitation.

18 \* Sec. 14. This Act takes effect on the day after its passage and  
19 approval or on the day it becomes law without approval.  
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