

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  
11 to provide temporary emergency financial assistance to municipalities  
12 in order that they can meet certain extraordinary expenditures result-  
13 ing from oil-development construction. It is the further intention of  
14 the 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 three per  
20 cent of the base population.

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

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

1 other provisions of this section, grants may also be made to facilities  
2 qualified under AS 43.18.010(1) if previously approved by the  
3 Municipal Comprehensive Health Planning Agency not to exceed the  
4 maximum amount set forth in AS 43.18.010(j).

5 (d) The base population for measuring the annual population  
6 growth rate, for purposes of this section, is the population of the  
7 municipality on January 1, 1973.

8 (e) Grants may be made quarterly based upon quarterly population  
9 estimates.

10 (f) A municipality may receive, as a prepayment, up to 50 per  
11 cent of the amount it will be entitled to under this section upon  
12 certification by the agency that the municipality will more likely  
13 than not meet the standards set out in this section.

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

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

27 (b) The department shall establish the terms and conditions of  
28 the loans, but interest may not be charged in excess of the average  
29 rate the state is paying on its obligations plus one-quarter of one

1 percent.

2 Sec. 44.19.597. REGULATIONS. The department may adopt regula-  
3 tions necessary to carry out the purpose of secs. 581 - 613 of this  
4 chapter.

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

15 Sec. 44.19.601. SPECIAL LEGISLATIVE PIPELINE IMPACT REVIEW COM-  
16 MITTEE. There is established the Special Legislative Oil-development  
17 Impact Review Committee composed of three members of the senate  
18 appointed by the president of the senate and three members of the  
19 house appointed by the speaker of the house. The committee shall  
20 select its own chairman.

21 Sec. 44.19.603. TERM OF MEMBERSHIP. The committee shall be  
22 organized within 15 days after the organization of each legislature.  
23 The first committee shall be appointed within 15 days after the effec-  
24 tive date of this Act. Members serve for the duration of the legisla-  
25 ture during which they are appointed. If they are reelected or their  
26 term of office extends into the next succeeding legislature, they  
27 continue to serve until reappointed or the appointment of their  
28 successor.

29 Sec. 44.19.605. MEETINGS. (a) The committee may meet during

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

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

12 Sec. 44.19.607. DUTIES OF COMMITTEE. The committee shall review  
13 and approve or disapprove, in whole or in part, prior to final action  
14 by the department, the decisions made by the department under secs.  
15 591 - 595 of this chapter.

16 Sec. 44.19.609. DIVISION OF LEGISLATIVE FINANCE ASSISTANCE. The  
17 division of legislative finance shall cooperate with the committee and  
18 shall furnish technical assistance and personnel, if available, upon  
19 request.

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

21 (1) "department" means the Department of Community and  
22 Regional Affairs;

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

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

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(4) "population" means nonmilitary population as determined by the Department of Community and Regional Affairs and approved by the Special Legislative Oil-development Impact Review Committee;

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

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

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