

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 legisla-
11 ture to provide temporary emergency financial assistance to municipalities for
12 the purpose of meeting certain extraordinary operating and capital improvement
13 expenditures necessitated by population growth resulting from oil-development
14 construction. It is the further intention of the legislature that the state
15 respond promptly to the oil-development related 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(i)
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. CAPITAL IMPROVEMENT GRANTS. (a) Where the impact of rapid,
5 sudden population growth threatens to develop open space land that otherwise
6 would remain free of urban development, the department may make grants to an
7 oil-development impacted municipality contributing an equal amount for the
8 acquisition or improvement of open space or greenbelt lands, recreation
9 facilities, parks or wildlife refuges.

10 (b) No grant under this section may exceed \$500,000.

11 (c) Grants made under this section may not be used directly or indirectly
12 to reduce current municipal tax rates or to retire existing bonded indebted-
13 ness.

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

17 * Sec. 5. ACCOUNTABILITY FOR GRANTS. (a) A municipality receiving a
18 direct pipeline impact grant under ch. 147, SLA 1974 shall submit a financial
19 report covering the expenditure of the direct pipeline impact grant before a
20 grant may be received under this Act.

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

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

25 (1) maintain a separate account for the grants received under
26 this Act;

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

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

1 * Sec. 6. POPULATION. A municipality shall submit estimated population
2 and population growth figures to the department. These population and
3 population growth figures are subject to review and approval by the depart-
4 ment. The decisions of the department as to population and population growth
5 figures are final.

6 * Sec. 7. REGULATIONS. The department may adopt regulations necessary
7 to carry out the purpose of this Act.

8 * Sec. 8. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND LOANS. When
9 the federal government or an agency or officer of the federal government
10 offers to the state, or through the state to a municipality, services, equip-
11 ment, supplies, materials, or funds by way of gift, grant, or loan, for the
12 purpose of alleviating the social or economic impact resulting from oil
13 development construction, the state acting through the commissioner of
14 community and regional affairs, or the municipality acting through its
15 executive officer or governing body, may accept the offer subject to the
16 terms of the offer and the rules and regulations of the agency making the
17 offer.

18 * Sec. 9. SPECIAL LEGISLATIVE OIL-DEVELOPMENT IMPACT REVIEW COMMITTEE.
19 There is established the Special Legislative Oil-development Impact Review
20 Committee composed of three members of the senate appointed by the president
21 of the senate and three members of the house appointed by the speaker of the
22 house. The committee shall select its own chairman.

23 * Sec. 10. TERM OF MEMBERSHIP. The committee shall be organized within
24 15 days after the organization of each legislature. Members serve for the
25 duration of the legislature during which they are appointed. If they are
26 reelected or their term of office extends into the next succeeding legisla-
27 ture, they continue to serve until reappointed or the appointment of their
28 successor. The first committee shall be appointed within 15 days of the
29 adjournment of the Second Special Session, Eighth Legislature.

1 * Sec. 11. MEETINGS. (a) The committee may meet during sessions of the
2 legislature and during the interim between sessions at such times and places
3 in the state as the chairman may determine. Members may receive, for the
4 minimum time required to get to and from meetings and for the period while
5 attending meetings, the same travel and per diem allowances provided by law
6 for members of the legislature when attending sessions, except that members
7 of the committee receive no per diem during legislative sessions other than
8 the per diem allowance paid to other members of the legislature.

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

11 * Sec. 12. DUTIES OF COMMITTEE. Grants under this Act shall be made by
12 the Department of Community and Regional Affairs at the direction of the
13 governor subject to approval of the Special Legislative Oil-development
14 Impact Review Committee.

15 * Sec. 13. DIVISION OF LEGISLATIVE FINANCE ASSISTANCE. The division of
16 legislative finance shall cooperate with the committee and shall furnish
17 technical assistance and personnel, if available, upon request.

18 * Sec. 14. DEFINITIONS. In this Act.

19 (1) "department" means the Department of Community and Regional
20 Affairs;

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

24 (3) "operating expenditures" means personal services, contractual
25 services, travel, commodities, and up to \$20,000 per item of equipment,
26 except that the term does not include any of these items if part of a capital
27 improvement expenditure; relocatable classrooms are not subject to the
28 \$20,000 limitation.

29 (4) "committee" means the Special Legislative Oil-Development

1 Impact Review Committee.

2 * Sec. 15. This Act takes effect on the day after its passage and
3 approval or on the day it becomes law without approval.

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