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Referred: Community and  
Regional Affairs and  
Finance

1 IN THE SENATE

BY FERGUSON, HOHMAN AND SACKETT

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SENATE BILL NO. 105

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

NINTH LEGISLATURE - FIRST 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."

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

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

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

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

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

(b) The special municipal services account is established. Funds  
to carry out the provision of secs. [SEC.] 10 and 15 of this chapter  
may be appropriated annually by the legislature to the account. If  
amounts in the account are insufficient for the purpose of each local  
government's share authorized under secs. [SEC.] 10 and 15 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); <u>or</u>	
20	<u>OPTIONAL BASIC GRANT</u>	
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, 1975.  
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