

Introduced: 2/9/81
Referred: Community & Regional Affairs
and Finance

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1 IN THE SENATE

2 SENATE BILL NO. 168

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act establishing a special municipal aid program;
7 and providing for an effective date."

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

9 * Section 1. MUNICIPAL AID PROGRAM. (a) During the fiscal year ending
10 June 30, 1981, the department shall compute and pay an entitlement to each
11 qualified municipality. The entitlement shall be used for capital projects
12 at the discretion of the municipality. The entitlement shall be computed in
13 accordance with (b) of this section.

14 (b) Within the limits of appropriations for the purpose, each munici-
15 pality is entitled to receive \$1,000 per person residing within the bound-
16 aries of the municipality, or \$25,000, whichever is greater.

17 (c) To qualify for an entitlement under this section, a municipality
18 which levies taxes must agree to collect no more than 80 percent of the
19 sales and use taxes levied in 1981, or no more than 80 percent of the taxes
20 levied on real property in 1981. This eligibility requirement does not
21 apply to a tax levied on oil and gas production and pipeline property under
22 AS 29.53.045 or to a tax levied on unimproved land. The agreement must be
23 submitted in writing to the department by October 1, 1981.

24 (d) Within the limits of appropriations for the purpose, the depart-
25 ment shall compute an entitlement for the unorganized borough of \$1,000 per
26 person residing within the unorganized borough. The department shall admin-
27 ister the entitlement for the unorganized borough and disburse money from
28 the entitlement for capital projects in the unorganized borough upon autho-
29 rization of the legislature.

1 * Sec. 2. DETERMINATION OF POPULATION. For purposes of this Act, the
2 population of a municipality and of the unorganized borough shall be deter-
3 mined from the latest figures of the United States Bureau of the Census or
4 other population data which, in the judgment of the department is reliable.
5 For purposes of determining the population of a home rule or general law
6 borough, the population of each city located within the boundaries of the
7 borough shall be subtracted from the population of the borough.

8 * Sec. 3. MUNICIPAL AID ACCOUNT. The municipal aid account is estab-
9 lished in the department. Money to carry out the provisions of this Act
10 shall be appropriated to the account and distributed by the department as
11 authorized under sec. 1 of this Act. If the amount appropriated to the
12 account is not sufficient to finance all entitlements, the amount appropri-
13 ated shall be distributed pro rata among eligible municipalities and the
14 unorganized borough. If the amount appropriated to the account exceeds the
15 amount authorized for entitlements under sec. 1 of this Act, the excess
16 money lapses into the general fund on June 30, 1982.

17 * Sec. 4. DEFINITIONS. In this Act

18 (1) "department" means the Department of Community and Regional
19 Affairs;

20 (2) "municipality" means a city, borough, or unified municipality
21 incorporated under state law and includes home rule and general law munici-
22 palities.

23 * Sec. 5. This Act terminates July 1, 1982.

24 * Sec. 6. This Act takes effect July 1, 1981.

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