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Referred: Community & Regional
Affairs and Finance

1 IN THE HOUSE

BY FERGUSON, GUY AND PETERSEN

2 HOUSE BILL NO. 643

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing an optional basic grant to cities
7 as an alternative method of receiving payments of state
8 aid for miscellaneous municipal purposes; and providing
9 for an effective date."

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

11 * Section 1. AS 43.18 is amended by adding a new section to read:

12 Sec. 43.18.015. OPTIONAL BASIC GRANT. (a) During each fiscal
13 year, at the election of the governing body of a first or second class
14 city, as an alternative to receiving a state payment under sec. 10(a)
15 and (b) of this chapter, the state shall pay to a first or second class
16 city the sum of \$10,000 plus \$27 per capita as an optional basic grant
17 for miscellaneous municipal services, subject to the following limita-
18 tion: if a military reservation is located within a first or second
19 class city, the city is limited in its per capita entitlement portion
20 of the optional basic grant to 50 per cent of the population residing
21 on the military reservation.

22 (b) For the purpose of (a) of this section, population shall be
23 determined in the manner prescribed in sec. 10(c) of this chapter.

24 * Sec. 2. AS 43.18.020(b) is amended to read:

25 (b) The special municipal services account is established. Funds
26 to carry out the provisions of secs. [SEC.] 10 and 20 of this chapter
27 may be appropriated annually by the legislature to the account. If
28 amounts in the account are insufficient for the purpose of each local
29 government's share authorized under secs. [SEC.] 10 and 20 of this

1 chapter, such funds as are available shall be distributed pro rata among
2 eligible local governments.

3 * Sec. 3. AS 43.18.030(b) is amended to read:

4 (b) The governing body shall furnish the following notice with
5 tax statements mailed for the fiscal year for which aid is received
6 under this chapter:

7 "NOTICE TO TAXPAYER

8 For the current fiscal year the (city) (borough) has been
9 allocated the following amount of state aid for school and
10 municipal purposes under the Public School Foundation Program
11 (Alaska Statutes 14.17) and the revenue-sharing provisions
12 of Alaska Statutes 43.18:

13 SCHOOL AID \$

14 AID BASED ON MUNICIPAL SERVICES FURNISHED \$

15 (fire protection, police protection, air
16 or water pollution control, land use
17 planning, road maintenance, parks and
18 recreation, transportation facilities and
19 services, hospital operation); or

20 OPTIONAL BASIC GRANT

21 Total Aid \$

22 The millage equivalent of this state aid, based on the
23 present dollar value of a mill in the municipality, is
24 _____ mills."

25 * Sec. 4. This Act takes effect July 1, 1974.
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