

Introduced: 6/23/81
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY METCALFE

2 HOUSE BILL NO. 618

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state aid to municipalities for
7 capital projects; and providing for an effective
8 date."

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

10 * Section 1. AS 29 is amended by adding a new chapter to read:

11 CHAPTER 96. STATE AID FOR CAPITAL PROJECTS.

12 Sec. 29.96.010. AID FOR CAPITAL PROJECTS. (a) During each
13 fiscal year the Department of Administration shall compute and pay an
14 entitlement to each qualified municipality. The entitlement shall be
15 used for capital projects at the discretion of the municipality. The
16 entitlement shall be computed in accordance with (b) of this section,
17 and is payable by the Department of Administration in accordance with
18 (c) of this section.

19 (b) The amount of an entitlement to a municipality under this
20 section shall be computed in accordance with the following formula:

21
$$\frac{TA}{TP} \times P = \text{entitlement}$$

22 where

23 TA = the total amount of money available for distribution as
24 entitlements during the fiscal year;

25 TP = the total population of all municipalities that qualify for
26 an entitlement during the fiscal year; and

27 P = the population of the municipality for which the entitlement
28 is being computed.

29 (c) A municipality qualifies to receive money as an entitlement

1 under this section if it provides to the Department of Administration a
2 copy of an ordinance or resolution adopted by it that

3 (1) authorizes the municipality to receive and spend the
4 money to be provided by the entitlement;

5 (2) identifies the capital projects for which the money will
6 be spent; and

7 (3) indicates the total amount of money from the entitlement
8 that will be used for each capital project.

9 (d) A municipality may provide a grant of money received under
10 this section to a nonprofit corporation for any capital project of the
11 nonprofit corporation that serves a public purpose.

12 Sec. 29.96.020. DETERMINATION OF POPULATION. (a) For purposes
13 of this chapter, the population of a municipality shall be determined
14 from the latest figures of the United States Bureau of the Census.

15 (b) For purposes of determining the population of a home rule or
16 general law borough, the population of each city located within the
17 boundaries of the borough shall be subtracted from the population of
18 the borough.

19 Sec. 29.96.030. CAPITAL PROJECTS AID ACCOUNT. The capital
20 projects aid account is established in the Department of Administration.
21 Each fiscal year the legislature may appropriate the proceeds of an
22 increase effective after January 1, 1981, in a tax imposed under AS 43.-
23 55.011 or 43.55.016, to the account for distribution as authorized in
24 AS 29.96.010.

25 Sec. 29.96.040. DEFINITIONS. In this chapter,

26 (1) "capital project" means

27 (A) a public facility; or

28 (B) equipment that may be necessary to construct,
29 operate, or maintain a public facility or service;

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(2) "municipality" means a city, borough, or unified municipality incorporated under state law and includes home rule and general law municipalities.

* Sec. 2. AS 29.96.030 is amended to read:

Sec. 29.96.030. CAPITAL PROJECTS AID ACCOUNT. The capital projects aid account is established in the Department of Administration. Each fiscal year the legislature shall [MAY] appropriate the proceeds of an increase effective after January 1, 1981, in a tax imposed under AS 43.55.011 or 43.55.016, to the account for distribution as authorized in AS 29.96.010.

* Sec. 3. Section 1 of this Act takes effect July 1, 1982.

* Sec. 4. Section 2 of this Act takes effect on the effective date of an amendment to the Constitution of the State of Alaska authorizing the dedication of proceeds of an increase in a severance tax on oil and gas production for municipal purposes.