

Original sponsor: Rules Committee
by request of the Special Petroleum
Impact Committee

Offered: 4/17/74
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 382

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to assisting oil-development impacted
7 municipalities; and providing for an effective date."

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

9 * Section 1. AS 44.19 is amended by adding new sections to read:

10 Sec. 44.19.581. PURPOSE. It is the purpose of the legislature to
11 provide temporary emergency financial assistance to municipalities in
12 order that they can meet certain extraordinary expenditures resulting
13 from oil-development construction. It is the further intention of the
14 legislature that the state respond promptly to the impact needs of
15 these municipalities.

16 Sec. 44.19.591. FORMULA GRANTS. (a) The Department of Community
17 and Regional Affairs shall make grants, subject to the provisions of
18 sec. 607 of this chapter, to an oil-development impacted municipality
19 demonstrating an annual population growth rate in excess of four per
20 cent of the base population.

21 (b) A municipality is eligible for a grant not to exceed an amount
22 equal to its annual population growth by June 30, 1975 in excess of the
23 four per cent growth rate standard established under (a) of this section
24 multiplied by its per capita general fund expenditures, excluding expendi-
25 tures for education, capital outlay and debt service, for the last
26 complete fiscal year preceding the effective date of this Act.

27 (c) Grants made under this section may be expended only for
28 operating expenditures for municipal services.

29 (d) The base population for measuring the annual population growth

1 rate, for purposes of this section, is the population of the municipality
2 on January 1, 1973.

3 (e) Grants may be made quarterly based upon quarterly population
4 estimates.

5 (f) A municipality may receive, as a prepayment, up to 50 per cent
6 of the amount it will be entitled to under this section upon certifica-
7 tion by the agency that the municipality will more likely than not meet
8 the standards set out in this section.

9 Sec. 44.19.593. DISCRETIONARY GRANTS. The department may make
10 grants, subject to the provisions of sec. 607 of this chapter, to
11 an oil-development impacted municipality demonstrating extraordinary
12 municipal operating expenditures which are beyond its reasonable
13 capability to meet from growth in receipts from current municipal
14 revenue sources. Grants made under this section may be expended only
15 for operating expenditures for municipal services.

16 Sec. 44.19.595. CAPITAL IMPROVEMENT LOANS. (a) The department
17 may make loans, subject to the provisions of sec. 607 of this chapter,
18 to an oil-development impacted municipality demonstrating extraordinary
19 municipal capital improvement needs which are beyond its reasonable
20 capability to meet from short-term receipts from current municipal
21 revenue sources and for which no other funds are reasonably available.

22 (b) The department shall establish the terms and conditions of
23 the loans, but interest may not be charged in excess of the average
24 rate the state is paying on its obligations plus one-quarter of one
25 per cent.

26 Sec. 44.19.597. REGULATIONS. The department may adopt regulations
27 necessary to carry out the purpose of secs. 581 - 613 of this chapter.

28 Sec. 44.19.599. AUTHORITY TO ACCEPT SERVICE, GIFTS, GRANTS, AND
29 LOANS. When the federal government or an agency or officer of the
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1 federal government offers to the state, or through the state to a muni-
2 cipality, services, equipment, supplies, materials, or funds by way of
3 gift, grant, or loan, for the purpose of alleviating the social or
4 economic impact resulting from oil development construction, the state
5 acting through the director, or the municipality acting through its
6 executive officer or governing body, may accept the offer subject to
7 the terms of the offer and the rules and regulations of the agency
8 making the offer.

9 Sec. 44.19.601. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW COM-
10 MITTEE. There is established the Special Legislative Oil-development
11 Impact Review Committee composed of three members of the senate
12 appointed by the president of the senate and three members of the house
13 appointed by the speaker of the house. The committee shall select its
14 own chairman.

15 Sec. 44.19.603. TERM OF MEMBERSHIP. The committee shall be
16 organized within 15 days after the organization of each legislature.
17 Members serve for the duration of the legislature during which they are
18 appointed. If they are reelected or their term of office extends into
19 the next succeeding legislature, they continue to serve until reappointed
20 or the appointment of their successor.

21 Sec. 44.19.605. MEETINGS. (a) The committee may meet during
22 sessions of the legislature and during the interim between sessions at
23 such times and places in the state as the chairman may determine.
24 Members may receive, for the minimum time required to get to and from
25 meetings and for the period while attending meetings, the same travel
26 and per diem allowances provided by law for members of the legislature
27 when attending sessions, except that members of the committee receive
28 no per diem during legislative sessions other than the per diem allow-
29 ance paid to other members of the legislature.

1 (b) A majority of the members of the committee constitutes a
2 quorum for the purpose of carrying out its duties under sec. 607 of this
3 chapter.

4 Sec. 44.19.607. DUTIES OF COMMITTEE. The committee shall review
5 and approve or disapprove, in whole or in part, the decisions made by
6 the department under secs. 591 - 595 of this chapter.

7 Sec. 44.19.609. DIVISION OF LEGISLATIVE FINANCE ASSISTANCE. The
8 division of legislative finance shall cooperate with the committee and
9 shall furnish technical assistance and personnel, if available, upon
10 request.

11 Sec. 44.19.611. DEFINITIONS. In secs. 581 - 613 of this chapter

12 (1) "department" means the Department of Community and
13 Regional Affairs;

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

17 (3) "operating expenditures" means personal services, con-
18 tractual services, travel, commodities, and up to \$20,000 per item of
19 equipment, except that the term does not include any of these items if
20 part of a capital improvement expenditure;

21 (4) "population" means nonmilitary population as determined
22 by the Department of Community and Regional Affairs;

23 (5) "quarter" means a period beginning January 1, April 1,
24 July 1, and October 1 of a calendar year.

25 Sec. 44.19.613. TERMINATION DATE FOR APPLICATIONS. The agency
26 may not approve an application for a grant or loan under secs. 591 - 595
27 of this chapter after midnight of June 30, 1975.

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