

Introduced: 2/12/82
Referred: State Affairs,
Community & Regional Affairs
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 764

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state grants; and providing for an
7 effective date."

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

9 * Section 1. AS 37.05 is amended by adding a new section to read:

10 Sec. 37.05.314. STATE GRANT CONTRACTS. (a) Money may not be paid
11 or disbursed under a state grant to a municipality under AS 37.05.315 or
12 to an unincorporated community under AS 37.05.316 or under a special
13 purpose state grant under AS 37.05.317 until the municipality or other
14 grant administrator executes a grant contract which states the specific
15 public purposes of the grant and provides that the municipality or other
16 grant administrator (1) will spend the grant money for the public pur-
17 pose specified in the appropriation or allocation of the money; (2) will
18 allow, on request, an audit by the state of the uses made of the grant
19 money; (3) assures that, to the extent consistent with the specified
20 public purpose of the appropriation or allocation, the facilities and
21 services provided with the grant will be available for the use of the
22 general public; and (4) assures that the grant money will be used with-
23 out any discrimination which violates art. I., sec. 3 of the Alaska
24 Constitution.

25 (b) A grant contract required by this section must be prepared and
26 forwarded to a municipality or other grant administrator within 90 days
27 after the Department of Community and Regional Affairs receives an
28 acceptable proposal which describes in detail how the grant money will
29 be used. The grant contract must be on a form provided by the depart-

1 ment, and must provide for a payment schedule and performance monitoring
2 procedures.

3 (c) An appropriation or allocation for a grant for the construc-
4 tion of a public facility lapses if substantial, ongoing work on the
5 project has not begun within five years after the effective date of the
6 appropriation or allocation. The contract for a grant described in this
7 subsection must include terms consistent with this subsection.

8 (d) A grant contract for purchase or construction of a public
9 facility must provide that (1) the municipality or other grant adminis-
10 trator will operate and maintain the facility for the practical life of
11 the facility and will not look to the state to operate or maintain the
12 facility or pay for its operation or maintenance; and (2) the public
13 facility will revert to the state immediately upon violation of the
14 provision of the contract which requires that the facility be available
15 for the use of the general public.

16 (e) The requirements of (d)(1) of this section do not apply to a
17 grant of money for repair or minor improvement of an existing facility
18 operated or maintained by the state at the time the grant is made, if
19 the repair or improvement for which the grant is made will not substan-
20 tially increase the operating or maintenance costs to the state.

21 (f) A grant contract with a grant administrator other than a
22 municipality may include provisions establishing procedures for the
23 receipt of comments from the public concerning the performance of the
24 grant contract.

25 (g) Upon a finding by the commissioner of community and regional
26 affairs that a municipality or other grant administrator has misused
27 state grant money or violated the terms of a grant contract, the depart-
28 ment may recover any money paid under the grant, terminate any other
29 grant contracts with the same administrator, and withhold the award of

1 any other grant contracts to that administrator.

2 * Sec. 2. AS 37.05.315 is repealed and reenacted to read:

3 Sec. 37.05.315. STATE GRANTS TO MUNICIPALITIES. If money is
4 appropriated as a grant to a municipality, the Department of Community
5 and Regional Affairs shall promptly notify the municipality of the
6 availability of the grant. If the department receives a contract execu-
7 ted by the municipality which satisfies the requirements of AS 37.05.-
8 314, the department shall begin payment of the grant money according to
9 the schedule established in the contract.

10 * Sec. 3. AS 37.05.316 is repealed and reenacted to read:

11 Sec. 37.05.316. STATE GRANTS TO UNINCORPORATED COMMUNITIES. (a)
12 If money is appropriated or allocated as a grant to an unincorporated
13 community in the unorganized borough, the Department of Community and
14 Regional Affairs shall select a grant administrator according to the
15 following procedure:

16 (1) Within 45 days after the effective date of the appropri-
17 ation or allocation, the department shall notify the unincorporated
18 community that a grant is available by publishing the notice in a news-
19 paper which is distributed in the community or by prominently posting
20 the notice in at least one public place within the community. The
21 department shall also mail the notice to any person who or organization
22 which has requested notice of grants available to the particular unin-
23 corporated community.

24 (2) The notice must state the amount of grant money available
25 and the purpose for which the grant money may be spent. The notice must
26 also request all entities which are interested in administering the
27 grant, to submit proposals before a specific deadline which is stated in
28 the notice.

29 (3) Within a time period established by the department and

1 stated in the notice, the department shall review all proposals received
2 and determine which proposal will best meet the needs of the community.
3 The department shall give preference to a proposal from a non-profit
4 corporation organized by a community for receipt of a grant or from a
5 village council under (b) of this section.

6 (4) If no entity is determined by the department to be quali-
7 fied and willing to administer a grant for a particular unincorporated
8 community, the grant money for that community may not be paid.

9 (b) The Department of Community and Regional Affairs may not
10 accept a proposal for a grant contract under (a) of this section from an
11 Alaska Native village council, unless the council waives any immunity
12 from suit which it might have. The waiver must apply to all claims
13 arising out of the activities of the council under the grant contract,
14 and it must be on a standard form provided by the Department of Law.
15 Neither this subsection nor any action taken under it enlarges or dimin-
16 ishes such governmental authority or jurisdiction as the various Alaska
17 Native village councils might have.

18 (c) When the Department of Community and Regional Affairs receives
19 a contract which has been executed by a selected entity and which satis-
20 fies the requirements of AS 37.15.314, the department shall begin pay-
21 ment of the grant money according to the schedule established in the
22 contract.

23 * Sec. 4. AS 37.05.317 is repealed and reenacted to read:

24 Sec. 37.05.317. OTHER GRANTS. (a) When money is appropriated or
25 allocated to a department for grants to accomplish specific public
26 purposes, other than grants to a municipality or unincorporated commu-
27 nity, the department shall select a grant administrator according to the
28 following procedure:

29 (1) Within 45 days after the effective date of the appropri-

1 ation or allocation, the department shall publish, in at least one
2 newspaper distributed in each judicial district, a notice that the grant
3 is available. The department shall also mail the notice to any person
4 or organization which has requested notice of available grants for the
5 particular public purpose.

6 (2) The notice must state the amount of grant money available
7 and the purpose for which the grant money may be spent. The notice must
8 also request all entities which are interested in administering the
9 grant to submit proposals before a specific deadline which is stated in
10 the notice.

11 (3) Within a time period established by the department and
12 stated in the notice, the department shall review all proposals received
13 and determine which proposal best satisfies the specified public purpose
14 of the grant.

15 (b) When the department to which the grant money is appropriated
16 receives a contract which has been executed by the selected grantee and
17 which satisfies the requirements of AS 37.05.314, the department shall
18 begin payment of the grant money according to the schedule established
19 in the contract.

20 * Sec. 5. This Act takes effect July 1, 1982.
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